

thority shall not exceed 90 percent of the fair market value of the aircraft obtained under that lease.

“(d) No lease entered into under this authority shall provide for—

“(1) the modification of the general purpose aircraft from the commercial configuration, unless and until separate authority for such conversion is enacted and only to the extent budget authority is provided in advance in appropriations Acts for that purpose; or

“(2) the purchase of the aircraft by, or the transfer of ownership to, the Air Force.

“(e) The authority granted to the Secretary of the Air Force by this section is separate from and in addition to, and shall not be construed to impair or otherwise affect, the authority of the Secretary to procure transportation or enter into leases under a provision of law other than this section.

“(f) The authority provided under this section may be used to lease not more than a total of 100 Boeing 767 aircraft and 4 Boeing 737 aircraft for the purposes specified herein.

“(g) Notwithstanding any other provision of law, any payments required for a lease entered into under this Section, or any payments made pursuant to subsection (c)(3) above, may be made from appropriations available for operation and maintenance or for lease or procurement of aircraft at the time that the lease takes effect; appropriations available for operation and maintenance or for lease or procurement of aircraft at the time that the payment is due; or funds appropriated for those payments.”

Pub. L. 106-79, title VIII, §8133, Oct. 25, 1999, 113 Stat. 1267, which authorized the Secretary of the Air Force to establish a multi-year pilot program for leasing aircraft for operational support purposes, was repealed by Pub. L. 115-232, div. A, title VIII, §812(b)(34), Aug. 13, 2018, 132 Stat. 1849.

LEASE OF FIREFIGHTING, CRASH RESCUE, AND SNOW REMOVAL EQUIPMENT

Pub. L. 105-262, title VIII, §8126, Oct. 17, 1998, 112 Stat. 2333, provided that:

“(a) The Secretary of the Army and the Secretary of the Air Force may each enter into one or more multi-year leases of nontactical firefighting equipment, nontactical crash rescue equipment, or nontactical snow removal equipment. The period of a lease entered into under this section shall be for any period not in excess of 10 years. Any such lease shall provide that performance under the lease during the second and subsequent years of the contract is contingent upon the appropriation of funds and shall provide for a cancellation payment to be made to the lessor if such appropriations are not made.

“(b) Lease payments made under subsection (a) shall be made from amounts provided in this or future appropriations Acts.

“(c) This section is effective for all fiscal years beginning after September 30, 1998.”

PILOT PROGRAM FOR LEASING COMMERCIAL UTILITY CARGO VEHICLES

Pub. L. 104-106, div. A, title VIII, §807(c), Feb. 10, 1996, 110 Stat. 392, as amended by Pub. L. 106-65, div. A, title X, §1067(6), Oct. 5, 1999, 113 Stat. 774, which authorized the Secretary of the Army to conduct a pilot program for leasing commercial utility cargo vehicles, directed the Secretary to submit to committees of Congress a report prior to commencement of the program containing plans for its implementation and setting forth the savings in operating and support costs expected to be derived from retiring older commercial utility cargo vehicles, as compared to the expected costs of leasing newer commercial utility cargo vehicles, directed the Secretary to submit to committees of Congress a report on the status of the program not later than one year after the date on which the first lease under the program had been entered into, and provided that no lease

could be entered into under the program after Sept. 30, 2000, was repealed by Pub. L. 115-91, div. A, title VIII, §884, Dec. 12, 2017, 131 Stat. 1505.

§ 2402. Prohibition of contractors limiting subcontractor sales directly to the United States

(a) Each contract for the purchase of supplies or services made by the Department of Defense shall provide that the contractor will not—

(1) enter into any agreement with a subcontractor under the contract that has the effect of unreasonably restricting sales by the subcontractor directly to the United States of any item or process (including computer software) made or furnished by the subcontractor under the contract (or any follow-on production contract); or

(2) otherwise act to restrict unreasonably the ability of a subcontractor to make sales to the United States described in clause (1).

(b) This section does not prohibit a contractor from asserting rights it otherwise has under law.

(c) This section does not apply to a contract that is for an amount not greater than the simplified acquisition threshold (as defined in section 134 of title 41).

(d)(1) An agreement between the contractor in a contract for the acquisition of commercial items and a subcontractor under such contract that restricts sales by such subcontractor directly to persons other than the contractor may not be considered to unreasonably restrict sales by that subcontractor to the United States in violation of the provision included in such contract pursuant to subsection (a) if the agreement does not result in the United States being treated differently with regard to the restriction than any other prospective purchaser of such commercial items from that subcontractor.

