

(B) the results achieved from weapon system component prototype and technology projects completed and tested during the preceding six months.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2257.)

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 2447a of this title.

**§ 2447c. Requirements and limitations for weapon system component or technology prototype projects**

(a) LIMITATION ON PROTOTYPE PROJECT DURATION.—A prototype project shall be completed within two years of its initiation.

(b) MERIT-BASED SELECTION PROCESS.—A prototype project shall be selected by the service acquisition executive of the military department concerned through a merit-based selection process that identifies the most promising, innovative, and cost-effective prototypes that address one or more of the elements set forth in subsection (c)(1) of section 2447b of this title and are expected to be successfully demonstrated in a relevant environment.

(c) TYPE OF TRANSACTION.—Prototype projects shall be funded through contracts, cooperative agreements, or other transactions.

(d) FUNDING LIMIT.—(1) Each prototype project may not exceed a total amount of \$10,000,000 (based on fiscal year 2017 constant dollars), unless—

(A) the Secretary of the military department, or the Secretary's designee, approves a larger amount of funding for the project, not to exceed \$50,000,000; and

(B) the Secretary, or the Secretary's designee, submits to the congressional defense committees, within 30 days after approval of such funding for the project, a notification that includes—

- (i) the project;
- (ii) expected funding for the project; and
- (iii) a statement of the anticipated outcome of the project.

(2) The Secretary of Defense may adjust the amounts (and the base fiscal year) provided in paragraph (1) on the basis of Department of Defense escalation rates.

(e) RELATED PROTOTYPE AUTHORITIES.—Prototype projects that exceed the duration and funding limits established in this section shall be pursued under the rapid prototyping process established by section 804 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92; 10 U.S.C. 2302 note). In addition, nothing in this subchapter shall affect the authority to carry out prototype projects under section 2371b or any other section of this title related to prototyping.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2258.)

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 2447a of this title.

**§ 2447d. Mechanisms to speed deployment of successful weapon system component or technology prototypes**

(a) SELECTION OF PROTOTYPE PROJECT FOR PRODUCTION AND RAPID FIELDING.—A weapon system component or technology prototype project may be selected by the service acquisition executive of the military department concerned for a follow-on production contract or other transaction without the use of competitive procedures, notwithstanding the requirements of section 2304 of this title, if—

(1) the follow-on production project addresses a high priority warfighter need or reduces the costs of a weapon system;

(2) competitive procedures were used for the selection of parties for participation in the original prototype project;

(3) the participants in the original prototype project successfully completed the requirements of the project; and

(4) a prototype of the system to be procured was demonstrated in a relevant environment.

(b) SPECIAL TRANSFER AUTHORITY.—(1) The Secretary of a military department may, as specified in advance by appropriations Acts, transfer funds that remain available for obligation in procurement appropriation accounts of the military department to fund the low-rate initial production of the rapid fielding project until required funding for full-rate production can be submitted and approved through the regular budget process of the Department of Defense.

(2) The funds transferred under this subsection to fund the low-rate initial production of a rapid fielding project shall be for a period not to exceed two years, the amount for such period may not exceed \$50,000,000, and the special transfer authority provided in this subsection may not be used more than once to fund procurement of a particular new or upgraded system.

(3) The special transfer authority provided in this subsection is in addition to any other transfer authority available to the Department of Defense.

(c) NOTIFICATION TO CONGRESS.—Within 30 days after the service acquisition executive of a military department selects a weapon system component or technology project for a follow-on production contract or other transaction, the service acquisition executive shall notify the congressional defense committees of the selection and provide a brief description of the rapid fielding project.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2259.)

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 2447a of this title.

**§ 2447e. Definition of weapon system component**

In this subchapter, the term “weapon system component” has the meaning given the term “major system component” in section 2446a of this title.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2259.)

## EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 2447a of this title.

### SUBCHAPTER III—COST, SCHEDULE, AND PERFORMANCE OF MAJOR DEFENSE ACQUISITION PROGRAMS

Sec.

- 2448a. Program cost, fielding, and performance goals in planning major defense acquisition programs.
- 2448b. Independent technical risk assessments.

