

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

REPORTING REQUIREMENT

Pub. L. 105-85, div. A, title III, §361(c), Nov. 18, 1997, 111 Stat. 1701, provided that, not later than Mar. 1, 1999, the Secretary of Defense was to submit to Congress a report on the policies established by the Secretary pursuant to this section to implement the requirements of this section.

§ 2475. Consolidation, restructuring, or re-engineering of organizations, functions, or activities: notification requirements

(a) STRATEGIC SOURCING PLAN OF ACTION DEFINED.—In this section, the term “Strategic Sourcing Plan of Action” means a Strategic Sourcing Plan of Action for the Department of Defense (as identified in the Department of Defense Interim Guidance dated February 29, 2000, or any successor Department of Defense guidance or directive) in effect for a fiscal year.

(b) NOTIFICATION OF DECISION TO EXECUTE PLAN.—If a decision is made to consolidate, restructure, or reengineer an organization, function, or activity of the Department of Defense pursuant to a Strategic Sourcing Plan of Action described in subsection (a), and such consolidation, restructuring, or reengineering would result in a manpower reduction affecting 50 or more personnel of the Department of Defense (including military and civilian personnel)—

(1) the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing that decision, including—

(A) a projection of the savings that will be realized as a result of the consolidation, restructuring, or reengineering, compared with the cost incurred by the Department of Defense to perform the function or to operate the organization or activity prior to such proposed consolidation, restructuring, or reengineering;

(B) a description of all missions, duties, or military requirements that will be affected as a result of the decision to consolidate, restructure, or reengineer the organization, function, or activity that was analyzed;

(C) the Secretary’s certification that the consolidation, restructuring, or reengineering will not result in any diminution of military readiness;

(D) a schedule for performing the consolidation, restructuring, or reengineering; and

(E) the Secretary’s certification that the entire analysis for the consolidation, restructuring, or reengineering is available for examination; and

(2) the head of the Defense Agency or the Secretary of the military department con-

cerned may not implement the plan until 30 days after the date that the agency head or Secretary submits notification to the Committees on Armed Services of the Senate and House of Representatives of the intent to carry out such plan.

(Added Pub. L. 106-398, §1 [[div. A], title III, §353(a)], Oct. 30, 2000, 114 Stat. 1654, 1654A-72; amended Pub. L. 115-91, div. A, title X, §1051(a)(17), Dec. 12, 2017, 131 Stat. 1561.)

Editorial Notes

AMENDMENTS

2017—Subsec. (a). Pub. L. 115-91 amended subsec. (a) generally. Prior to amendment, subsec. (a) required the Secretary of Defense to submit the Strategic Sourcing Plan of Action to Congress annually.

§ 2476. Minimum capital investment for certain depots

(a) MINIMUM INVESTMENT.—Each fiscal year, the Secretary of a military department shall invest in the capital budgets of the covered depots of that military department a total amount equal to not less than six percent of the average total combined maintenance, repair, and overhaul workload funded at all the depots of that military department for the preceding three fiscal years.

(b) CAPITAL BUDGET.—For purposes of this section, the capital budget of a depot includes investment funds spent to modernize or improve the efficiency of depot facilities, equipment, work environment, or processes in direct support of depot operations, but does not include funds spent for sustainment of existing facilities, infrastructure, or equipment.

(c) WAIVER.—The Secretary of Defense may waive the requirement under subsection (a) with respect to a military department for a fiscal year if the Secretary determines that the waiver is necessary for reasons of national security. Whenever the Secretary makes such a waiver, the Secretary shall notify the congressional defense committees of the waiver and the reasons for the waiver.

(d) ANNUAL REPORT.—(1) Not later than 45 days after the date on which the President submits to Congress the budget for a fiscal year under section 1105 of title 31, the Secretary of Defense shall submit to the congressional defense committees a report containing budget justification documents summarizing the level of capital investment for each military department as of the end of the preceding fiscal year.

(2) Each report submitted under paragraph (1) shall include the following:

(A) A specification of any statutory, regulatory, or operational impediments to achieving the requirement under subsection (a) with respect to each military department.