(2) In paragraph (1), the term “commercial item” has the meaning given such term in section 103 of title 41.

(Added Pub. L. 98-525, title XII, §1234(a), Oct. 19, 1984, 98 Stat. 2601; amended Pub. L. 103-355, title IV, §4102(f), title VIII, §8105(g), Oct. 13, 1994, 108 Stat. 3340, 3392; Pub. L. 111-350, §5(b)(25), Jan. 4, 2011, 124 Stat. 3844; Pub. L. 115-232, div. A, title VIII, §836(e)(4), Aug. 13, 2018, 132 Stat. 1869.)

AMENDMENT OF SUBSECTION (d)

Pub. L. 115-232, div. A, title VIII, §836(e)(4), (h), Aug. 13, 2018, 132 Stat. 1869, 1874, provided that, effective Jan. 1, 2020, subject to a savings provision, subsection (d) of this section is amended as follows:

(1) in paragraph (1), by striking “commercial items” both places it appears and inserting “commercial products or commercial services”; and

(2) in paragraph (2), by striking “the term” and all that follows and inserting “the terms ‘commercial product’ and ‘commercial service’ have the meanings given those terms in sections 103 and 103a, respectively, of title 41.”

See 2018 Amendment notes below.

AMENDMENTS

2018—Subsec. (d)(1). Pub. L. 115-232, §836(e)(4)(A), substituted “commercial products or commercial services” for “commercial items” in two places.

Subsec. (d)(2). Pub. L. 115-232, § 836(e)(4)(B), substituted “the terms ‘commercial product’ and ‘commercial service’ have the meanings given those terms in sections 103 and 103a, respectively, of title 41.” for “the term ‘commercial item’ has the meaning given such term in section 103 of title 41.”

2011—Subsec. (c). Pub. L. 111-350, § 5(b)(25)(A), substituted “section 134 of title 41” for “section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))”.

Subsec. (d)(2). Pub. L. 111-350, § 5(b)(25)(B), substituted “section 103 of title 41” for “section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))”.

1994—Subsecs. (c), (d). Pub. L. 103-355 added subsecs. (c) and (d).

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Jan. 1, 2020, subject to a savings provision, see section 836(h) of Pub. L. 115-232, set out as an Effective Date of 2018 Amendment; Savings Provision note under section 453b of Title 6, Domestic Security.

EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 2302 of this title.

EFFECTIVE DATE

Pub. L. 98-525, title XII, § 1234(c), Oct. 19, 1984, 98 Stat. 2604, provided that: “Section 2402 of title 10, United States Code (as added by subsection (a)), shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act [Oct. 19, 1984].”

[§ 2403. Repealed. Pub. L. 105-85, div. A, title VIII, § 847(a), Nov. 18, 1997, 111 Stat. 1845]

Section, added Pub. L. 98-525, title XII, § 1234(a), Oct. 19, 1984, 98 Stat. 2601; amended Pub. L. 99-433, title I, § 110(g)(5), Oct. 1, 1986, 100 Stat. 1004; Pub. L. 100-26, § 7(k)(2), Apr. 21, 1987, 101 Stat. 284; Pub. L. 103-355, title II, § 2402, Oct. 13, 1994, 108 Stat. 3324; Pub. L. 104-106, div. A, title XV, § 1502(a)(21), Feb. 10, 1996, 110 Stat. 505, related to major weapon systems and contractor guarantees.

[§ 2404. Renumbered § 2922e]

[§ 2405. Repealed. Pub. L. 105-85, div. A, title VIII, § 810(a)(1), Nov. 18, 1997, 111 Stat. 1839]

Section, added Pub. L. 98-525, title XII, § 1234(a), Oct. 19, 1984, 98 Stat. 2604; amended Pub. L. 102-484, div. A, title VIII, § 813(c), Oct. 23, 1992, 106 Stat. 2453; Pub. L. 103-355, title II, § 2302(a), (b), Oct. 13, 1994, 108 Stat. 3321; Pub. L. 104-106, div. D, title XLIII, § 4321(b)(14), Feb. 10, 1996, 110 Stat. 673, related to limitation on adjustment of shipbuilding contracts.

EFFECTIVE DATE OF REPEAL

Pub. L. 105-85, div. A, title VIII, § 810(b), Nov. 18, 1997, 111 Stat. 1839, provided that:

“(1) Except as provided in paragraph (2), the repeal made by subsection (a) [repealing this section] shall be effective with respect to claims, requests for equitable adjustment, and demands for payment under shipbuilding contracts that have been or are submitted before, on, or after the date of the enactment of this Act [Nov. 18, 1997].

