

section (a) may be extended for a total of not more than 10 years pursuant to any option or options set forth in the contract.

(Added Pub. L. 107-314, div. A, title VIII, § 826(a), Dec. 2, 2002, 116 Stat. 2617.)

**§ 2410p. Contracts: limitations on lead system integrators**

(a) IN GENERAL.—Except as provided in subsection (b), no entity performing lead system integrator functions in the acquisition of a major system by the Department of Defense may have any direct financial interest in the development or construction of any individual system or element of any system of systems.

(b) EXCEPTION.—An entity described in subsection (a) may have a direct financial interest in the development or construction of an individual system or element of a system of systems if—

(1) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and the House of Representatives that—

(A) the entity was selected by the Department of Defense as a contractor to develop or construct the system or element concerned through the use of competitive procedures; and

(B) the Department took appropriate steps to prevent any organizational conflict of interest in the selection process; or

(2) the entity was selected by a subcontractor to serve as a lower-tier subcontractor, through a process over which the entity exercised no control.

(c) CONSTRUCTION.—Nothing in this section shall be construed to preclude an entity described in subsection (a) from performing work necessary to integrate two or more individual systems or elements of a system of systems with each other.

(Added Pub. L. 109-364, div. A, title VIII, § 807(a)(1), Oct. 17, 2006, 120 Stat. 2315.)

EFFECTIVE DATE

Pub. L. 109-364, div. A, title VIII, § 807(a)(3), Oct. 17, 2006, 120 Stat. 2316, provided that: “Section 2410p of title 10, United States Code, as added by paragraph (1), shall apply with respect to contracts entered into after December 31, 2006.”

UPDATE OF REGULATIONS ON LEAD SYSTEM INTEGRATORS

Pub. L. 109-364, div. A, title VIII, § 807(b), Oct. 17, 2006, 120 Stat. 2316, which required the Secretary of Defense to update acquisition regulations regarding lead system integrators, was repealed by Pub. L. 115-232, div. A, title VIII, § 812(b)(35), Aug. 13, 2018, 132 Stat. 1849.

PROHIBITION ON NEW LEAD SYSTEMS INTEGRATORS

Pub. L. 110-181, div. A, title VIII, § 802, Jan. 28, 2008, 122 Stat. 206, as amended by Pub. L. 110-417, [div. A], title I, § 112, Oct. 14, 2008, 122 Stat. 4374, provided that:

“(a) PROHIBITIONS ON THE USE OF LEAD SYSTEMS INTEGRATORS.—

“(1) PROHIBITION ON NEW LEAD SYSTEMS INTEGRATORS.—Effective October 1, 2010, the Department of Defense may not award a new contract for lead systems integrator functions in the acquisition of a major system to any entity that was not performing lead systems integrator functions in the acquisition

of the major system prior to the date of the enactment of this Act [Jan. 28, 2008].

“(2) PROHIBITION ON LEAD SYSTEMS INTEGRATORS BEYOND LOW-RATE INITIAL PRODUCTION.—Effective on the date of the enactment of this Act, the Department of Defense may award a new contract for lead systems integrator functions in the acquisition of a major system only if—

“(A) the major system has not yet proceeded beyond low-rate initial production; or

“(B) the Secretary of Defense determines in writing that it would not be practicable to carry out the acquisition without continuing to use a contractor to perform lead systems integrator functions and that doing so is in the best interest of the Department.

“(3) REQUIREMENTS RELATING TO DETERMINATIONS.—A determination under paragraph (2)(B)—

“(A) shall specify the reasons why it would not be practicable to carry out the acquisition without continuing to use a contractor to perform lead systems integrator functions (including a discussion of alternatives, such as the use of the Department of Defense workforce, or a system engineering and technical assistance contractor);

“(B) shall include a plan for phasing out the use of contracted lead systems integrator functions over the shortest period of time consistent with the interest of the national defense;

“(C) may not be delegated below the level of the Under Secretary of Defense for Acquisition, Technology, and Logistics; and

“(D) shall be provided to the Committees on Armed Services of the Senate and the House of Representatives at least 45 days before the award of a contract pursuant to the determination.

“(b) ACQUISITION WORKFORCE.—

“(1) REQUIREMENT.—The Secretary of Defense shall ensure that the acquisition workforce is of the appropriate size and skill level necessary—

“(A) to accomplish inherently governmental functions related to acquisition of major systems; and

“(B) to effectuate the purpose of subsection (a) to minimize and eventually eliminate the use of contractors to perform lead systems integrator functions.

“(2) REPORT.—The Secretary shall include an update on the progress made in complying with paragraph (1) in the annual report required by section 820 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2330) [10 U.S.C. 1701 note].

“(c) EXCEPTION FOR CONTRACTS FOR OTHER MANAGEMENT SERVICES.—The Department of Defense may continue to award contracts for the procurement of services the primary purpose of which is to perform acquisition support functions with respect to the development or production of a major system, if the following conditions are met with respect to each such contract:

“(1) The contract prohibits the contractor from performing inherently governmental functions.

“(2) The Department of Defense organization responsible for the development or production of the major system ensures that Federal employees are responsible for—

“(A) determining courses of action to be taken in the best interest of the government; and

“(B) determining best technical performance for the warfighter.

“(3) The contract requires that the prime contractor for the contract may not advise or recommend the award of a contract or subcontract for the development or production of the major system to an entity owned in whole or in part by the prime contractor.

“(d) DEFINITIONS.—In this section:

“(1) LEAD SYSTEMS INTEGRATOR.—The term ‘lead systems integrator’ means—

“(A) a prime contractor for the development or production of a major system, if the prime contrac-

tor is not expected at the time of award to perform a substantial portion of the work on the system and the major subsystems; or

“(B) a prime contractor under a contract for the procurement of services the primary purpose of which is to perform acquisition functions closely associated with inherently governmental functions with respect to the development or production of a major system.

“(2) MAJOR SYSTEM.—The term ‘major system’ has the meaning given such term in section 2302d of title 10, United States Code.

“(3) LOW-RATE INITIAL PRODUCTION.—The term ‘low-rate initial production’ has the meaning given such term in section 2400 of title 10, United States Code.

“(e) STATUS OF FUTURE COMBAT SYSTEMS PROGRAM LEAD SYSTEM INTEGRATOR.—

“(1) LEAD SYSTEMS INTEGRATOR.—In the case of the Future Combat Systems program, the prime contractor of the program shall be considered to be a lead systems integrator until 45 days after the Secretary of the Army certifies in writing to the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] that such contractor is no longer serving as the lead systems integrator.

“(2) NEW CONTRACTS.—In applying subsection (a)(1) or (a)(2), any modification to the existing contract for the Future Combat Systems program, for the purpose of entering into full-rate production of major systems or subsystems, shall be considered a new contract.”

#### § 2410q. Multiyear contracts: purchase of electricity from renewable energy sources

(a) MULTIYEAR CONTRACTS AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may enter into a contract for a period not to exceed 10 years for the purchase of electricity from sources of renewable energy, as that term is defined in section 203(b)(2) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b)(2)).

(b) LIMITATIONS ON CONTRACTS FOR PERIODS IN EXCESS OF FIVE YEARS.—The Secretary may exercise the authority in subsection (a) to enter into a contract for a period in excess of five years only if the Secretary determines, on the basis of a business case analysis prepared by the Department of Defense, that—

(1) the proposed purchase of electricity under such contract is cost effective for the Department of Defense; and

(2) it would not be possible to purchase electricity from the source in an economical manner without the use of a contract for a period in excess of five years.

(c) RELATIONSHIP TO OTHER MULTIYEAR CONTRACTING AUTHORITY.—Nothing in this section shall be construed to preclude the Department of Defense from using other multiyear contracting authority of the Department to purchase renewable energy.

(Added Pub. L. 110–181, div. A, title VIII, § 828(a), Jan. 28, 2008, 122 Stat. 229.)

#### § 2410r. Contract working dogs: requirement to transfer animals to 341st Training Squadron after service life

(a) IN GENERAL.—Each contract entered into by the Secretary of Defense for the provision of a contract working dog shall require that the dog be transferred to the 341st Training Squadron after the service life of the dog has termi-

nated as described in subsection (b) for reclassification as a military animal and placement for adoption in accordance with section 2583 of this title.

(b) SERVICE LIFE.—The service life of a contract working dog has terminated and the dog is available for transfer to the 341st Training Squadron pursuant to a contract under subsection (a) only if the contracting officer concerned has determined that—

(1) the final contractual obligation of the dog preceding such transfer is with the Department of Defense; and

(2) the dog cannot be used by another department or agency of the Federal Government due to age, injury, or performance.

(c) CONTRACT WORKING DOG.—In this section, the term “contract working dog” means a dog—

(1) that performs a service for the Department of Defense pursuant to a contract; and

(2) that is trained and kenneled by an entity that provides such a dog pursuant to such a contract.

(Added Pub. L. 114–328, div. A, title III, § 342(a)(1), Dec. 23, 2016, 130 Stat. 2082.)

#### § 2410s. Security clearances for facilities of certain companies

(a) AUTHORITY.—If the senior management official of a covered company does not have a security clearance, the Secretary of Defense may grant a security clearance to a facility of such company only if the following criteria are met:

(1) The company has appointed a senior officer, director, or employee of the company who has a security clearance at the level of the security clearance of the facility to act as the senior management official of the company with respect to such facility.

(2) Any senior management official, senior officer, or director of the company who does not have such a security clearance will not have access to any classified information, including with respect to such facility.

(3) The company has certified to the Secretary that the senior officer, director, or employee appointed under paragraph (1) has the authority to act on behalf of the company with respect to such facility independent of any senior management official, senior officer, or director described in paragraph (2).

(4) The facility meets all of the requirements to be granted a security clearance other than any requirement relating to the senior management official of the company having an appropriate security clearance.

(b) COVERED COMPANY.—In this section, the term “covered company” means a company that has entered into a contract or agreement with the Department of Defense, assists the Department, or requires a facility to process classified information.

(Added Pub. L. 115–91, div. A, title XVI, § 1621(a), Dec. 12, 2017, 131 Stat. 1732; amended Pub. L. 115–232, div. A, title X, § 1081(a)(23), Aug. 13, 2018, 132 Stat. 1984.)

#### AMENDMENTS

2018—Pub. L. 115–232 struck out period at end of section catchline.