(B) A description of the benchmarks for capital investment established for each covered depot and military department and the relationship of the benchmarks to applicable performance measurement methods used in the private sector.

(C) If the requirement under subsection (a) is not met for a military department for the fiscal year covered by the report, a statement of

the reasons why the requirement was not met and a plan of actions for meeting the requirement for the fiscal year beginning in the year in which such report is submitted.

(D) Separate consideration and reporting of Navy depots and Marine Corps depots.

(E) A table showing the funded workload performed by each covered depot for the preceding three fiscal years and actual investment funds allocated to each depot for the period covered by the report.

(e) COVERED DEPOT.—In this section, the term “covered depot” means any of the following:

(1) With respect to the Department of the Army:

- (A) Anniston Army Depot, Alabama.
- (B) Letterkenny Army Depot, Pennsylvania.
- (C) Tobyhanna Army Depot, Pennsylvania.
- (D) Corpus Christi Army Depot, Texas.
- (E) Red River Army Depot, Texas.
- (F) Watervliet Arsenal, New York.
- (G) Rock Island Arsenal, Illinois.
- (H) Pine Bluff Arsenal, Arkansas.
- (I) Tooele Army Depot, Utah.

(2) With respect to the Department of the Navy:

- (A) The following Navy depots:
 - (i) Fleet Readiness Center East Site, Cherry Point, North Carolina.
 - (ii) Fleet Readiness Center Southwest Site, North Island, California.
 - (iii) Fleet Readiness Center Southeast Site, Jacksonville, Florida.
 - (iv) Portsmouth Naval Shipyard, Maine.
 - (v) Pearl Harbor Naval Shipyard, Hawaii.
 - (vi) Puget Sound Naval Shipyard, Washington.
 - (vii) Norfolk Naval Shipyard, Virginia.
- (B) The following Marine Corps depots:
 - (i) Marine Corps Logistics Base, Albany, Georgia.
 - (ii) Marine Corps Logistics Base, Barstow, California.

(3) With respect to the Department of the Air Force:

- (A) Warner-Robins Air Logistics Center, Georgia.
- (B) Ogden Air Logistics Center, Utah.
- (C) Oklahoma City Air Logistics Center, Oklahoma.

(Added Pub. L. 109-364, div. A, title III, §332(a), Oct. 17, 2006, 120 Stat. 2149; amended Pub. L. 110-417, [div. A], title III, §327, Oct. 14, 2008, 122 Stat. 4418; Pub. L. 111-383, div. A, title X, §1075(b)(36), Jan. 7, 2011, 124 Stat. 4371; Pub. L. 112-81, div. A, title III, §325, Dec. 31, 2011, 125 Stat. 1364.)

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 112-81, §325(1), inserted “maintenance, repair, and overhaul” after “combined”.

Subsec. (b). Pub. L. 112-81, §325(2), substituted “includes investment funds spent to modernize or improve the efficiency of depot facilities, equipment, work environment, or processes in direct support” for “includes investment funds spent on depot infrastructure, equipment, and process improvement in direct support” and

inserted “, but does not include funds spent for sustainment of existing facilities, infrastructure, or equipment” before period at end.

Subsec. (d)(2)(D). Pub. L. 111-383 substituted “Navy depots” for “Navy Depots”.

Subsec. (d)(2)(E). Pub. L. 112-81, §325(3), which directed addition of subpar. (E) at end of subsec. (d), was executed by adding subpar. (E) at end of par. (2) of subsec. (d) to reflect the probable intent of Congress.

Subsec. (e)(1)(I). Pub. L. 112-81, §325(4), added subpar. (I).

2008—Subsec. (d)(2)(D). Pub. L. 110-417, §327(b)(1), added subpar. (D).

Subsec. (e)(1)(F) to (H). Pub. L. 110-417, §327(a), added subpars. (F) to (H).