“(2) Section 2405 of title 10, United States Code, as in effect immediately before the date of the enactment of this Act, shall continue to apply to a contractor’s claim, request for equitable adjustment, or demand for payment under a shipbuilding contract that was submitted before such date if—

“(A) a contracting officer denied the claim, request, or demand, and the period for appealing the decision to a court or board under the Contract Disputes Act

of 1978 [see 41 U.S.C. 7101 et seq.] expired before such date;

“(B) a court or board of contract appeals considering the claim, request, or demand (including any appeal of a decision of a contracting officer to deny the claim, request, or demand) denied or dismissed the claim, request, or demand (or the appeal), and the action of the court or board became final and unappealable before such date; or

“(C) the contractor released or releases the claim, request, or demand.”

[§ 2406. Repealed. Pub. L. 103-355, title II, § 2201(b)(1), Oct. 13, 1994, 108 Stat. 3318]

Section, added Pub. L. 99-145, title IX, § 917(a), Nov. 8, 1985, 99 Stat. 689; amended Pub. L. 99-500, § 101(c) [title X, § 943(a)(1)], Oct. 18, 1986, 100 Stat. 1783-82, 1783-162, and Pub. L. 99-591, § 101(c) [title X, § 943(a)(1)], Oct. 30, 1986, 100 Stat. 3341-82, 3341-162; Pub. L. 99-661, div. A, title IX, formerly title IV, § 943(a)(1), Nov. 14, 1986, 100 Stat. 3942, renumbered title IX, Pub. L. 100-26, § 3(5), Apr. 21, 1987, 101 Stat. 273; Pub. L. 100-180, div. A, title XII, § 1231(13), Dec. 4, 1987, 101 Stat. 1160, required contractor under covered contract with an agency to make cost and pricing data available to agency in timely manner.

EFFECTIVE DATE OF REPEAL

For effective date and applicability of repeal, see section 10001 of Pub. L. 103-355, set out as an Effective Date of 1994 Amendment note under section 2302 of this title.

[§ 2407. Renumbered § 2350b]

NATO COOPERATIVE LOGISTIC SUPPORT AGREEMENTS

Pub. L. 99-661, div. A, title XI, § 1102, Nov. 14, 1986, 100 Stat. 3961, which authorized Secretary of Defense to enter Weapon System Partnership Agreements with one or more governments of other member countries of NATO, was repealed by Pub. L. 101-189, div. A, title IX, § 931(d)(2), Nov. 29, 1989, 103 Stat. 1535. See section 2350d of this title.

NATO COOPERATIVE RESEARCH AND DEVELOPMENT

Pub. L. 99-145, title XI, § 1103, Nov. 8, 1985, 99 Stat. 712, which urged and requested member nations of NATO to cooperate in research and development of defense equipment and munitions and in the production of defense equipment, was repealed by Pub. L. 101-189, div. A, title IX, § 931(d)(1), Nov. 29, 1989, 103 Stat. 1535. See section 2350a of this title.

AUTHORITY OF SECRETARY OF DEFENSE IN CONNECTION WITH NATO AWACS PROGRAM

Pub. L. 97-86, title I, § 103, Dec. 1, 1981, 95 Stat. 1100, as amended by Pub. L. 97-252, title I, § 106, Sept. 8, 1982, 96 Stat. 720; Pub. L. 98-94, title I, § 105, Sept. 24, 1983, 97 Stat. 620; Pub. L. 98-525, title I, § 106, Oct. 19, 1984, 98 Stat. 2503; Pub. L. 99-145, title I, § 106(b), Nov. 8, 1985, 99 Stat. 596; Pub. L. 99-661, title I, § 106, Nov. 14, 1986, 100 Stat. 3827; Pub. L. 100-180, title I, § 109, Dec. 4, 1987, 101 Stat. 1036, which set forth authority of Secretary of Defense in connection with NATO AWACS Program, was repealed by Pub. L. 101-189, div. A, title IX, § 932(b), Nov. 29, 1989, 103 Stat. 1537. See section 2350e of this title. Similar provisions were contained in the following prior authorization acts:

Pub. L. 96-342, title I, § 103, Sept. 8, 1980, 94 Stat. 1078.

Pub. L. 96-107, title I, § 104, Nov. 9, 1979, 93 Stat. 804.

§ 2408. Prohibition on persons convicted of defense-contract related felonies and related criminal penalty on defense contractors

(a) PROHIBITION.—(1) An individual who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from each of the following: