

(b) ADJUSTMENT AUTHORITY FOR MAJOR SYSTEMS.—

(1) AUTHORITY.—The Secretary of Defense may adjust the amounts and the base fiscal year provided in section 3041(c)(1) of this title on the basis of Department of Defense escalation rates.

(2) ROUNDING.—An amount, as adjusted under paragraph (1), that is not evenly divisible by \$5,000,000 shall be rounded to the nearest multiple of \$5,000,000. In the case of an amount that is evenly divisible by \$2,500,000 but not evenly divisible by \$5,000,000, the amount shall be rounded to the next higher multiple of \$5,000,000.

(c) NOTIFICATION TO CONGRESSIONAL COMMITTEES.—An adjustment under subsection (a) or (b) shall be effective after the Secretary transmits to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a written notification of the adjustment.

(Added and amended Pub. L. 116–283, div. A, title XVIII, §1846(b), (d), (e), Jan. 1, 2021, 134 Stat. 4248, 4249.)

#### Editorial Notes

##### CODIFICATION

The text of subssecs. (b) and (c) of section 2430 of this title, which was transferred to this section, redesignated as pars. (1) and (2) of subsec. (a), respectively, and amended by Pub. L. 116–283, §1846(d)(1), (2)(A), was based on Pub. L. 102–484, div. A, title VIII, §817(b)(3), Oct. 23, 1992, 106 Stat. 2455; Pub. L. 104–106, div. A, title XV, §1502(a)(1), Feb. 10, 1996, 110 Stat. 502; Pub. L. 106–65, div. A, title X, §1067(1), Oct. 5, 1999, 113 Stat. 774; Pub. L. 111–23, title II, §206(b)(2), May 22, 2009, 123 Stat. 1728; Pub. L. 113–291, div. A, title X, §1071(f)(18), Dec. 19, 2014, 128 Stat. 3511; Pub. L. 115–91, div. A, title X, §1081(a)(38), Dec. 12, 2017, 131 Stat. 1596.

The text of subsec. (c) of section 2302d of this title, which was transferred to this section and redesignated as subssecs. (b) and (c) by Pub. L. 116–283, §1846(e)(1), was based on Pub. L. 104–201, div. A, title VIII, §805(a)(2), Sept. 23, 1996, 110 Stat. 2605; Pub. L. 106–65, div. A, title X, §1067(1), Oct. 5, 1999, 113 Stat. 774.

##### AMENDMENTS

2021—Subsec. (a). Pub. L. 116–283, §1846(d)(2)(A), (B), inserted subsec. heading and par. (1) designation and heading before “The Secretary” and substituted “in section 4201(a)(2) of this title” for “in subsection (a)(1)(B)”.

Pub. L. 116–283, §1846(d)(1), transferred subssecs. (b) and (c) of section 2430 of this title to this section, redesignated subsec. (b) and subsec. (c) and its pars. (1) to (4) as subsec. (a) and subsec. (a)(2) and its subpars. (A) to (D), respectively, realigned margin of subsec. (a)(2), and struck out second sentence of subsec. (a)(1) as redesignated which read as follows: “An adjustment under this subsection shall be effective after the Secretary transmits a written notification of the adjustment to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.”

Subsec. (a)(2). Pub. L. 116–283, §1846(d)(2)(C)(i), (ii), inserted par. heading before “For purposes of” and substituted “section 4201(a)(2) of this title” for “subsection (a)(1)(B)”.

Subsec. (a)(2)(B). Pub. L. 116–283, §1846(d)(2)(C)(iii), substituted “section 4251(a)(6)” for “section 2366a(a)(6)”.

Subsec. (a)(2)(C). Pub. L. 116–283, §1846(d)(2)(C)(iv), substituted “section 4252(a)(1)(C)” for “section 2366b(a)(1)(C)”.

Subsec. (a)(2)(D). Pub. L. 116–283, §1846(d)(2)(C)(v), substituted “section 4214” for “section 2435”.

Subsec. (b). Pub. L. 116–283, §1846(e)(2), substituted “Adjustment Authority for Major Systems” for “Adjustment Authority” in subsec. heading, inserted par. headings, substituted “section 3041(c)(1) of this title” for “subsection (a)” in par. (1), and realigned margins of par. (2).

Pub. L. 116–283, §1846(e)(1), transferred subsec. (c) of section 2302d of this title to subsec. (b) of this section and redesignated par. (3) as subsec. (c).

Subsec. (c). Pub. L. 116–283, §1846(e)(3), inserted heading and substituted “under subsection (a) or (b)” for “under this subsection” in text.

Pub. L. 116–283, §1846(e)(1)(B), redesignated par. (3) of subsec. (b) as subsec. (c).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE

Section and 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 an Effective Date of 2021 Amendment note preceding section 3001 of this title.

#### § 4203. Major subprograms

(a) AUTHORITY TO DESIGNATE MAJOR SUBPROGRAMS AS SUBJECT TO ACQUISITION REPORTING REQUIREMENTS.—(1)(A) If the Secretary of Defense determines that a major defense acquisition program requires the delivery of two or more categories of end items which differ significantly from each other in form and function, the Secretary may designate each such category of end items as a major subprogram for the purposes of acquisition reporting under this subpart.

(B) If the Secretary of Defense determines that a major defense acquisition program requires the delivery of two or more increments or blocks, the Secretary may designate each such increment or block as a major subprogram for the purposes of acquisition reporting under this subpart.

(2) The Secretary shall notify the congressional defense committees in writing of any proposed designation pursuant to paragraph (1) not less than 30 days before the date such designation takes effect.