#### § 2448a. Program cost, fielding, and performance goals in planning major defense acquisition programs

(a) PROGRAM COST AND FIELDING TARGETS.—(1) Before funds are obligated for technology development, systems development, or production of a major defense acquisition program, the Secretary of Defense shall ensure, by establishing the goals described in paragraph (2), that the milestone decision authority for the major defense acquisition program approves a program that will—

(A) be affordable;

(B) incorporate program planning that anticipates the evolution of capabilities to meet changing threats, technology insertion, and interoperability; and

(C) be fielded when needed.

(2) The goals described in this paragraph are goals for—

(A) the procurement unit cost and sustainment cost (referred to in this section as the “program cost targets”);

(B) the date for initial operational capability (referred to in this section as the “fielding target”); and

(C) technology maturation, prototyping, and a modular open system approach to evolve system capabilities and improve interoperability.

(b) DELEGATION.—The responsibilities of the Secretary of Defense in subsection (a) may be delegated only to the Deputy Secretary of Defense.

(c) DEFINITIONS.—In this section:

(1) The term “procurement unit cost” has the meaning provided in section 2432(a)(2) of this title.

(2) The term “initial capabilities document” has the meaning provided in section 2366a(d)(2) of this title.

(Added Pub. L. 114-328, div. A, title VIII, § 807(a)(1), Dec. 23, 2016, 130 Stat. 2260.)

## EFFECTIVE DATE

Pub. L. 114-328, div. A, title VIII, § 807(a)(2), Dec. 23, 2016, 130 Stat. 2261, provided that: “Subchapter III of chapter 144B of title 10, United States Code, as added by paragraph (1), shall apply with respect to major defense acquisition programs that reach Milestone A after October 1, 2017.”

## PROGRAM COST AND FIELD TARGETS

Pub. L. 114-328, div. A, title IX, § 925(b), Dec. 23, 2016, 130 Stat. 2361, provided that: “The Secretary of Defense shall establish a process to develop program cost and

fielding targets pursuant to section 2448a of title 10, United States Code, that—

“(1) is co-chaired by the Deputy Secretary of Defense and the Vice Chairman of the Joint Chiefs of Staff;

“(2) is supported by—

“(A) the Joint Staff, to provide expertise on joint military capabilities, capability gaps, and performance requirements;

“(B) the Office of Cost Assessment and Program Evaluation, to provide expertise in resource allocation, operations research, systems analysis, and cost estimation; and

“(C) other Department of Defense organizations determined appropriate by the Secretary; and

“(3) ensures that appropriate trade-offs are made among life-cycle cost, schedule, and performance objectives and procurement quantity objectives.”

#### § 2448b. Independent technical risk assessments

(a) IN GENERAL.—With respect to a major defense acquisition program, the Secretary of Defense shall ensure that an independent technical risk assessment is conducted—

(1) before any decision to grant Milestone A approval for the program pursuant to section 2366a of this title, that identifies critical technologies and manufacturing processes that need to be matured; and

(2) before any decision to grant Milestone B approval for the program pursuant to section 2366b of this title, any decision to enter into low-rate initial production or full-rate production, or at any other time considered appropriate by the Secretary, that includes the identification of any critical technologies or manufacturing processes that have not been successfully demonstrated in a relevant environment.

(b) CATEGORIZATION OF TECHNICAL RISK LEVELS.—The Secretary shall issue guidance and a framework for categorizing the degree of technical and manufacturing risk in a major defense acquisition program.

(Added Pub. L. 114-328, div. A, title VIII, § 807(a)(1), Dec. 23, 2016, 130 Stat. 2261.)

## EFFECTIVE DATE

Section applicable with respect to major defense acquisition programs that reach Milestone A after Oct. 1, 2017, see section 807(a)(2) of Pub. L. 114-328, set out as a note under section 2448a of this title.

### CHAPTER 145—CATALOGING AND STANDARDIZATION

Sec.

2451. Defense supply management.
2452. Duties of Secretary of Defense.
2453. Supply catalog: distribution and use.
2454. Supply catalog: new or obsolete items.
- [2455. Repealed.]
2456. Coordination with General Services Administration.
2457. Standardization of equipment with North Atlantic Treaty Organization members.
2458. Inventory management policies.

## AMENDMENTS

1990—Pub. L. 101-510, div. A, title III, § 323(a)(2), title XIII, § 1331(6), Nov. 5, 1990, 104 Stat. 1530, 1673, struck out item 2455 “Reports to Congress” and added item 2458.

1982—Pub. L. 97-295, § 1(30)(B), Oct. 12, 1982, 96 Stat. 1296, added item 2457.