Subsec. (e)(2). Pub. L. 110-417, §327(b)(2), inserted introductory provisions for subpars. (A) and (B), redesignated former subpars. (A) to (G) as cls. (i) to (vii), respectively, of subpar. (A) and realigned margins, and redesignated former subpars. (H) and (I) as cls. (i) and (ii), respectively, of subpar. (B) and realigned margins.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Pub. L. 109-364, div. A, title III, §332(c), Oct. 17, 2006, 120 Stat. 2150, provided that: “Section 2476 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 2006.”

PILOT PROGRAM ON DIGITAL OPTIMIZATION OF ORGANIC INDUSTRIAL BASE MAINTENANCE AND REPAIR OPERATIONS

Pub. L. 117-81, div. A, title III, §354, Dec. 27, 2021, 135 Stat. 1656, provided that:

“(a) IN GENERAL.—Beginning not later than 180 days after the date of the enactment of this Act [Dec. 27, 2021], the Assistant Secretary of Defense for Sustainment, in coordination with the Secretaries of the military departments, shall undertake a pilot program under which the digitization of the facilities and operations of at least one covered depot shall be provided by the Secretary concerned.

“(b) ELEMENTS OF PILOT PROGRAM.—In carrying out the pilot program under this section, the Secretary concerned shall provide for each of the following at the covered depot or depots at which the program is carried out:

“(1) The creation of a digital twin model of the maintenance, repair, and remanufacturing infrastructure and activities.

“(2) The modeling and simulation of optimized facility configuration, logistics systems, and processes.

“(3) The analysis of material flow and resource use to achieve key performance metrics for all levels of maintenance and repair.

“(4) An assessment of automated, advanced, and additive manufacturing technologies that could improve maintenance, repair, and remanufacturing operations.

“(c) REPORT.—Not later than 60 days after the completion of the digital twin model and associated analysis, the Assistant Secretary of Defense for Sustainment shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the pilot program. Such report shall include—

“(1) a summary of the cost of the pilot program;

“(2) a description of the efficiencies identified under the pilot program;

“(3) a description of the infrastructure, workforce, and capital equipment investments necessary to achieve such efficiencies;

“(4) any plans to undertake such investments; and

“(5) the assessment of the Assistant Secretary of the value of the pilot program and the potential applicability of the findings of the pilot program to other covered depots.

“(d) DEFINITIONS.—In this section:

“(1) The term ‘covered depot’ includes any depot covered under section 2476(e) of title 10, United States Code, except for the following:

- “(A) Portsmouth Naval Shipyard, Maine.
- “(B) Pearl Harbor Naval Shipyard, Hawaii.
- “(C) Puget Sound Naval Shipyard, Washington.
- “(D) Norfolk Naval Shipyard, Virginia.

“(2) The terms ‘military departments’ and ‘Secretary concerned’ have the meanings given such terms in section 101 of title 10, United States Code.”

STRATEGY TO IMPROVE INFRASTRUCTURE OF CERTAIN DEPOTS OF THE DEPARTMENT OF DEFENSE

Pub. L. 116-92, div. A, title III, §359, Dec. 20, 2019, 133 Stat. 1323, provided that:

“(a) STRATEGY REQUIRED.—Not later than October 1, 2020, 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 strategy for improving the depot infrastructure of the military departments with the objective of ensuring that all covered depots have the capacity and capability to support the readiness and material availability goals of current and future weapon systems of the Department of Defense.

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

“(1) A comprehensive review of the conditions and performance at each covered depot, including the following:

- “(A) An assessment of the current status of the following elements:
 - “(i) Cost and schedule performance of the depot.
 - “(ii) Material availability of weapon systems supported at the depot and the impact of the performance of the depot on that availability.
 - “(iii) Work in progress and non-operational items awaiting depot maintenance.
 - “(iv) The condition of the depot.
 - “(v) The backlog of restoration and modernization projects at the depot.
 - “(vi) The condition of equipment at the depot.
 - “(vii) the vulnerability of the depot to adverse environmental conditions and, if necessary, the investment required to withstand those conditions.

“(B) An identification of analytically based goals relating to the elements identified in subparagraph (A).

“(2) A business-case analysis that assesses investment alternatives comparing cost, performance, risk, and readiness outcomes and recommends an optimal investment approach across the Department of Defense to ensure covered depots efficiently and effectively meet the readiness goals of the Department, including an assessment of the following alternatives:

- “(A) The minimum investment necessary to meet investment requirements under section 2476 of title 10, United States Code.
- “(B) The investment necessary to ensure the current inventory of facilities at covered depots can meet the mission-capable, readiness, and contingency goals of the Secretary of Defense.
- “(C) The investment necessary to execute the depot infrastructure optimization plans of each military department.
- “(D) Any other strategies for investment in covered depots, as identified by the Secretary.

“(3) A plan to improve conditions and performance of covered depots that identifies the following:

- “(A) The approach of the Secretary of Defense for achieving the goals outlined in paragraph (1)(B).
- “(B) The resources and investments required to implement the plan.
- “(C) The activities and milestones required to implement the plan.
- “(D) A results-oriented approach to assess—
 - “(i) the progress of each military department in achieving such goals; and

“(ii) the progress of the Department in implementing the plan.

“(E) Organizational roles and responsibilities for implementing the plan.

“(F) A process for conducting regular management review and coordination of the progress of each military department in implementing the plan and achieving such goals.

“(G) The extent to which the Secretary has addressed recommendations made by the Comptroller General of the United States relating to depot operations during the five-year period preceding the date of submittal of the strategy under this section.

“(H) Risks to implementing the plan and mitigation strategies to address those risks.

“(c) ANNUAL REPORT ON PROGRESS.—As part of the annual budget submission of the President under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report describing the progress made in—

- “(1) implementing the strategy under subsection (a); and
- “(2) achieving the goals outlined in subsection (b)(1)(B).

“(d) COMPTROLLER GENERAL REPORTS.—

“(1) ASSESSMENT OF STRATEGY.—Not later than January 1, 2021, the Comptroller General of the United States shall submit to the congressional defense committees a report assessing the extent to which the strategy under subsection (a) meets the requirements of this section.

“(2) ASSESSMENT OF IMPLEMENTATION.—Not later than April 1, 2022, the Comptroller General shall submit to the congressional defense committees a report setting forth an assessment of the extent to which the strategy under subsection (a) has been effectively implemented by each military department and the Secretary of Defense.

“(e) COVERED DEPOT DEFINED.—In this section, the term ‘covered depot’ has the meaning given that term in section 2476(e) of title 10, United States Code.”

TWO YEAR PHASE-IN FOR DEPARTMENTS OF THE ARMY AND THE NAVY

Pub. L. 109-364, div. A, title III, §332(d), Oct. 17, 2006, 120 Stat. 2150, provided that:

“(1) REDUCED PERCENTAGE OF REQUIRED INVESTMENT FOR FISCAL YEARS 2007 AND 2008.—The Secretary of the Army shall apply subsection (a) of section 2476 of title 10, United States Code, as added by subsection (a), to the covered depots of the Army, and the Secretary of the Navy shall apply such subsection to the covered depots of the Department of the Navy—

- “(A) for fiscal year 2007, by substituting ‘four percent’ for ‘six percent’; and
- “(B) for fiscal year 2008, by substituting ‘five percent’ for ‘six percent’.

“(2) COVERED DEPOTS.—In this subsection, the term ‘covered depot’ has the meaning given that term in subsection (e) of section 2476 of title 10, United States Code, as added by subsection (a).”

CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES

Subchapter	Sec.
I. Defense Commissary and Exchange Systems	2481
II. Relationship, Continuation, and Common Policies of Defense Commissary and Exchange Systems	2487
III. Morale, Welfare, and Recreation Programs and Nonappropriated Fund Instrumentalities	2491

Editorial Notes

AMENDMENTS

2004—Pub. L. 108-375, div. A, title VI, §651(a)(1), (3), Oct. 28, 2004, 118 Stat. 1964, added items for subchapters