(b) REPORTING REQUIREMENTS.—(1) If the Secretary designates a major subprogram of a major defense acquisition program in accordance with subsection (a), Selected Acquisition Reports, unit cost reports, and program baselines under this subpart shall reflect cost, schedule, and performance information—

(A) for the major defense acquisition program as a whole (other than as provided in paragraph (2)); and

(B) for each major subprogram of the major defense acquisition program so designated.

(2) For a major defense acquisition program for which a designation of a major subprogram has been made under subsection (a), unit costs under this subpart shall be submitted in accordance with the definitions in subsection (d).

(c) REQUIREMENT TO COVER ENTIRE MAJOR DEFENSE ACQUISITION PROGRAM.—If a subprogram of a major defense acquisition program is designated as a major subprogram under subsection (a), all other elements of the major defense ac-

quisition program shall be appropriately organized into one or more subprograms under the major defense acquisition program, each of which subprograms, as so organized, shall be treated as a major subprogram under subsection (a).

(d) DEFINITIONS.—Notwithstanding paragraphs (1) and (2) of section 4351(a) of this title, in the case of a major defense acquisition program for which the Secretary has designated one or more major subprograms under this section for the purposes of this subpart—

(1) the term “program acquisition unit cost” applies at the level of the subprogram and means the total cost for the development and procurement of, and specific military construction for, the major defense acquisition program that is reasonably allocable to each such major subprogram, divided by the relevant number of fully-configured end items to be produced under such major subprogram;

(2) the term “procurement unit cost” applies at the level of the subprogram and means the total of all funds programmed to be available for obligation for procurement for each such major subprogram, divided by the number of fully-configured end items to be procured under such major subprogram;

(3) the term “major contract”, with respect to a designated major subprogram, means each of the six largest prime, associate, or Government furnished equipment contracts under the subprogram that is in excess of \$40,000,000 and that is not a firm-fixed price contract; and

(4) the term “life cycle cost”, with respect to a designated major subprogram, means all costs of development, procurement, military construction, and operations and support, without regard to funding source or management control.

(Added Pub. L. 110-417, [div. A], title VIII, §811(a)(1), Oct. 14, 2008, 122 Stat. 4520, §2430a; amended Pub. L. 111-383, div. A, title VIII, §814(a), Jan. 7, 2011, 124 Stat. 4266; Pub. L. 112-81, div. A, title IX, §912, Dec. 31, 2011, 125 Stat. 1536; Pub. L. 114-328, div. A, title VIII, §850, Dec. 23, 2016, 130 Stat. 2295; renumbered §4203 and amended Pub. L. 116-283, div. A, title XVIII, §1846(g), Jan. 1, 2021, 134 Stat. 4251; Pub. L. 117-81, div. A, title XVII, §1701(o)(6)(B)(ii), Dec. 27, 2021, 135 Stat. 2147.)

#### Editorial Notes

##### AMENDMENTS

2021—Pub. L. 116-283, §1846(g)(2), substituted “this subpart” for “this chapter” wherever appearing.

Pub. L. 116-283, §1846(g), renumbered section 2430a of this title as this section.

Subsec. (d). Pub. L. 116-283, §1846(g)(1), as amended by Pub. L. 117-81, §1701(o)(6)(B)(ii), substituted “section 4351(a)” for “section 2432(a)” in introductory provisions.

2016—Subsec. (a)(1)(B). Pub. L. 114-328, which directed substitution of “major defense acquisition program requires the delivery of two or more increments or blocks” for “major defense acquisition program to purchase satellites requires the delivery of satellites in two or more increments or blocks” in par. (1)(B), was executed by making the substitution in par. (1)(B) of subsec. (a), to reflect the probable intent of Congress.

2011—Subsec. (a)(1). Pub. L. 112-81 designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (b). Pub. L. 111-383 designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), inserted “(other than as provided in paragraph (2))” before semicolon in subpar. (A), and added par. (2).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 117-81 applicable as if included in the enactment of title XVIII of Pub. L. 116-283 as enacted, see section 1701(a)(2) of Pub. L. 117-81, set out in a note preceding section 3001 of this title and note below.

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.

#### § 4204. Milestone decision authority

(a) SERVICE ACQUISITION EXECUTIVE.—The milestone decision authority for a major defense acquisition program reaching Milestone A after October 1, 2016, shall be the service acquisition executive of the military department that is managing the program, unless the Secretary of Defense designates, under subsection (b), another official to serve as the milestone decision authority.

(b) DESIGNATION OF ALTERNATE MILESTONE DECISION AUTHORITY.—The Secretary of Defense may designate an alternate milestone decision authority for a program with respect to which any of the following applies:

(1) Subject to subsection (f), the Secretary determines that the program is addressing a joint requirement.

(2) The Secretary determines that the program is best managed by a Defense Agency.

(3) The program has incurred a unit cost increase greater than the significant cost threshold or critical cost threshold under sections 4371 through 4375 of this title.

(4) The program is critical to a major inter-agency requirement or technology development effort, or has significant international partner involvement.

(5) The Secretary determines that an alternate official serving as the milestone decision authority will best provide for the program to achieve desired cost, schedule, and performance outcomes.

(c) REVERSION TO SERVICE ACQUISITION EXECUTIVE.—

(1) After designating an alternate milestone decision authority under subsection (b) for a program, the Secretary of Defense may revert the position of milestone decision authority for the program back to the service acquisition executive upon request of the Secretary of the military department concerned. A decision on the request shall be made within 180 days after receipt of the request from the Secretary of the military department concerned.

(2) If the Secretary of Defense denies the request for reversion of the milestone decision authority back to the service acquisition executive, the Secretary shall report to the congressional defense committees on the basis of the Secretary’s decision that an alternate official serving as milestone decision authority