

when the price of such part or equipment, since a time in the past specified by the Secretary (in terms of days or months) or since the most recent purchase of such part or equipment by the Department of Defense, has increased in price by a percentage in excess of a percentage threshold specified by the Secretary in such regulations, and

“(2) permit the purchase of such spare part or equipment (notwithstanding the prohibition contained in clause (1)) if the contracting officer for such part or equipment certifies in writing to the head of the procuring activity before the purchase is made that—

“(A) such officer has evaluated the price of such part or equipment and concluded that the increase in the price of such part or equipment is fair and reasonable, or

“(B) the national security interests of the United States require that such part or equipment be purchased despite the increase in price of such part or equipment.

“(b)(1) The Secretary shall publish the regulations issued under this section in the Federal Register.

“(2) The Secretary may provide in such regulations for the waiver of the prohibition in subsection (a)(1) and compliance with the requirements of subsection (a)(2) in the case of a purchase of any spare part or replacement equipment made or to be made through competitive procedures.

“(c) Not less than 30 days before the Secretary publishes such regulations in accordance with subsection (b), the Secretary shall submit the text of the proposed regulations to the Committees on Armed Services of the Senate and House of Representatives.”

REPORT ON MANAGEMENT OF ACQUISITION OF SPARE PARTS

Pub. L. 98-94, title XII, §1216, Sept. 24, 1983, 97 Stat. 688, directed Secretary of Defense to submit to Congress, by June 1, 1984, a comprehensive report on management by Department of Defense of acquisition of initial and replenishment spare parts and on status of efforts within Department (including particularly the Defense Logistics Agency and the military departments) to correct problems associated with increased costs of such parts, directed Secretary, not later than Dec. 1, 1983, to submit to Congress an interim report stating briefly the actions being taken by the Department to improve acquisition and management of spare parts, and directed Secretary to put into effect at the earliest practicable date policies and procedures to achieve a long-term solution to problems relating to excessive costs of, and long lead times in the acquisition of, initial and replenishment spare parts.

§ 2453. Supply catalog: distribution and use

The Secretary of Defense shall distribute the parts of the supply catalog described in section 2451 of this title as they are completed. Existing catalogs shall be replaced according to schedules established by the Secretary. After replacement no other supply catalog may be used within the Department of Defense with respect to the kinds of items covered by that part. All property reports and records shall use the nomenclature, item numbers, and descriptive data of the supply catalog.

(Aug. 10, 1956, ch. 1041, 70A Stat. 139.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised section, Source (U.S. Code), Source (Statutes at Large). Row 1: 2453, 5:173d, July 1, 1952, ch. 539, § 6, 66 Stat. 320; 1953 Reorg. Plan No. 6, § 1(a) (as applicable to Defense Supply Management Agency), eff. June 30, 1953, 67 Stat. 638.

The words “and ready for use” and “all departments, bureaus, and services” are omitted as surplusage. The words “After replacement” are substituted for the word “Thereafter”. The words “with respect to the kinds of items covered by that part” are inserted for clarity.

§ 2454. Supply catalog: new or obsolete items

(a) After any part of the supply catalog described in section 2451 of this title is distributed, and with respect to the kinds of items covered by that part, only the items listed in it may be procured for recurrent use in the Department of Defense. However, a military department may acquire any new item that is necessary to carry out its mission. As soon as such an item is acquired, it shall be submitted to the Secretary for inclusion in the catalog and the standardization program.

(b) Obsolete items may be deleted from the catalog at any time.

(Aug. 10, 1956, ch. 1041, 70A Stat. 140.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised section, Source (U.S. Code), Source (Statutes at Large). Row 1: 2454(a), 5:173e (less last 5 words of 1st proviso), July 1, 1952, ch. 539, § 7, 66 Stat. 320; 1953 Reorg. Plan No. 6, § 1(a) (as applicable to Defense Supply Management Agency), eff. June 30, 1953, 67 Stat. 638.

In subsection (a), the words “After any part * * * is distributed” are substituted for the words “Following the publication and promulgation * * * or portions thereof”. The words “and with respect to the kinds of items covered by that part” are inserted for clarity. The word “recurrent” is substituted for the word “repetitive”. The words “the departments, bureaus, and services of” are omitted as surplusage. The second sentence of the revised subsection is substituted for 5:173e (1st proviso, less last 5 words; and 2d proviso).

In subsection (b), the words “at any time” are inserted for clarity.

§ 2455. Repealed. Pub. L. 101-510, div. A, title XIII, § 1322(a)(9), Nov. 5, 1990, 104 Stat. 1671]

Section, acts Aug. 10, 1956, ch. 1041, 70A Stat. 140; Jan. 2, 1975, Pub. L. 93-608, §2(2), 88 Stat. 1971; Dec. 21, 1982, Pub. L. 97-375, title II, §203(c), 96 Stat. 1823, related to reports on cataloging supplies for Department of Defense.

§ 2456. Coordination with General Services Administration

To avoid unnecessary duplication, the Administrator of General Services and the Secretary of Defense shall coordinate the cataloging and standardization activities of the General Services Administration and the Department of Defense.

(Aug. 10, 1956, ch. 1041, 70A Stat. 140.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised section, Source (U.S. Code), Source (Statutes at Large). Row 1: 2456, 5:173i, July 1, 1952, ch. 539, § 11, 66 Stat. 320.

§ 2457. Standardization of equipment with North Atlantic Treaty Organization members

(a) It is the policy of the United States to standardize equipment, including weapons sys-

tems, ammunition, and fuel, procured for the use of the armed forces of the United States stationed in Europe under the North Atlantic Treaty or at least to make that equipment interoperable with equipment of other members of the North Atlantic Treaty Organization. To carry out this policy, the Secretary of Defense shall—

(1) assess the costs and possible loss of non-nuclear combat effectiveness of the military forces of the members of the Organization caused by the failure of the members to standardize equipment;

(2) maintain a list of actions to be taken, including an evaluation of the priority and effect of the action, to standardize equipment that may improve the overall nonnuclear defense capability of the Organization or save resources for the Organization; and

(3) initiate and carry out, to the maximum extent feasible, procurement procedures to acquire standardized or interoperable equipment, considering the cost, function, quality, and availability of the equipment.

(b) Progress in realizing the objectives of standardization and interoperability would be enhanced by expanded inter-Allied procurement of arms and equipment within the North Atlantic Treaty Organization. Expanded inter-Allied procurement would be made easier by greater reliance on licensing and coproduction cooperative agreements among the signatories of the North Atlantic Treaty. If constructed to preserve the efficiencies associated with economies of scale, the agreements could minimize potential economic hardship to parties to the agreements and increase the survivability, in time of war, of the North Atlantic Alliance's armaments production base by dispersing manufacturing facilities. In conjunction with other members of the Organization and to the maximum extent feasible, the Secretary shall—

(1) identify areas in which those cooperative agreements may be made with members of the Alliance; and

(2) negotiate those agreements.

(c)(1) It is the sense of Congress that weapons systems being developed wholly or primarily for employment in the North Atlantic Treaty Organization theater should conform to a common Organization requirement in order to proceed toward joint doctrine and planning and to facilitate maximum feasible standardization and interoperability of equipment, and that a common Organization requirement should be understood to include a common definition of the military threat to the members of the Organization.

(2) It is further the sense of Congress that standardization of weapons and equipment within the Organization on the basis of a "two-way street" concept of cooperation in defense procurement between Europe and North America can only work in a realistic sense if the European nations operate on a united and collective basis. Therefore, the governments of Europe are encouraged to accelerate their present efforts to achieve European armaments collaboration among all European members of the Organization.

[(d) Repealed. Pub. L. 108-136, div. A, title X, § 1031(a)(22), Nov. 24, 2003, 117 Stat. 1598.]

(e) If the Secretary decides that procurement of equipment manufactured outside the United States is necessary to carry out the policy of subsection (a), the Secretary may determine under section 8302 of title 41 that acquiring that equipment manufactured in the United States is inconsistent with the public interest.

(f) The Secretary shall submit the results of each assessment and evaluation made under subsection (a)(1) and (2) to the appropriate North Atlantic Treaty Organization body to become an integral part of the overall Organization review of force goals and development of force plans.

(Added Pub. L. 97-295, § 1(30)(A), Oct. 12, 1982, 96 Stat. 1294; amended Pub. L. 101-510, div. A, title XIII, § 1311(5), Nov. 5, 1990, 104 Stat. 1670; Pub. L. 104-106, div. A, title XV, § 1503(a)(24), Feb. 10, 1996, 110 Stat. 512; Pub. L. 108-136, div. A, title X, § 1031(a)(22), Nov. 24, 2003, 117 Stat. 1598; Pub. L. 111-350, § 5(b)(33), Jan. 4, 2011, 124 Stat. 3845.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2457(a)	10:2451 (note).	Aug. 5, 1974, Pub. L. 93-365, § 302(c) (1st-3d sentences), 88 Stat. 402. Oct. 7, 1975, Pub. L. 94-106, § 814(a)(1), 89 Stat. 540; restated July 14, 1976, Pub. L. 94-361, § 802, 90 Stat. 930.
2457(b)	10:2451 (note).	July 14, 1976, Pub. L. 94-361, § 803(b) (1st-4th sentences), 90 Stat. 931.
2457(c)	10:2451 (note).	July 14, 1976, Pub. L. 94-361, § 803(a) (1st, 2d sentences), (c), 90 Stat. 930, 931.
2457(d) (words before (1)), (1) (related to (a)(1) and (2)).	10:2451 (note).	Aug. 5, 1974, Pub. L. 93-365, § 302(c) (5th sentence), 88 Stat. 402; Oct. 7, 1975, Pub. L. 94-106, § 814(c), 89 Stat. 540.
2457(d)(1) (related to (a)(3)).	10:2451 (note).	July 14, 1976, Pub. L. 94-361, § 803(b) (last sentence), 90 Stat. 931.
2457(d)(2)	10:2451 (note).	Oct. 7, 1975, Pub. L. 94-106, § 814(b), 89 Stat. 540.
2457(d)(3)	10:2451 (note).	Oct. 7, 1975, Pub. L. 94-106, § 814(a)(3), 89 Stat. 540; restated July 14, 1976, Pub. L. 94-361, § 802, 90 Stat. 930.
2457(d) (4)-(6).	10:2451 (note).	July 14, 1976, Pub. L. 94-361, § 803(a) (3d-last sentences), 90 Stat. 930.
2457(d)(7), (8).	10:2451 (note).	Aug. 5, 1974, Pub. L. 93-365, 88 Stat. 399, § 302(c) (6th, last sentences); added Sept. 8, 1982, Pub. L. 97-252, § 1121, 96 Stat. 754.
2457(e)	10:2451 (note).	Oct. 7, 1975, Pub. L. 94-106, § 814(a)(2), 89 Stat. 540; restated July 14, 1976, Pub. L. 94-361, § 802, 90 Stat. 930.
2457(f)	10:2451 (note).	Aug. 5, 1974, Pub. L. 93-365, § 302(c) (4th sentence), 88 Stat. 402.

In the introductory matter of subsection (a), before clause (1), the word "equipment" is substituted for "impedimenta" in section 302(c) of the Department of Defense Appropriation Authorization Act, 1975 (Pub. L. 93-365, Aug. 5, 1974, 88 Stat. 402), for clarity and for consistency with section 814(a)(1) of the Department of Defense Appropriation Authorization Act, 1976 (Pub. L. 94-106, Oct. 7, 1975, 89 Stat. 540), which is restated as part of this subsection.

In subsection (a)(1), the word "undertake" is omitted as surplus. The word "members" is substituted for "countries" for consistency. The words "including the United States" are omitted as unnecessary.

In subsection (a)(2), the words “The Secretary of Defense shall also” are omitted as unnecessary. The word “maintain” is substituted for “develop” because it is more appropriate.

In subsection (a)(3), the words “of other members of the North Atlantic Treaty Organization whenever such equipment is to be used by personnel of the Armed Forces of the United States stationed in Europe under the terms of the North Atlantic Treaty” are omitted as unnecessary because of the restatement. The words “Such procedures shall also take into . . . to be procured” are omitted as unnecessary. The text of section 814(a)(1) (4th, last sentences) is omitted as executed.

In subsection (b), the words “It is the sense of the Congress”, “It is further the sense of Congress”, “It is the Congress’ considered judgment”, “properly”, “Accordingly”, and “pursuant to these ends” are omitted as unnecessary.

In subsection (c)(1), the word “should” is substituted for “shall” for clarity.

In subsection (d)(1), the word “members” is substituted for “allies” for consistency. The words “The Secretary of Defense shall include in the report to the Congress required by section 302(c) of Public Law 93-365, as amended” are omitted as unnecessary because of the restatement.

In subsection (d)(2), the words “The report required under section 302(c) of Public Law 93-365 shall include” are omitted as unnecessary because of the restatement.

In subsection (d)(3), the words “he shall report that fact to the Congress in the annual report required under section 302(c) of Public Law 93-365, as amended” are omitted as unnecessary because of the restatement.

In subsection (d)(4), the words “The Secretary of Defense shall, in the reports required by section 302(c) of Public Law 93-365, as amended” are omitted as unnecessary because of the restatement.

In subsection (d)(5), the words “if none exist” are substituted for “In the absence of such common requirements” to eliminate unnecessary words. The words “the Secretary shall include a discussion of the” are omitted as unnecessary because of the restatement.

In subsection (d)(6), the words “The Secretary of Defense shall also report on” are omitted as unnecessary because of the restatement.

In subsection (d)(7), the words “those programs” are substituted for “all such existing and planned programs” and “all such programs” to eliminate unnecessary words.

In subsection (f), the words “The Secretary shall submit the results of these . . . to Congress” are omitted as unnecessary because of the source provisions restated in subsection (d)(1). The word “submit” is substituted for “cause to be brought” to eliminate unnecessary words. The words “in order that the suggested actions and recommendations can” are omitted as unnecessary because of the restatement.

AMENDMENTS

2011—Subsec. (e). Pub. L. 111-350 substituted “section 8302 of title 41” for “section 2 of the Buy American Act (41 U.S.C. 10a)”.

2003—Subsec. (d). Pub. L. 108-136 struck out subsec. (d) which related to Secretary’s biennial submission of report to Congress.

1996—Subsec. (e). Pub. L. 104-106 substituted “the Buy American Act (41 U.S.C. 10a)” for “title III of the Act of March 3, 1933 (41 U.S.C. 10a)”.

1990—Subsec. (d). Pub. L. 101-510 substituted “Before February 1, 1989, and biennially thereafter” for “Before February 1 of each year”.

§ 2458. Inventory management policies

(a) **POLICY REQUIRED.**—The Secretary of Defense shall issue a single, uniform policy on the management of inventory items of the Department of Defense. Such policy shall—

(1) establish maximum levels for inventory items sufficient to achieve and maintain only

those levels for inventory items necessary for the national defense;

(2) provide guidance to item managers and other appropriate officials on how effectively to eliminate wasteful practices in the acquisition and management of inventory items; and

(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies.

(b) **PERSONNEL EVALUATIONS.**—The Secretary of Defense shall establish procedures to ensure that, with regard to item managers and other personnel responsible for the acquisition and management of inventory items of the Department of Defense, personnel appraisal systems for such personnel give appropriate consideration to efforts made by such personnel to eliminate wasteful practices and achieve cost savings in the acquisition and management of inventory items.

(Added Pub. L. 101-510, div. A, title III, §323(a)(1), Nov. 5, 1990, 104 Stat. 1530; amended Pub. L. 102-190, div. A, title III, §347(a), Dec. 5, 1991, 105 Stat. 1347.)

AMENDMENTS

1991—Subsec. (a)(3). Pub. L. 102-190 added par. (3).

IMPLEMENTATION OF 1991 AMENDMENT

Secretary of Defense to establish uniform system of valuation described in subsec. (a)(3) of this section not later than 180 days after Dec. 5, 1991, see section 347(c) of Pub. L. 102-190, set out as a note under section 2721 of this title.

MANAGEMENT OF CONVENTIONAL AMMUNITION INVENTORY

Pub. L. 113-291, div. A, title III, §352(a), (b), Dec. 19, 2014, 128 Stat. 3347, provided that:

“(a) **CONSOLIDATION OF DATA.**—Not later than 240 days after the date of the enactment of this Act [Dec. 19, 2014], the Under Secretary of Defense for Acquisition, Technology, and Logistics shall issue Department-wide guidance designating an authoritative source of data for conventional ammunition. Not later than 10 days after issuing the guidance required by this subsection, the Under Secretary shall notify the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] on what source of data has been designated under this subsection.

“(b) **ANNUAL REPORT.**—The Secretary of the Army shall include in the appropriate annual ammunition inventory reports, as determined by the Secretary, information on all available ammunition for use during the redistribution process, including any ammunition that was unclaimed and categorized for disposal by another military service during a year before the year during which the report is submitted.”

IMPROVEMENT OF INVENTORY MANAGEMENT PRACTICES

Pub. L. 111-84, div. A, title III, §328, Oct. 28, 2009, 123 Stat. 2255, provided that:

“(a) **INVENTORY MANAGEMENT PRACTICES IMPROVEMENT PLAN REQUIRED.**—Not later than 270 days after the date of the enactment of this Act [Oct. 28, 2009], the Secretary of Defense shall submit to the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] a comprehensive plan for improving the inventory management systems of the military departments and the Defense Logistics Agency with the objective of reducing the acquisition and storage of secondary inventory that is excess to requirements.

“(b) **ELEMENTS.**—The plan under subsection (a) shall include the following: