

119TH CONGRESS
1ST SESSION

H. R. 3838

To authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2025

Mr. ROGERS of Alabama (for himself and Mr. SMITH of Washington) introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To authorize appropriations for fiscal year 2026 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Streamlining Procurement for Effective Execution and
6 Delivery Act of 2025” or the “SPEED Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ALIGNING ACQUISITION TO WARFIGHTER PRIORITIES
 AND OPERATIONAL OUTCOMES

Sec. 101. Alignment of the defense acquisition system with the needs of mem-
 bers of the Armed Forces.

Sec. 102. Program executive officer responsibilities.

Sec. 103. Major capability activity areas and pathfinder programs.

Sec. 104. Product support manager responsibilities and requirements.

Sec. 105. Amendments to life-cycle management and product support.

Sec. 106. Navy Senior Technical Authority.

TITLE II—ACCELERATING THE REQUIREMENTS PROCESS

Sec. 201. Joint Requirements Council.

Sec. 202. Establishment of the Requirements, Acquisition, and Programming
 Integration Directorate.

Sec. 203. Establishment of the Mission Engineering and Integration Activity.

TITLE III—STRIKING THE BALANCE BETWEEN REGULATION AND
 EFFICIENCY

Sec. 301. Matters related to Department of Defense use of cost accounting
 standards.

Sec. 302. Review of commercial buying practices.

Sec. 303. Adjustments to certain acquisition thresholds.

Sec. 304. Alternative capability-based pricing.

Sec. 305. Clarification of conditions for payments for commercial products and
 commercial services.

TITLE IV—STRENGTHENING THE DEFENSE INDUSTRIAL BASE
 AND LEVERAGING COMMERCIAL INNOVATION

Sec. 401. Defense Industrial Resilience Consortium.

Sec. 402. Amendment to other transaction authority.

Sec. 403. Data-as-a-service solutions for weapon system contracts.

Sec. 404. Requirements for modular open system approach and modifications to
 rights in technical data.

Sec. 405. Qualification, acceptance, and supply chain management of products
 manufactured using advanced manufacturing.

Sec. 406. Amendments to the procurement technical assistance program.

Sec. 407. Report on surge capacity in the defense industrial base.

Sec. 408. Bridging Operational Objectives and Support for Transition program.

TITLE V—DEVELOPING A MISSION-ORIENTED DEFENSE
 ACQUISITION WORKFORCE

Sec. 501. Report on strengthening the Defense Acquisition University.

Sec. 502. Comptroller General review of the management, training, and devel-
 opment of the acquisition workforce.

Sec. 503. Comptroller General review of matters relating to individuals assigned
 to a critical acquisition position.

1 **TITLE I—ALIGNING ACQUISITION TO WARFIGHTER PRIORITIES AND OPERATIONAL OUTCOMES**

2 **SEC. 101. ALIGNMENT OF THE DEFENSE ACQUISITION SYSTEM WITH THE NEEDS OF MEMBERS OF THE ARMED FORCES.**

3 (a) IMPLEMENTATION.—Not later than 30 days after
4 the date of the enactment of this Act, the Secretary of
5 Defense shall revise Department of Defense Directive
6 5000.01 and any other relevant instructions, policies, or
7 guidance to carry out the requirements of this section and
8 the amendments made by this section.

9 (b) OBJECTIVES OF DEFENSE ACQUISITION SYSTEM.—

10 (1) IN GENERAL.—Section 3102 of title 10,
11 United States Code, is amended to read as follows:

12 **“§ 3102. Objectives of the defense acquisition system**

13 **“(a) IN GENERAL.—**The Secretary of Defense shall
14 ensure that the defense acquisition system exists to expeditiously provide the Armed Forces with the capabilities
15 necessary to operate effectively, to address evolving
16 threats, and to maintain the military advantage of the
17 United States in the most cost-effective manner practicable.
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1 “(b) GUIDANCE.—The Secretary of Defense shall
2 issue guidance to carry out subsection (a) that requires
3 the following:

4 “(1) All activities of the defense acquisition sys-
5 tem contribute to the expeditious delivery of capa-
6 bilities to enhance the operational readiness of the
7 Armed Forces and enable the missions of the De-
8 partment of Defense.

9 “(2) The defense acquisition system maximizes
10 the effective use of resources by delivering capabili-
11 ties that offer the best value for the investment
12 made in each capability.

13 “(3) The defense acquisition system encourages
14 and supports the integration of innovative solutions
15 to enhance military effectiveness and responsiveness
16 to emerging threats.

17 “(4) The defense acquisition system encourages
18 an iterative approach to designing and testing tech-
19 nical solutions to enable early identification of solu-
20 tions that do not deliver desired results.

21 “(5) The defense acquisition system supports a
22 leadership and organizational structure that encour-
23 ages risk-taking, collaboration, and learning through
24 failure.

1 “(6) The training and development of members
2 of the acquisition workforce ensures that such mem-
3 bers have the skills to effectively manage acquisition
4 activities in accordance with this section.”.

5 (2) CONFORMING AMENDMENTS.—

6 (A) UNDER SECRETARY OF DEFENSE FOR
7 ACQUISITION AND SUSTAINMENT.—Section
8 133b(b) of title 10, United States Code, is
9 amended—

10 (i) in paragraph (1), by striking “de-
11 livering and sustaining timely, cost-effec-
12 tive capabilities for the Armed Forces (and
13 the Department)” and inserting “expedi-
14 tiously providing the Armed Forces with
15 the capabilities necessary to operate effec-
16 tively, to address evolving threats, and to
17 maintain the military advantage of the
18 United States in the most cost-effective
19 manner practicable”; and

20 (ii) in paragraph (9)(A), by striking
21 “defense acquisition programs” and insert-
22 ing “the defense acquisition system, in ac-
23 cordance with the objectives established
24 pursuant to section 3102”.

1 (B) DIRECTOR OF OPERATIONAL TEST
2 AND EVALUATION.—Section 139(b) of title 10,
3 United States Code, is amended—

4 (i) by redesignating paragraphs (1)
5 through (6) as paragraphs (2) through (7),
6 respectively; and

7 (ii) by inserting before paragraph (2),
8 as so redesignated, the following new para-
9 graph:

10 “(1) ensure that all operational test and evalua-
11 tion activities are aligned with, and are conducted in
12 a manner that supports, the objectives of the defense
13 acquisition system established pursuant to section
14 3102 of this title;”.

15 (C) DIRECTOR OF COST ASSESSMENT AND
16 PROGRAM EVALUATION.—Section 139a(d) of
17 title 10, United States Code, is amended by in-
18 sserting “shall carry out the requirements of this
19 section in accordance with the objectives estab-
20 lished pursuant to section 3102 of this title
21 and” before “shall serve”.

22 (c) CIVILIAN MANAGEMENT OF THE DEFENSE AC-
23 QUISSION SYSTEM.—Section 3103 of title 10, United
24 States Code, is amended—

1 (1) in subsection (a), by striking “to ensure the
2 successful and efficient operation of the defense ac-
3 quisition system” and inserting “in accordance with
4 the objectives of the defense acquisition system es-
5 tablished pursuant to section 3102 of this title”; and

6 (2) in subsection (b), by striking “to ensure the
7 successful and efficient operation of such elements of
8 the defense acquisition system.” and inserting the
9 following: “in accordance with the objectives of the
10 defense acquisition system established pursuant to
11 section 3102 of this title. In carrying out this sub-
12 section, each service acquisition executive shall per-
13 form the following:

14 “(1) Implement strategies to effectively and ef-
15 ficiently respond to changes in capability require-
16 ments.

17 “(2) Use data-driven decisionmaking to manage
18 trade-offs among life-cycle costs, delivery schedules,
19 performance objectives, technical feasibility, and pro-
20 curement quantity objectives to ensure acquisition
21 and sustainment programs deliver the best value for
22 the investment made in the program.

23 “(3) Use iterative development cycles and dis-
24 continue or terminate the development of capabili-
25 ties—

1 “(A) that no longer align with approved
2 capability requirements or priorities; or

3 “(B) are experiencing significant cost
4 growth, performance deficiencies, or delays in
5 schedule.

6 “(4) Ensure the period of assignment of an in-
7 dividual serving in a critical acquisition position (as
8 defined in section 1731 of this title) is of sufficient
9 duration to ensure the development and use of ac-
10 quired expertise, institutional capacity, account-
11 ability in decisionmaking, and stability in the over-
12 sight and management of acquisition activities.

13 “(5) Ensure that contracting officers are appro-
14 priately trained and assigned to support effective
15 contract management.”.

16 (d) ACQUISITION-RELATED FUNCTIONS OF CHIEFS
17 OF THE ARMED FORCES.—

18 (1) PERFORMANCE OF CERTAIN ACQUISITION-
19 RELATED FUNCTIONS.—Section 3104(a) of title 10,
20 United States Code, is amended—

21 (A) by inserting “, in accordance with the
22 objectives established pursuant to section 3102
23 of this title,” after “Secretary of the military
24 department concerned”; and

1 (B) by amending paragraphs (1) through
2 (7) to read as follows:

3 “(1) The development of capability requirement
4 statements for equipping the armed force concerned
5 that—

6 “(A) describe the operational problem to
7 provide necessary context for the capability re-
8 quirement; and

9 “(B) describe the solution sought in a non-
10 prescriptive manner to allow agile and innova-
11 tive capability development to address the oper-
12 ational problem;

13 “(2) The implementation of strategies to effec-
14 tively and efficiently inform recommendations re-
15 garding changes in capability requirements described
16 in paragraph (1).

17 “(3) The recommendation of trade-offs among
18 life-cycle costs, delivery schedules, performance ob-
19 jectives, technical feasibility, and procurement quan-
20 tity objectives to ensure acquisition programs deliver
21 the best value for the investment made.

22 “(4) In consultation with the Joint Require-
23 ments Council, the establishment and prioritization
24 of requirements to expeditiously provide the Armed
25 Forces with the capabilities needed to operate effec-

1 tively, to address evolving threats, and to maintain
2 the military advantage of the United States.

3 “(5) The use of data-driven decision making to
4 prioritize resource allocation to meet operational
5 readiness requirements (as defined in section 4322
6 of this title) and the materiel readiness objectives es-
7 tablished by the Secretary of the military depart-
8 ment concerned under section 118(c) of this title.

9 “(6) Support for an environment that enables
10 the adoption and integration of innovative solutions
11 and technologies to enhance military effectiveness
12 and responsiveness.

13 “(7) Any recommendation for the termination
14 of the development of capabilities—

15 “(A) that no longer align with approved
16 capability requirements or priorities;

17 “(B) for which costs have significantly in-
18 creased; or

19 “(C) for which schedule delays have been
20 significant.

21 “(8) Support for the development of career
22 paths in acquisition for military personnel (as re-
23 quired by section 1722a of this title) to ensure such
24 personnel have the necessary skills, knowledge, and

1 experience to fulfill the objectives established pursu-
2 ant to section 3102 of this title.”.

3 (2) ADHERENCE TO REQUIREMENTS IN MAJOR
4 DEFENSE ACQUISITION PROGRAMS.—Section
5 3104(b) of title 10, United States Code, is amend-
6 ed—

7 (A) in paragraph (1), by striking “program
8 capability document supporting a Milestone B
9 or subsequent decision” and inserting “require-
10 ments documents”; and

11 (B) in paragraph (2)—

12 (i) in subparagraph (A), by striking
13 “prior to entry into the Materiel Solution
14 Analysis Phase under Department of De-
15 fense Instruction 5000.02”; and

16 (ii) in subparagraph (B), by striking
17 “cost, schedule, technical feasibility, and
18 performance trade-offs” and inserting
19 “life-cycle cost, delivery schedule, perform-
20 ance objective, technical feasibility, and
21 procurement quantity trade-offs”.

22 (3) DEFINITIONS.—Section 3104(d) of title 10,
23 United States Code, is amended to read as follows:

24 “(d) REQUIREMENTS DOCUMENT DEFINED.—In this
25 section, the term ‘requirements document’ means a docu-

1 ment that establishes the need for a materiel approach to
2 resolve a capability requirement or a joint capability re-
3 quirement (as such terms are defined in section 181 of
4 this title).”.

5 (e) TECHNICAL AMENDMENTS.—

6 (1) Section 3101 of title 10, United States
7 Code, is amended to read as follows:

8 **“§ 3101. Definitions**

9 “In this chapter:

10 “(1) The term ‘best value’ means, with respect
11 to an acquisition, the optimal combination of cost,
12 quality, technical capability or solution quality, and
13 delivery schedule.

14 “(2) The term ‘capability requirement’ has the
15 meaning provided in section 181 of this title.

16 “(3) The term ‘cost-effective’ means, with re-
17 spect to an acquisition, the capacity to deliver better
18 results for the same or lower cost compared to alter-
19 natives.”.

20 (2) Section 3001(c) of title 10, United States
21 Code, is amended by striking “this section” and in-
22 serting “this part”.

1 **SEC. 102. PROGRAM EXECUTIVE OFFICER RESPONSIBIL-**
2 **ITIES.**

3 (a) IN GENERAL.—Subchapter III of chapter 87 of
4 title 10, United States Code, is amended by inserting after
5 section 1731 the following new section:

6 **“§ 1732. Program executive officer**

7 “(a) IN GENERAL.—A program executive officer is
8 the senior official responsible for the oversight of the
9 plans, budgets, and execution of the programs assigned
10 to the portfolio of such senior official, including life-cycle
11 management.

12 “(b) OBJECTIVES.—In carrying out the activities de-
13 scribed in subsection (a), the program executive officer
14 shall seek to achieve the following objectives:

15 “(1) Expeditiously provide the Armed Forces
16 with the capabilities needed to operate effectively,
17 address evolving threats, and maintain the military
18 advantage of the United States in the most cost-ef-
19 fective manner practicable.

20 “(2) Maximize the effective use of resources by
21 delivering capabilities that offer the best value for
22 the investment made in each capability.

23 “(3) Enable the integration of innovative solu-
24 tions and technologies to enhance military effective-
25 ness and responsiveness to emerging threats.

26 “(c) SPECIFIC RESPONSIBILITIES.—

1 “(1) IN GENERAL.—For the programs assigned
2 to the portfolio of a program executive officer, such
3 program executive officer shall be responsible for the
4 following:

5 “(A) Provide expeditious delivery of the ca-
6 pabilities necessary to effectively respond to na-
7 tional security challenges by overseeing the pro-
8 curement, development, and sustainment of de-
9 fense acquisition programs assigned to the pro-
10 gram executive officer.

11 “(B) Ensure the cost-effective allocation of
12 resources by delivering operational capabilities.

13 “(C) Adjust requirements, other than re-
14 quirements that are established as key perform-
15 ance parameters, to maximize the agility and
16 speed in program execution in accordance with
17 the objectives described in subsection (b).

18 “(D) Use iterative development cycles and
19 discontinue or terminate the development of ca-
20 pabilities—

21 “(i) that no longer align with ap-
22 proved capability requirements (as defined
23 in section 181 of this title) or priorities; or

1 “(ii) that are experiencing significant
2 cost growth, performance deficiencies, or
3 delays in schedule.

4 “(E) Evaluate and implement trade-offs
5 among life-cycle costs, delivery schedules, per-
6 formance objectives, technical feasibility, and
7 procurement quantity objectives to ensure ac-
8 quisition and sustainment programs deliver the
9 best value in meeting capability requirements
10 (as defined in section 181 of this title).

11 “(F) Use data-driven decisionmaking to
12 prioritize resource allocation to meet oper-
13 ational readiness requirements and materiel
14 readiness objectives established by the Secretary
15 concerned under section 118(c) of this title.

16 “(G) Collaborate with the Mission Engi-
17 neering and Integration Activity established
18 under section 203 of the SPEED Act to con-
19 duct cross-service technical and operational ac-
20 tivities to integrate emerging technologies, pro-
21 totypes, and operational concepts, as appro-
22 priate.

23 “(H) Provide support to the Requirements,
24 Acquisition, and Programming Integration Di-
25 rectorate with respect to the performance of the

1 responsibilities of the Directorate under section
2 186 of this title and serve as a member of the
3 Directorate in accordance with such section.

4 “(2) MILESTONE DECISION AUTHORITY DU-
5 TIES.—A program executive officer shall be the mile-
6 stone decision authority for a program when directed
7 by the service acquisition executive of the military
8 department that is managing the program or if des-
9 ignated by the Secretary of Defense.

10 “(d) FUNCTIONAL SUPPORT.—The Secretary con-
11 cerned with respect to a program executive officer shall
12 ensure that there is assigned to such program executive
13 officer the personnel and other resources required for such
14 program executive officer to successfully perform the as-
15 signed duties and responsibilities of such program execu-
16 tive officer, including—

17 “(1) contracting and contract management;

18 “(2) estimating costs;

19 “(3) financial management;

20 “(4) life-cycle management and product sup-
21 port;

22 “(5) program management;

23 “(6) engineering and technical management;

24 and

25 “(7) developmental testing and evaluation.”.

1 (b) AMENDMENT TO DEFINITIONS.—Section
2 1737(a)(4) of title 10, United States Code, is amended
3 to read as follows:

4 “(4) The term ‘program executive officer’
5 means an individual described in section 1732(a).”.

6 **SEC. 103. MAJOR CAPABILITY ACTIVITY AREAS AND PATH-**
7 **FINDER PROGRAMS.**

8 (a) TRANSITION PLAN REQUIRED.—

9 (1) SUBMISSION OF PLAN.—Not later than one
10 year after the date of the enactment of this Act, the
11 Secretary of Defense, in coordination with each Sec-
12 retary of a military department, shall submit to the
13 congressional defense committees a comprehensive
14 plan for organizing the programs assigned to the
15 portfolio of a program executive officer of the De-
16 partment of Defense in a manner primarily orga-
17 nized around major capability activity areas
18 (“MCAAs”).

19 (2) ELEMENTS OF THE PLAN.—The plan re-
20 quired under paragraph (1) shall be developed to
21 more effectively facilitate the development, fielding,
22 operation, sustainment, and modernization of capa-
23 bilities of the Department of Defense in accordance
24 with the objectives established pursuant to section
25 3102 of title 10, United States Code (as added by

1 section 101 of this Act). Such plan shall include the
2 following:

3 (A) A description of each proposed MCAA,
4 including how the specific capability of the De-
5 partment of Defense that is the subject of each
6 MCAA aligns with and supports joint military
7 capabilities.

8 (B) A proposed schedule, including bench-
9 marks, for phased implementation of the plan
10 to organize the programs of each military de-
11 partment and Defense Agency in a manner pri-
12 marily organized around MCAAs.

13 (C) Recommendations for statutory or reg-
14 ulatory changes needed to facilitate the reorga-
15 nization of program executive offices to be pri-
16 marily organized around MCAAs.

17 (D) A strategy to preserve accountability
18 for the delivery of a capability of the Depart-
19 ment of Defense that is the subject of the pro-
20 posed MCAA and to enable effective oversight
21 of the proposed MCAA by the congressional de-
22 fense committees.

23 (E) A description of the process for desig-
24 nating a Pathfinder under subsection (b).

25 (3) ORGANIZATION BY MCAAS.—

1 (A) IN GENERAL.—In organizing programs
2 in a manner primarily organized around
3 MCAAs under this subsection, the Secretary
4 shall—

5 (i) organize each proposed MCAA in a
6 capability-oriented structure that reflects
7 the unique and specific aspects of the sub-
8 ject capability of the MCAA;

9 (ii) assign relevant development, pro-
10 curement, operations, and sustainment ac-
11 tivities of the Department to the proposed
12 MCAA as appropriate; and

13 (iii) ensure each proposed MCAA is
14 organized in a manner that—

15 (I) will improve the ability to
16 measure and manage the overall per-
17 formance in the delivery of the subject
18 capability of the proposed MCAA; and

19 (II) connects amounts authorized
20 for activities assigned to the proposed
21 MCAA to the delivery of subject capa-
22 bility.

23 (B) FLEXIBILITY.—The Secretary of De-
24 fense shall ensure each military department and
25 Defense Agency has flexibility, according to

1 their specific mission requirements, in the orga-
2 nization of proposed MCAAs.

3 (b) DESIGNATION OF PATHFINDER MCAAs.—

4 (1) DESIGNATION.—Not later than 90 days
5 after the date of the enactment of this Act, the Sec-
6 retary of Defense shall—

7 (A) designate at least two program execu-
8 tive offices of the Department of Defense to be
9 known as “Pathfinders”;

10 (B) identify the program executive officer
11 with the responsibility of administering each
12 such Pathfinder;

13 (C) ensure each such program executive of-
14 ficer organizes the programs assigned to such
15 offices into a MCAA in accordance with the re-
16 quirements of subsection (a)(3); and

17 (D) submit to the congressional defense
18 committees a notification of each designation
19 made under subparagraph (A), including the
20 total amount authorized to carry out each Path-
21 finder for fiscal year 2026 and a description of
22 the MCAA associated with each Pathfinder.

23 (2) MODIFIED TRANSFER AUTHORITY FOR
24 PATHFINDERS.—

1 (A) AUTHORITY.—The Secretary of De-
2 fense, acting through a Secretary of a military
3 department or the head of a Defense Agency,
4 may transfer amounts authorized for programs,
5 projects, or activities that are included in a
6 Pathfinder under the jurisdiction of such Sec-
7 retary or head among such programs, projects,
8 or activities.

9 (B) LIMITATIONS.—A transfer made under
10 this paragraph—

11 (i) shall directly support delivery of
12 the capability of the Department of De-
13 fense that is the subject of the Pathfinder;

14 (ii) may not be used to initiate a new
15 start program (as described in section
16 3601 of title 10, United States Code);

17 (iii) may not be used to terminate a
18 program or activity of the Department that
19 was in operation on or before the date of
20 the designation of the Pathfinder; and

21 (iv) may not exceed 40 percent of the
22 total amount authorized to carry out a
23 Pathfinder specified under paragraph
24 (1)(D).

1 (3) ADDITIONAL PATHFINDERS.—The Sec-
2 retary of Defense may designate additional MCAAs
3 as Pathfinders under the authority of this subsection
4 if the Secretary notifies the congressional defense
5 committees not later than 15 days prior to each
6 such designation.

7 (c) REPORT TO CONGRESS.—

8 (1) IN GENERAL.—Not later than 540 days
9 after the date of the enactment of this Act, and an-
10 nually thereafter until December 31, 2029, the Sec-
11 retary of Defense shall submit to the congressional
12 defense committees a report assessing the effective-
13 ness of the use of a capability-oriented structure in
14 subsection (a)(3) and Pathfinders in subsection (b)
15 to—

16 (A) improve the ability to measure and
17 manage the overall performance in the delivery
18 of the subject capability of the proposed MCAA
19 or Pathfinder;

20 (B) inform and improve program manage-
21 ment and planning for future activities assigned
22 to the proposed MCAA or Pathfinder for the
23 delivery of subject capability; and

24 (C) achieve the objectives of the defense
25 acquisition system established pursuant to sec-

1 tion 3102 of title 10, United States Code (as
2 added by section 101 of this Act).

3 (2) CONTENTS.—The report required under
4 paragraph (1) shall include the following:

5 (A) The extent to which the use of MCAAs
6 and use of the transfer authority under sub-
7 section (b)(2) for Pathfinders affect the speed
8 of addressing emerging threats and adopting
9 new technologies.

10 (B) An analysis of any costs or benefits of
11 using MCAAs.

12 (C) Recommendations, including statutory
13 or regulatory modifications, for—

14 (i) expanding the use of Pathfinders;

15 and

16 (ii) continuing the transition to using
17 MCAAs.

18 (d) DEFINITIONS.—In this section:

19 (1) The term “major capability activity area”
20 or “MCAA” means a compilation of activities that
21 relate to the delivery of a capability of the Depart-
22 ment of Defense, as determined by the Secretary of
23 Defense.

1 (2) The term “joint military capabilities” has
2 the meaning given in section 181 of title 10, United
3 States Code, as amended by section 201 of this Act.

4 (3) The term “program executive officer” has
5 the meaning given in section 1732 of title 10,
6 United States Code, as added by section 102 of this
7 Act.

8 **SEC. 104. PRODUCT SUPPORT MANAGER RESPONSIBILITIES**
9 **AND REQUIREMENTS.**

10 (a) IN GENERAL.—Subchapter III of chapter 87 of
11 title 10, United States Code, is amended by inserting after
12 section 1732 (as added by section 102 of this Act) the
13 following new section:

14 **“§ 1733. Product support manager**

15 “(a) IN GENERAL.—A product support manager is
16 the individual responsible for managing support functions
17 required to field and maintain the readiness and oper-
18 ational capability of a covered system in support of the
19 life-cycle management responsibilities of the program
20 manager for such covered system.

21 “(b) OBJECTIVES.—In carrying out the activities de-
22 scribed in subsection (a), the product support manager
23 shall seek to achieve the objectives of the defense acquisi-
24 tion system established pursuant to section 3102 of this
25 title.

1 “(c) SPECIFIC RESPONSIBILITIES.—A product sup-
2 port manager shall be responsible for the following:

3 “(1) Provide product support and subject mat-
4 ter expertise with respect to a covered system to the
5 program manager for the covered system to assist
6 with the development, resourcing, implementation,
7 and execution of the product support strategy devel-
8 oped by the product support manager under section
9 4322 of this title for the covered system.

10 “(2) Collaborate with the chief engineer and
11 systems engineers for the covered system—

12 “(A) to develop the life-cycle sustainment
13 plan and any product support plans for the cov-
14 ered system; and

15 “(B) to analyze the operating and support
16 costs of the covered system to ensure the cost-
17 effective operation, management, and avail-
18 ability of the covered system.

19 “(3) Conduct early risk identification, mitiga-
20 tion, and product support analyses that inform best
21 value solutions in life-cycle planning and manage-
22 ment.

23 “(4) Provide input on systems engineering re-
24 quirements, design, budgeting, maintenance plan-
25 ning, and acquisition strategies for covered systems.

1 “(5) Support the program manager in evalu-
2 ating trade-offs among life-cycle costs, delivery
3 schedules, performance objectives, technical feasi-
4 bility, and procurement quantity objectives to ensure
5 each covered system delivers the greatest value for
6 the investment made in the covered system.

7 “(6) Use data-driven decision making, pre-
8 dictive analysis, and appropriate modeling tools re-
9 lated to reliability and maintainability of the covered
10 system to prioritize resource allocation to meet oper-
11 ational readiness requirements and materiel readi-
12 ness objectives (established under section 118(c) of
13 this title).

14 “(7) Support each Secretary of a military de-
15 partment in performance of a core logistics analysis
16 pursuant to section 2464 of this title.

17 “(d) COVERED SYSTEM DEFINED.—In this section,
18 the term ‘covered system’ has the meaning given in section
19 4322 of this title.”.

20 (b) EDUCATION, TRAINING, AND EXPERIENCE RE-
21 QUIREMENTS FOR PRODUCT SUPPORT MANAGERS.—Sec-
22 tion 1735 title 10, United States Code, is amended—

23 (1) by redesignating subsections (c), (d), and
24 (e) as subsections (d), (e), and (f), respectively; and

1 (2) by inserting after subsection (b) the fol-
2 lowing new subsection:

3 “(c) PRODUCT SUPPORT MANAGER.—Before being
4 assigned to a position as product support manager, a per-
5 son—

6 “(1) shall have completed all life-cycle logistics
7 certification and training requirements prescribed by
8 the Secretary of Defense;

9 “(2) shall have executed a written agreement as
10 required in section 1734(b)(2) of this title; and

11 “(3) in the case of—

12 “(A) a product support manager of a
13 major defense acquisition program, shall have
14 at least eight years of experience in life-cycle lo-
15 gistics, at least two years of which were per-
16 formed in a systems program office or similar
17 organization; and

18 “(B) a product support manager of a sig-
19 nificant nonmajor defense acquisition program,
20 shall have at least six years of experience in
21 life-cycle logistics.”.

22 (c) CONFORMING AMENDMENTS.—Section
23 1731(a)(1)(B) title 10, United States Code, is amended
24 by adding at the end the following new clause:

25 “(iv) Product support manager.”.

1 **SEC. 105. AMENDMENTS TO LIFE-CYCLE MANAGEMENT AND**
2 **PRODUCT SUPPORT.**

3 (a) REORGANIZATION OF LIFE-CYCLE AND
4 SUSTAINMENT CHAPTER.—

5 (1) IN GENERAL.—Chapter 323 of title 10,
6 United States Code, is amended—

7 (A) by repealing sections 4321, 4323, and
8 4324;

9 (B) by redesignating section 4328 as sec-
10 tion 4321 and transferring such section so as to
11 appear after the table of sections at the begin-
12 ning of such chapter;

13 (C) by redesignating section 4325 as sec-
14 tion 4323 and transferring such section so as to
15 appear after section 4321;

16 (D) in section 4323, as so redesignated, by
17 striking “section 4324 of this title” and insert-
18 ing “section 4322 of this title”; and

19 (E) by amending the table of sections at
20 the beginning of such chapter to read as fol-
21 lows:

“4321. Weapon system design: sustainment factors.

“4322. Life-cycle management and product support.

“4323. Major weapon systems: assessment, management, and control of oper-
ating and support costs.”.

22 (2) CONFORMING AMENDMENTS.—

1 (A) Section 3041(a) of title 10, United
2 States Code, is amended by striking “sections
3 4292(e) and 4321” and inserting “section
4 4292(e)”.

5 (B) Section 3221(b)(2) of title 10, United
6 States Code, is amended by striking “4321,
7 4323, and 4328 of this title” and inserting
8 “and 4321 of this title,”.

9 (C) Section 4211(c)(2)(D) of title 10,
10 United States Code, is amended by striking
11 “section 4324 of this title” and inserting “sec-
12 tion 4322 of this title”.

13 (D) Section 4252(b)(14) of title 10, United
14 States Code, is amended by striking “section
15 4324(b) of this title” and inserting “section
16 4322 of this title”.

17 (b) LIFE-CYCLE MANAGEMENT AND PRODUCT SUP-
18 PORT.—Chapter 323 of title 10, United States Code, as
19 amended by subsection (a), is further amended by insert-
20 ing after section 4321 the following new section:

21 **“§ 4322. Life-cycle management and product support**

22 “(a) IN GENERAL.—The Secretary of Defense shall
23 ensure that each covered system is supported by a life-
24 cycle sustainment plan—

1 “(1) that is approved by the senior acquisition
2 executive responsible for such covered system; and

3 “(2) that meets applicable operational readiness
4 requirements and materiel readiness objectives (es-
5 tablished under section 118(e) of this title) in the
6 most cost-effective manner practicable.

7 “(b) PRODUCT SUPPORT MANAGER.—The Secretary
8 of Defense shall designate a product support manager (as
9 defined in section 1733 of this title) to serve under the
10 supervision of a program manager for each covered sys-
11 tem.

12 “(c) LIFE-CYCLE SUSTAINMENT PLAN.—(1) A prod-
13 uct support manager shall develop, update, and implement
14 a life-cycle sustainment plan for each covered system for
15 which the product support manager is responsible. Such
16 plan shall include the following:

17 “(A) A comprehensive product support strategy
18 to best achieve operational readiness requirements
19 and materiel readiness objectives throughout the
20 planned life cycle of such system.

21 “(B) A baseline life-cycle cost estimate for the
22 covered system based on the planned product sup-
23 port strategy described in subparagraph (A).

24 “(C) Recommended engineering and design con-
25 siderations that support cost-effective sustainment of

1 the covered system and best value solutions in life-
2 cycle planning and management.

3 “(D) An intellectual property management plan
4 for product support developed in accordance with
5 section 3774 of this title.

6 “(E) A strategy to maximize use of public and
7 private sector capabilities to establish Government-
8 private partnerships—

9 “(i) with appropriate incentives for each
10 partner to contribute to the achievement of
11 operational readiness requirements and materiel
12 readiness objectives in the most cost-effective
13 manner practicable; and

14 “(ii) that considers the roles of each part-
15 ner as the covered system transitions from ac-
16 quisition, development, production, fielding,
17 sustainment, and disposal.

18 “(F) A plan to transition the covered system
19 from production to initial fielding that addresses
20 specific products or services required for successful
21 initial fielding of the covered system, including—

22 “(i) a description of the necessary tooling
23 or other unique support equipment, require-
24 ments for initial spare parts and components,

1 technical handbooks and maintenance manuals,
2 maintenance training, and facilities;

3 “(ii) an identification of the funding re-
4 quired to provide such products and services for
5 any initial fielding location of the covered sys-
6 tem;

7 “(iii) an identification of any procurement
8 line, program element, or subactivity group in
9 the budget of the Secretary concerned associ-
10 ated with such products or services;

11 “(iv) the timeline for delivery of such prod-
12 ucts and services; and

13 “(v) an assessment of any reduction in
14 operational readiness requirements and materiel
15 readiness objectives if such products and serv-
16 ices are not provided in accordance with clause
17 (iv).

18 “(2) In developing each life-cycle sustainment plan
19 required by this section, the product support manager
20 shall consider the following:

21 “(A) Affordability constraints and key cost fac-
22 tors that could affect operating and support costs
23 during the life cycle of the covered system.

24 “(B) Sustainment risks or challenges to sus-
25 taining the covered system in operational environ-

1 ments, included contested logistics environments (as
2 defined in section 2926 of this title).

3 “(C) Compliance with—

4 “(i) requirements to maintain a core logis-
5 tics capability under section 2464 of this title;
6 and

7 “(ii) limitations on the performance of
8 depot-level maintenance of materiel under sec-
9 tion 2466 of this title.

10 “(D) A defense industrial base strategy to
11 maintain a robust, resilient, and innovative defense
12 industrial base to support requirements throughout
13 the life cycle of the covered system.

14 “(d) CONTINUOUS ASSESSMENT AND ACTIVE MAN-
15 AGEMENT.—In carrying out the duties of this section and
16 section 1733 of this title, the product support manager
17 shall—

18 “(1) continuously assess and actively manage
19 performance of each covered system for which the
20 product support manager is responsible against the
21 life-cycle sustainment plan for such covered system;
22 and

23 “(2) as appropriate, integrate commercial best
24 practices, use commercial standards, and use ad-

1 vanced technologies to enhance the product support
2 of each covered system.

3 “(e) RECOMMENDATIONS.—(1) The product support
4 manager shall recommend changes to the product support
5 strategy required under subsection (c)(1)(A) of a covered
6 system to the program manager responsible for such cov-
7 ered system to meet the requirements of subsection (a).

8 “(2) The program manager shall provide to the senior
9 acquisition executive responsible for a covered system any
10 recommendations for such covered system made under
11 paragraph (1) that the program manager did not imple-
12 ment along with the rationale for not implementing such
13 recommendations.

14 “(f) DEFINITIONS.—In this section:

15 “(1) The term ‘covered system’ means—

16 “(A) a major defense acquisition program
17 as defined in section 4201 of this title;

18 “(B) a major subprogram as described in
19 section 4203 of this title; or

20 “(C) an acquisition program or project
21 that is carried out using the rapid fielding or
22 rapid prototyping acquisition pathway under
23 section 3602 of this title that is estimated by
24 the Secretary of Defense to require an eventual

1 total expenditure described in section
2 4201(a)(2) of this title.

3 “(2) The term ‘operational readiness’ means
4 the capability of a unit of the Armed Forces, vessel,
5 weapon system, or equipment to perform the mis-
6 sions or functions for which it is organized or de-
7 signed.

8 “(3) The term ‘product support’ means the set
9 of support functions, as determined by the product
10 support manager, required to field and maintain the
11 readiness and operational capability of a covered sys-
12 tem, or a subsystem or component of a covered sys-
13 tem.”.

14 (c) CONFORMING AMENDMENTS TO MATERIEL
15 READINESS METRICS AND OBJECTIVES FOR MAJOR
16 WEAPON SYSTEMS.—Section 118 of title 10, United
17 States Code, is amended—

18 (1) in the section heading, by inserting “**mate-**
19 **riel readiness**” before “**objectives**”;

20 (2) in subsection (b), by striking “shall ad-
21 dress” and inserting “shall establish procedures and
22 a computation methodology to determine”;

23 (3) in subsection (c)—

24 (A) in paragraph (1), by striking “the
25 metrics required” and all that follows through

1 the period at the end and inserting “materiel
2 readiness objectives for each major weapon sys-
3 tem.”; and

4 (B) in paragraph (2), by striking “the
5 metrics required by subsection (b)” and insert-
6 ing “such readiness objectives”;

7 (4) in subsection (d)(2), by striking “readiness
8 goals or objectives” and inserting “materiel readi-
9 ness objectives”;

10 (5) in subsection (e), in the matter preceding
11 paragraph (1), by inserting a comma after “des-
12 ignated mission”; and

13 (6) in subsection (f)—

14 (A) by redesignating paragraphs (3), (4),
15 and (5) as paragraphs (4), (5), and (6), respec-
16 tively; and

17 (B) by inserting after paragraph (2) the
18 following new paragraph:

19 “(3) The term ‘materiel readiness objective’
20 means the minimum required availability of each
21 major weapon system that is necessary to fulfill the
22 requirements of the strategic framework and guid-
23 ance referred to in subsection (a).”.

1 **SEC. 106. NAVY SENIOR TECHNICAL AUTHORITY.**

2 Section 8669b of title 10, United States Code, is
3 amended—

4 (1) in subsection (a)(2), by amending subpara-
5 graph (B) to read as follows:

6 “(B) reports directly to the program execu-
7 tive officer.”; and

8 (2) in subsection (b)—

9 (A) by inserting “(1)” before “Each Sen-
10 ior”; and

11 (B) by adding at the end the following new
12 paragraph:

13 “(2) Each Senior Technical Authority shall also be
14 responsible for the determination that all design require-
15 ments for a vessel class are directly related to a key per-
16 formance parameter or key system attribute established
17 in the capability development document for the vessel
18 class. Any requirements that the Senior Technical Author-
19 ity determines are unnecessary to meet a key performance
20 parameter or key system attribute shall not be approved.”.

21 **TITLE II—ACCELERATING THE**
22 **REQUIREMENTS PROCESS**

23 **SEC. 201. JOINT REQUIREMENTS COUNCIL.**

24 (a) IMPLEMENTATION.—Not later than 30 days after
25 the date of the enactment of this Act, the Chairman of
26 the Joint Chiefs shall revise policies for the Joint Strategic

1 Planning System (established under the Chairman of the
2 Joint Chiefs of Staff Instruction 3100.01F), the Manual
3 for the Operation of the Joint Capabilities Integration and
4 Development System (issued October 30, 2021) and any
5 other relevant instructions, policies, or guidance to carry
6 out the requirements of this section and the amendments
7 made by this section.

8 (b) AMENDMENT TO NAME AND MISSION OF JOINT
9 REQUIREMENTS OVERSIGHT COUNCIL.—Section 181 of
10 title 10, United States Code, is amended—

11 (1) in the section heading, by striking “**Over-**
12 **sight**”;

13 (2) in subsection (a), by striking “Joint Re-
14 quirements Oversight Council in the Department of
15 Defense.” and inserting the following: “Joint Re-
16 quirements Council (in this section referred to as the
17 ‘Council’) in the Department of Defense. The Coun-
18 cil shall—

19 “(1) assist the Chairman of the Joint Chiefs of
20 Staff in carrying out the functions described in sec-
21 tion 153 of this title; and

22 “(2) provide recommendations for addressing
23 joint operational problems to the Requirements, Ac-
24 quisition, and Programming Integration Directorate

1 established under section 186 of this title (in this
2 section referred to as ‘RAPID’).”; and

3 (3) by striking “Joint Requirements Oversight
4 Council” each place it appears and inserting “Joint
5 Requirements Council”.

6 (c) DUTIES.—Subsection (b) of such section 181 is
7 amended to read as follows:

8 “(b) DUTIES.—The Council shall support the objec-
9 tives established pursuant to section 3102 of this title by
10 performing the following duties:

11 “(1) Continuously evaluating global trends, ad-
12 versary capabilities, and emerging threats to inform
13 awareness and understanding of joint operational
14 problems.

15 “(2) In coordination with commanders of com-
16 batant commands, compiling, refining, and
17 prioritizing joint operational problems.

18 “(3) Identifying and prioritizing gaps in joint
19 military capabilities to address joint operational
20 problems.

21 “(4) Identifying advances in technology and in-
22 novative concepts of operation that could improve
23 the ability of the joint force to address evolving
24 threats and maintain the military advantage of the
25 United States.

1 “(5) Developing a joint capability requirement
2 statement that—

3 “(A) describes the joint operational prob-
4 lem to provide necessary context for the joint
5 capability requirement; and

6 “(B) describes the solution sought in a
7 nonprescriptive manner to allow agile and inno-
8 vative development of joint capability require-
9 ments to address the joint operational problem.

10 “(6) Making the following recommendations to
11 RAPID:

12 “(A) With respect to a quick action re-
13 quirement, actions to fulfill such quick action
14 requirement, not later than 30 days after re-
15 ceipt or identification of such quick action re-
16 quirement.

17 “(B) Actions to fulfill each joint capability
18 requirement necessary to address joint oper-
19 ational problems, not later than 60 days after
20 receipt or identification of such a joint oper-
21 ational problem.

22 “(C) Modifications to joint force design
23 suitable for addressing joint operational prob-
24 lems or effectively integrating advancements in
25 technology and new concepts of operation.

1 “(D) Ways to improve operational effec-
2 tiveness, increase operational flexibility, or im-
3 prove interoperability and coordination between
4 and among joint military capabilities and the
5 military capabilities of allies or partners.

6 “(7) Providing notification to Deputy Secretary
7 of Defense—

8 “(A) upon receipt or identification of a
9 quick action requirement; and

10 “(B) upon submission of any recommenda-
11 tion to RAPID.”.

12 (d) COMPOSITION.—Subsection (c) of such section
13 181 is amended—

14 (1) in paragraph (1)(A)—

15 (A) by inserting “and RAPID” before “for
16 making recommendations”; and

17 (B) by striking “joint performance require-
18 ments” and inserting “joint capability require-
19 ments”; and

20 (2) in paragraph (3), by inserting “and
21 RAPID” after “Chairman of the Joint Chiefs of
22 Staff”.

23 (e) ADVISORS.—Subsection (d) of such section 181
24 is amended—

25 (1) in paragraph (2)—

1 (A) by inserting “strongly” before “con-
2 sider”; and

3 (B) by striking “its mission under para-
4 graphs (1) and (2) of subsection (b)” and in-
5 serting “the duties described in subsection (b)”;
6 and

7 (2) in paragraph (3)—

8 (A) by striking “seek, and strongly con-
9 sider,” and inserting “seek and consider”;

10 (B) by striking “, in their roles as cus-
11 tomers of the acquisition system,”; and

12 (C) by striking “under subsection (b)(2)
13 and joint performance requirements pursuant to
14 subsection (b)(3)”.

15 (f) RESPONSIBILITY FOR CAPABILITY REQUIRE-
16 MENTS.—Subsection (e) of such section 181 is amended
17 to read as follows:

18 “(e) RESPONSIBILITY FOR CAPABILITY REQUIRE-
19 MENTS.—The Chief of Staff of an armed force is respon-
20 sible for the capability requirements for that armed
21 force.”.

22 (g) ANALYTIC AND ENGINEERING SUPPORT.—Sub-
23 section (f) of such section 181 is amended—

24 (1) in the subsection heading, by inserting
25 “AND ENGINEERING” after “ANALYTIC”;

1 (2) by inserting “and the Mission Engineering
2 and Integration Activity established under section
3 203 of the SPEED Act” after “the Office of Cost
4 Assessment and Program Evaluation”; and

5 (3) by striking “in operations research, systems
6 analysis, and cost estimation to the Joint Require-
7 ments Oversight Council”.

8 (h) AVAILABILITY OF INFORMATION TO CONGRES-
9 SIONAL DEFENSE COMMITTEES.—Subsection (g) of such
10 section 181 is amended—

11 (1) in the subsection heading, by striking
12 “OVERSIGHT”; and

13 (2) by striking “oversight information” and in-
14 serting “information”.

15 (i) DEFINITIONS.—Subsection (h) of such section
16 181 is amended to read as follows:

17 “(h) DEFINITIONS.—In this section:

18 “(1) The term ‘capability requirement’ means a
19 requirement for a capability that is critical or essen-
20 tial to address an operational problem.

21 “(2) The term ‘joint capability requirement’
22 means a capability requirement, including a capa-
23 bility requirement related to a requirement for joint
24 force interoperability, that is critical or essential to
25 address a specific joint operational problem.

1 “(3) The term ‘joint military capabilities’
2 means the collective capabilities across the joint
3 force, including both joint and force-specific capabili-
4 ties, that are available to conduct military oper-
5 ations.

6 “(4) The term ‘joint operational problem’
7 means a joint challenge faced by a combatant com-
8 mand in achieving an assigned military objective and
9 may include limitations in capabilities, resources, or
10 the ability to effectively and efficiently coordinate
11 across the joint force, with another combatant com-
12 mand, among joint military capabilities, or with the
13 military capabilities of allies or partners.

14 “(5) The term ‘operational problem’ means a
15 challenge or barrier in an operational environment
16 that needs to be overcome to achieve a specific mili-
17 tary objective.

18 “(6) The term ‘quick action requirement’ has
19 the meaning given in Department of Defense Direc-
20 tive 5000.71 titled ‘Rapid Fulfillment of Combatant
21 Commander Urgent Operational Needs’ (August 24,
22 2012).”.

23 (j) CONFORMING AMENDMENTS.—

24 (1) TITLE 10, UNITED STATES CODE.—Title 10,
25 United States Code, is amended—

1 (A) in section 139a, by striking “Joint Re-
2 quirements Oversight Council” each place it ap-
3 pears and inserting “Joint Requirements Coun-
4 cil”;

5 (B) in section 153(a)(5)(F), by striking
6 “section 181 of this title” and inserting “sec-
7 tions 181 and 186 of this title”;

8 (C) in section 179(e)(9)—

9 (i) by striking “Joint Requirements
10 Oversight Council” and inserting “Joint
11 Requirements Council”; and

12 (ii) by striking “section 181(h)” and
13 inserting “section 181”;

14 (D) in section 2926(f)(5)(C), by striking
15 “describing” and all that follows through “de-
16 tails regarding” and inserting “describing de-
17 tails regarding”;

18 (E) in section 3067(b)(1), by striking
19 “Joint Requirements Oversight Council” and
20 inserting “Joint Requirements Council”;

21 (F) in section 3136(e)(1)(A)(ii), by strik-
22 ing “approved by the Joint Requirements Over-
23 sight Council and” and inserting “recommended
24 for approval by the Requirements, Acquisition,

1 and Programming Integration Directorate (es-
2 tablished under section 186 of this title”);

3 (G) in section 4202(a)(2)(A), by striking
4 “joint military requirement” and all that fol-
5 lows through the period at the end and insert-
6 ing the following: “joint capability requirement,
7 as determined by the Requirements, Acquisi-
8 tion, and Programming Integration Directorate
9 (established under section 186 of this title)”;

10 (H) by amending section 4251(e)(1) to
11 read as follows:

12 “(1) The term ‘requirements document’ has the
13 meaning given in section 3104(d) of this title.”;

14 (I) in section 4252(b)(9), by striking
15 “Joint Requirements Oversight Council” and
16 inserting “Joint Requirements Council”;

17 (J) in section 4376—

18 (i) in subsection (a), by striking “,
19 after consultation with the Joint Require-
20 ments Oversight Council regarding pro-
21 gram requirements,”;

22 (ii) in subsection (b)(2)(B), by strik-
23 ing “joint military requirement (as defined
24 in section 181(g)(1) of this title) at less
25 cost” and inserting “joint capability re-

1 requirement (as defined in section 181 of
2 this title) at less cost”; and

3 (iii) in subsection (c)(3), by striking
4 “joint military requirements” and inserting
5 “joint capability requirements”; and

6 (K) in section 5514(b)(2)(C)(ii), by strik-
7 ing “Joint Requirements Oversight Council”
8 and inserting “Joint Requirements Council”.

9 (2) OTHER LAWS.—

10 (A) Section 902(d) of the National Defense
11 Authorization Act for Fiscal Year 2024 (10
12 U.S.C. 139a note) is amended—

13 (i) by striking “, performance require-
14 ments, and joint performance require-
15 ments” and inserting “or performance re-
16 quirements”; and

17 (ii) by striking “Joint Requirements
18 Oversight Council to validate such require-
19 ments” and inserting “Joint Requirements
20 Council”.

21 (B) Section 1684(d)(4)(A)(i) of the Na-
22 tional Defense Authorization Act for Fiscal
23 Year 2024 (10 U.S.C. 2271 note) is amended
24 by striking “either approved by, or in develop-
25 ment for, the Joint Requirements Oversight

1 Council” and inserting “in development for con-
2 sideration or under consideration by the Joint
3 Requirements Council”.

4 (C) Section 1686(b)(1) of the National De-
5 fense Authorization Act for Fiscal Year 2024
6 (10 U.S.C. 2224 note) is amended by striking
7 “through the Joint Requirements Oversight
8 Council” and inserting “in consultation with
9 the Requirements, Acquisition, and Program-
10 ming Integration Directorate (established under
11 section 186 of title 10, United States Code)”.

12 (D) Section 1510(b)(2) of the National
13 Defense Authorization Act for Fiscal Year 2023
14 (10 U.S.C. 113 note) is amended by striking
15 “Joint Requirements Oversight Council” and
16 inserting “Joint Requirements Council”.

17 (E) Section 915(a)(1) of the National De-
18 fense Authorization Act for Fiscal Year 2023
19 (10 U.S.C. 132 note) is amended by striking
20 “Joint Requirements Oversight Council” and
21 inserting “Joint Requirements Council”.

22 (F) Section 938(a)(1) of the National De-
23 fense Authorization Act for Fiscal Year 2014
24 (10 U.S.C. 4571 note prec.) is amended by
25 striking “Joint Requirements Oversight Coun-

1 cil” and inserting “Joint Requirements Coun-
2 cil”.

3 (3) REPEALS.—The following provisions of law
4 are repealed:

5 (A) Section 942 of the National Defense
6 Authorization Act for Fiscal Year 2008 (10
7 U.S.C. 181 note).

8 (B) Section 916 of the Floyd D. Spence
9 National Defense Authorization Act for Fiscal
10 Year 2001 (10 U.S.C. 181 note).

11 (C) Section 105(b) of the Weapon Systems
12 Acquisition Reform Act of 2009 (10 U.S.C. 181
13 note).

14 (D) Section 201 of the Weapon Systems
15 Acquisition Reform Act of 2009 (10 U.S.C.
16 3102 note).

17 **SEC. 202. ESTABLISHMENT OF THE REQUIREMENTS, ACQUI-**
18 **SITION, AND PROGRAMMING INTEGRATION**
19 **DIRECTORATE.**

20 (a) IN GENERAL.—Chapter 7 of title 10, United
21 States Code, is amended by inserting after section 185 the
22 following new section:

1 **“§ 186. Requirements, Acquisition, and Programming**
2 **Integration Directorate**

3 “(a) ESTABLISHMENT.—There is within the Depart-
4 ment of Defense a Requirements, Acquisition, and Pro-
5 gramming Integration Directorate (in this section referred
6 to as ‘RAPID’).

7 “(b) PURPOSES.—RAPID shall—

8 “(1) serve as the principal forum within the De-
9 partment of Defense to inform, coordinate, and
10 evaluate solutions to joint operational problems;

11 “(2) provide senior oversight, coordination, and
12 budget and capability harmonization with respect to
13 such matters; and

14 “(3) act as an advisory body to the Secretary
15 of Defense and the Deputy Secretary of Defense
16 with respect to such matters.

17 “(c) ORGANIZATION AND MEMBERSHIP.—RAPID
18 shall consist of the following members:

19 “(1) The Chairman of the Joint Requirements
20 Council and the Director of Cost Assessment and
21 Program Evaluation, who shall serve as co-directors
22 of RAPID.

23 “(2) One member designated by each com-
24 mander of a combatant command.

25 “(3) One member designated by the Chairman
26 of the Joint Requirements Council.

1 “(4) One member designated by the Director of
2 Cost Assessment and Program Evaluation.

3 “(5) One member designated by each service
4 acquisition executive of a military department.

5 “(6) One member designated by the principal
6 staff assistant for the Mission Engineering and Inte-
7 gration Activity (established under section 203 of
8 the SPEED Act).

9 “(7) One member designated by the executive
10 director of the Joint Rapid Acquisition Cell (as de-
11 scribed in the Department of Defense Directive
12 5000.71 titled ‘Rapid Fulfillment of Combatant
13 Commander Urgent Operational Needs’ (August 24,
14 2012)).

15 “(8) One member designated by each portfolio
16 executive officer or a similar member of the acquisi-
17 tion workforce responsible for the execution of a rec-
18 ommendation under consideration by RAPID.

19 “(d) RESPONSIBILITIES.—(1) RAPID shall—

20 “(A) promptly convene relevant members to as-
21 sess a proposed joint capability requirement to ad-
22 dress a joint operational problem by considering,
23 with respect to such proposed joint capability re-
24 quirement—

25 “(i) associated resource requirements;

1 “(ii) mission engineering and interoper-
2 ability considerations for integration into joint
3 architectures; and

4 “(iii) factors related to acquisition and
5 sustainment; and

6 “(B) provide prioritized recommendations for
7 solutions to such joint operational problem to the
8 Secretary of Defense and Deputy Secretary of De-
9 fense.

10 “(2) In carrying out paragraph (1), RAPID shall—

11 “(A) use data-driven decisionmaking to
12 prioritize resource allocation;

13 “(B) maximize the effective use of resources by
14 enabling timely delivery of solutions to address a
15 joint operational problem in a manner that provides
16 the greatest value for the investment made;

17 “(C) enable the adoption and integration of so-
18 lutions to enhance military effectiveness and respon-
19 siveness to emerging threats; and

20 “(D) in addition to any other considerations re-
21 quired under this subsection, consider—

22 “(i) joint capability requirement state-
23 ments or other relevant justification materials
24 provided by the Joint Requirements Council;

1 “(ii) any analysis and recommendations
2 provided by the Mission Engineering and Inte-
3 gration Activity or the Director of Cost Assess-
4 ment and Program Evaluation relating to re-
5 source requirements described in paragraph
6 (1)(A)(i);

7 “(iii) recommendations from relevant serv-
8 ice acquisition executives or program executive
9 officers related to planning and execution of the
10 proposed joint capability requirement, including
11 budget planning and management, acquisition
12 approach, program management, and life-cycle
13 management for a proposed joint capability re-
14 quirement; and

15 “(iv) the need to incorporate measure for
16 technology protection in certain covered systems
17 to enable the use or sale of proposed technology
18 solutions to joint operational problems with al-
19 lies and partner countries in a manner that pro-
20 tects national security interest while promoting
21 international collaboration.

22 “(e) RECOMMENDATION.—(1) Not later than 30 days
23 after the date of receipt of a recommendation with respect
24 to a joint capability requirement for a joint operational
25 problem, from the Joint Requirements Council in accord-

1 ance with section 181 of this title, RAPID shall submit
2 to the Deputy Secretary of Defense a recommendation for
3 a solution to the joint operational problem that includes
4 the following:

5 “(A) A description of the resources needed to
6 implement the solution and, as appropriate, re-
7 sources needed to support the acquisition and
8 sustainment of such solution of over the anticipated
9 life cycle of the solution.

10 “(B) Any recommended actions necessary to en-
11 able integration of the solution into the joint force
12 or to revise joint concepts of operation to best re-
13 solve the joint operational problem.

14 “(C) With respect to a solution for which access
15 may be shared with an ally or partner country, rec-
16 ommended considerations—

17 “(i) to be incorporated during the design
18 and development phase of the solution; and

19 “(ii) to facilitate future production and lo-
20 gistics support for the solution to the ally or
21 partner country.

22 “(D) Any necessary changes to policy or guid-
23 ance to enable effective acquisition, fielding, and em-
24 ployment of a solution that is a joint military capa-
25 bility.

1 “(E) Any other recommended actions to expedi-
2 tiously provide the Armed Forces with the capabili-
3 ties necessary to operate effectively, to address evol-
4 ving threats, and to maintain the military advantage
5 of the United States in the most cost-effective man-
6 ner practicable.

7 “(2) The co-chairs of RAPID may request an addi-
8 tional amount of time, not to exceed 30 days, to provide
9 a recommendation related to a joint capability require-
10 ment that is not a quick action requirement to the Deputy
11 Secretary of Defense under this subsection.

12 “(f) DETERMINATION.—(1) Not later than 30 days
13 after receipt of a recommendation under subsection (e),
14 the Deputy Secretary of Defense shall issue a memo-
15 randum that approves, approves with modification, or re-
16 jects such a recommendation.

17 “(2) The Deputy Secretary of Defense shall include
18 along with a memorandum that approves or approves with
19 modification a recommendation described in paragraph (1)
20 specific direction and guidance to the applicable element
21 of the Department of Defense to which such recommenda-
22 tion applies.

23 “(3) The Deputy Secretary of Defense shall include
24 along with a memorandum that rejects a recommendation
25 described in paragraph (1) a specific direction—

1 “(A) for alternative action to be taken by the
2 applicable element of the Department of Defense to
3 which such recommendation applies to address the
4 relevant joint operational problem; or

5 “(B) to RAPID for further action to address
6 the relevant joint operational problem.

7 “(g) NOTIFICATION.—If the Deputy Secretary of De-
8 fense fails to issue a memorandum as required by sub-
9 section (f) within 90 days after the date on which the
10 Joint Requirements Council provides a recommendation to
11 address a joint operational problem to the RAPID, the
12 Secretary of Defense shall submit to the congressional de-
13 fense committees a notification of such failure.

14 “(h) DEFINITIONS.—In this section:

15 “(1) The terms ‘joint capability requirement’,
16 ‘joint military capability’, ‘joint operational problem’,
17 and ‘quick action requirement’ have the meanings
18 given, respectively, in section 181 of this title.

19 “(2) The term ‘relevant member’ means a mem-
20 ber of RAPID (or a designee) that has a primary in-
21 terest in, or responsibility for, a proposed joint capa-
22 bility requirement or quick action requirement under
23 assessment by RAPID.”.

1 (b) CONFORMING AMENDMENTS TO DIRECTOR OF
2 COST ASSESSMENT AND PROGRAM EVALUATION.—Sec-
3 tion 139a(d) of title 10, United States Code, is amended—

4 (1) by redesignating paragraphs (4) through
5 (9) as paragraphs (5) through (10), respectively;
6 and

7 (2) by inserting after paragraph (3) the fol-
8 lowing new paragraph:

9 “(4) Analysis and advice for resource discus-
10 sions relating to joint capability requirements under
11 consideration by the Requirements, Acquisition, and
12 Programming Integration Directorate pursuant to
13 section 186 of this title.”.

14 **SEC. 203. ESTABLISHMENT OF THE MISSION ENGINEERING**
15 **AND INTEGRATION ACTIVITY.**

16 (a) ESTABLISHMENT.—Not later than 120 days after
17 the date of the enactment of this Act, the Secretary of
18 Defense shall establish within the Department of Defense
19 a Mission Engineering and Integration Activity (in this
20 section referred to as “MEIA”).

21 (b) DESIGNATION.—The Secretary of Defense shall
22 designate a principal staff assistant from within the Office
23 of the Secretary of Defense whose office shall serve as the
24 office of primary responsibility for MEIA.

1 (c) DUTIES.—The principal staff assistant des-
2 ignated under subsection (b) shall have the following du-
3 ties:

4 (1) Lead cross-service activities to develop,
5 identify, analyze, and validate integrated technology
6 solutions to address joint operational problems.

7 (2) Coordinate with the appropriate program
8 executive officers to align and implement such activi-
9 ties.

10 (3) Proactively seek and consider feedback of
11 the primary users and operators of proposed tech-
12 nology solutions to address joint operational prob-
13 lems throughout the implementation of such activi-
14 ties.

15 (4) Upon request, perform analysis for, experi-
16 ment with, and prototype technology to integrate
17 such technology into joint architectures, to use such
18 technology, to inform operational concepts, and to
19 provide analysis or recommendations regarding the
20 use of such technology to the Requirements, Acquisi-
21 tion, and Programming Integration Directorate, es-
22 tablished by section 186 of title 10, United States
23 Code (in this section referred to as “RAPID”).

24 (5) Coordinate with commanders of the combat-
25 ant commands to understand the priorities of com-

1 manders and support the fielding of integrated tech-
2 nology solutions to address joint operational prob-
3 lems.

4 (6) Upon request, assist a program executive
5 officer in carrying out the responsibilities established
6 under section 1732 of title 10, United States Code
7 (as added by section 102 of this Act), by providing
8 analysis, recommendations, and engineering assist-
9 ance in the integration of technology solutions re-
10 lated to the capabilities for which the program exec-
11 utive officer is responsible.

12 (7) Use existing authorities (including authori-
13 ties provided in section 4022 of title 10, United
14 States Code) to carry out this section.

15 (d) IMPLEMENTATION PLAN.—

16 (1) PLAN.—Not later than 90 days after the
17 date of the enactment of this Act, the Secretary of
18 Defense shall submit to the congressional defense
19 committees an implementation plan for MEIA.

20 (2) ELEMENTS.—The plan required by para-
21 graph (1) shall include a description of the following:

22 (A) The organizational structure and re-
23 source requirements associated with the estab-
24 lishment and operation of MEIA.

1 (B) How MEIA will support and inform
2 the RAPID in carrying out the requirements of
3 section 186 of title 10, United States Code.

4 (C) Each budget line item or program ele-
5 ment that will be associated with the activities
6 of MEIA.

7 (D) Coordination between MEIA and rel-
8 evant elements of the Department of Defense
9 that are established to identify and support the
10 development of, experimentation with, and inte-
11 gration of technology solutions to address joint
12 operational problems for the Department, in-
13 cluding—

14 (i) the Defense Innovation Unit estab-
15 lished under section 4217 of the title 10,
16 United States Code;

17 (ii) the Defense Research and Devel-
18 opment Rapid Innovation Program estab-
19 lished under section 4061 of such title;

20 (iii) a entity of the Department of De-
21 fense that is a member of the Defense In-
22 novation Community of Entities estab-
23 lished by the Director of the Defense Inno-
24 vation Unit;

1 (iv) the Strategic Capabilities Office;

2 and

3 (v) recipients of awards under the
4 Small Business Innovation Research Pro-
5 gram or the Small Business Technology
6 Transfer Program (as defined in section 9
7 of the Small Business Act (15 U.S.C.
8 638)).

9 (E) How MEIA will coordinate with and
10 assist—

11 (i) the commanders of combatant
12 commands in fielding integrated technology
13 solutions to address joint operational prob-
14 lems under subsection (c)(5); and

15 (ii) the program executive officers and
16 each Secretary of a military department in
17 the integration of technology to enhance
18 military effectiveness and responsiveness.

19 (F) Any recommendations for changes to
20 statute or policy for successful implementation
21 of this section.

22 (e) ASSESSMENT.—Not later than five years after the
23 date of the establishment of MEIA, the Secretary of De-
24 fense shall submit to the congressional defense committees
25 an assessment of whether MEIA should be modified, made

1 permanent, or terminated based on its effectiveness in car-
2 rying out the requirements of this section.

3 (f) **JOINT OPERATIONAL PROBLEM DEFINED.**—In
4 this section, the term “joint operational problem” has the
5 meaning given in section 181 of title 10, United States
6 Code.

7 **TITLE III—STRIKING THE BAL-**
8 **ANCE BETWEEN REGULATION**
9 **AND EFFICIENCY**

10 **SEC. 301. MATTERS RELATED TO DEPARTMENT OF DE-**
11 **FENSE USE OF COST ACCOUNTING STAND-**
12 **ARDS.**

13 (a) **REDUCTION OR ELIMINATION OF CAS.**—

14 (1) **IN GENERAL.**—Not later than 90 days after
15 the date of the enactment of this Act, the Secretary
16 of Defense shall—

17 (A) identify actions necessary to streamline
18 requirements for compliance with the cost ac-
19 counting standards established under section
20 1502 of title 41, United States Code (in this
21 section referred to as “CAS”), in the perform-
22 ance of a contract with the Department of De-
23 fense; and

1 (B) reduce or eliminate such requirements
2 under the circumstances described in paragraph
3 (2).

4 (2) CIRCUMSTANCES DESCRIBED.—The cir-
5 cumstances described in this paragraph are as fol-
6 lows:

7 (A) With respect to an action to eliminate
8 compliance with CAS, if reliance on a similar
9 requirement under generally accepted account-
10 ing principles (in this section referred to as
11 “GAAP”) would materially achieve uniformity
12 and consistency in cost accounting with respect
13 to such elimination without bias or prejudice to
14 parties to a contract.

15 (B) If other existing requirements in guid-
16 ance or regulation will sufficiently protect the
17 interests of the Secretary of Defense in the
18 oversight of cost contracts.

19 (C) If such requirement is no longer nec-
20 essary or appropriate.

21 (b) ASSESSMENT OF GAAP TO MEET DEPARTMENT
22 OF DEFENSE NEEDS.—

23 (1) IN GENERAL.—The Secretary of Defense
24 shall conduct an assessment of the steps necessary
25 to enable the use of GAAP instead of CAS as the

1 baseline for standards of financial accounting and
2 reporting for the contracts of the Department of De-
3 fense. Such assessment shall include—

4 (A) an identification of needed changes to
5 law, regulation, or policy to enable the Sec-
6 retary to eliminate the use of CAS and imple-
7 ment the use of GAAP as such baseline; and

8 (B) an identification any Department-spe-
9 cific standards that would be required in addi-
10 tion to GAAP to support the unique require-
11 ments of defense contracts.

12 (2) REPORT.—Not later than 180 days after
13 the date of the enactment of this Act, the Secretary
14 shall submit to the congressional defense committees
15 a report on the findings of the assessment required
16 by paragraph (1), along with any recommended ac-
17 tions for Congress to reduce or eliminate require-
18 ments for compliance with CAS.

19 **SEC. 302. REVIEW OF COMMERCIAL BUYING PRACTICES.**

20 (a) REVIEW REQUIRED.—

21 (1) IN GENERAL.—Not later than 120 days
22 after the enactment of this Act, the Secretary of De-
23 fense shall carry out a comprehensive review of the
24 approach of the Department of Defense to acquiring
25 commercial products and commercial services and

1 the implementation of the requirements of the Fed-
2 eral Acquisition Streamlining Act of 1994 (Public
3 Law 103–355) by the Department.

4 (2) REVIEW REQUIREMENTS.—The review re-
5 quired by paragraph (1) shall include an assessment
6 of each of the following as they relate to the ap-
7 proach of the Department of Defense to acquiring
8 commercial products and commercial services:

9 (A) The policies, procedures, guidance, and
10 instructions of the Department of Defense.

11 (B) The extent to which contracts entered
12 into by the Department of Defense for the ac-
13 quisition of commercial products or commercial
14 services include requirements or other provi-
15 sions that should not apply to the acquisition of
16 a commercial product or commercial service and
17 the extent to which such requirements or other
18 provisions are included in subcontracts under
19 such contracts.

20 (C) Training curricula, educational mate-
21 rials, and associated activities of the Depart-
22 ment of Defense related to acquiring commer-
23 cial products and commercial services, including
24 such curricula, materials, and activities that
25 pertain to the determination of a product or

1 service as a commercial product or commercial
2 service and the congressional intent that the
3 definitions of the terms “commercial product”
4 and “commercial service” should be applied
5 broadly.

6 (D) Audit and oversight policies and prac-
7 tices of the Department of Defense.

8 (E) Incentives that discourage the acquisi-
9 tion workforce from acquiring commercial prod-
10 ucts or commercial services.

11 (F) The process by which the Department
12 of Defense develops and issues regulations re-
13 lated to the acquisition of commercial products
14 or commercial services, including delays in rule-
15 making and the resulting delays in the imple-
16 mentation of policies intended to improve or
17 streamline the acquisition of commercial prod-
18 ucts or commercial services.

19 (G) Requirements in solicitations or con-
20 tracts of the Department of Defense requiring
21 the use of military specifications or standards
22 when applicable commercial specifications or
23 standards were available that could have meet
24 the needs of the Department served by such
25 military specifications or standards.

1 (H) The process by which the Department
2 of Defense evaluates past performance, includ-
3 ing performance under Federal, State, and local
4 government and private contracts (as described
5 in section 15.305(a)(2)(ii) of the Federal Acqui-
6 sition Regulation), in the acquisition of com-
7 mercial products or commercial services.

8 (b) REPORT.—Not later than 180 days after the en-
9 actment of this Act, the Secretary of Defense shall submit
10 to the congressional defense committees a report that—

11 (1) describes the findings of the review required
12 by subsection (a)(1);

13 (2) describes the corrective actions taken by the
14 Secretary to address the issues identified pursuant
15 to such review, including any findings of noncompli-
16 ance by the Department of Defense with the require-
17 ments of the Federal Acquisition Streamlining Act
18 of 1994 (Public Law 103–355) or any other statu-
19 tory or regulatory requirements related to advancing
20 and enabling the procurement of commercial prod-
21 ucts and commercial services; and

22 (3) includes any recommendations of the Sec-
23 retary on actions that Congress may take to better
24 enable the Department of Defense to take advantage

1 of the benefits of acquiring commercial products and
2 commercial services.

3 **SEC. 303. ADJUSTMENTS TO CERTAIN ACQUISITION**
4 **THRESHOLDS.**

5 (a) MAJOR PROGRAM.—Section 3041 of title 10,
6 United States Code, is amended—

7 (1) in subsection (c)(1)—

8 (A) in subparagraph (A), by striking
9 “\$115,000,000 (based on fiscal year 1990 con-
10 stant dollars)” and inserting “\$275,000,000
11 (based on fiscal year 2024 constant dollars)”;
12 and

13 (B) in subparagraph (B), by striking
14 “\$540,000,000 (based on fiscal year 1990 con-
15 stant dollars)” and inserting “\$1,300,000,000
16 (based on fiscal year 2024 constant dollars)”;
17 and

18 (2) in subsection (d)(1), by striking “\$750,000
19 (based on fiscal year 1980 constant dollars)” and in-
20 sserting “\$5,000,000 (based on fiscal year 2024 con-
21 stant dollars)”.

22 (b) USE OF PROCEDURES OTHER THAN COMPETI-
23 TIVE PROCEDURES.—Section 3204(e)(1) of title 10,
24 United States Code, is amended—

1 (1) by striking “\$10,000,000” each place it ap-
2 pears and inserting “\$100,000,000”;

3 (2) by striking “\$75,000,000” each place it ap-
4 pears and inserting “\$500,000,000”; and

5 (3) in subparagraph (B)(i), by striking
6 “\$500,000” and inserting “\$5,000,000”.

7 (c) SIMPLIFIED PROCEDURES FOR SMALL PUR-
8 CHASES.—Section 3205(a) of title 10, United States Code,
9 is amended—

10 (1) in paragraph (1), by striking “simplified ac-
11 quisition threshold” and inserting “threshold speci-
12 fied in section 3571(a) of this title”; and

13 (2) in paragraph (2), by striking “\$5,000,000”
14 and inserting “\$50,000,000”.

15 (d) MULTIYEAR CONTRACTS.—Section 3501 of title
16 10, United States Code, is amended—

17 (1) by striking “\$500,000,000” each place it
18 appears and inserting “\$1,000,000,000”;

19 (2) by striking “\$100,000,000” each place it
20 appears and inserting “\$150,000,000”; and

21 (3) by striking “\$20,000,000” each place it ap-
22 pears and inserting “\$50,000,000”.

23 (e) SIMPLIFIED ACQUISITION THRESHOLD.—Section
24 3571(a) of title 10, United States Code, is amended—

1 (1) by inserting “(1)” before “For purposes of
2 acquisitions”;

3 (2) by striking “as specified in section 134 of
4 title 41” and inserting “\$10,000,000”; and

5 (3) by adding at the end the following new
6 paragraph:

7 “(2) In the case of any contract to be awarded and
8 performed, or purchase to be made, in support of a contin-
9 gency operation or a humanitarian or peacekeeping oper-
10 ation, the simplified acquisition threshold means an
11 amount equal to two times the amount specified in para-
12 graph (1).”.

13 (f) MICRO-PURCHASE THRESHOLD.—Section 3573 of
14 title 10, United States Code, is amended by striking
15 “\$10,000” and inserting “\$100,000”.

16 (g) MODIFICATIONS TO SUBMISSIONS OF COST OR
17 PRICING DATA.—Section 3702(a) of title 10, United
18 States Code, is amended—

19 (1) in paragraph (1)—

20 (A) by striking “June 30, 2018” each
21 place it appears and inserting “June 30, 2026”;

22 (B) in subparagraph (A), by striking
23 “\$2,000,000” and inserting “\$10,000,000”;

24 and

1 (C) in subparagraph (B), by striking
2 “\$750,000” and inserting “\$2,000,000”;

3 (2) in paragraph (2), by striking “\$2,000,000”
4 and inserting “\$10,000,000”; and

5 (3) in subparagraph (3)(A), by striking
6 “\$2,000,000” and inserting “\$10,000,000”.

7 (h) MAJOR DEFENSE ACQUISITION PROGRAMS;
8 DEFINITIONS; EXCEPTIONS.—Section 4201(a)(2) of title
9 10, United States Code, is amended—

10 (1) in subparagraph (A), by striking
11 “\$300,000,000 (based on fiscal year 1990 constant
12 dollars)” and inserting “\$1,000,000,000 (based on
13 fiscal year 2024 constant dollars)”; and

14 (2) in subparagraph (B), by striking
15 “\$1,800,000,000 (based on fiscal year 1990 con-
16 stant dollars)” and inserting “\$5,500,000,000
17 (based on fiscal year 2024 constant dollars)”.

18 **SEC. 304. ALTERNATIVE CAPABILITY-BASED PRICING.**

19 Chapter 287 of title 10, United States Code, is
20 amended by adding at the end the following new section:

21 **“§ 3906. Alternative capability-based pricing**

22 “(a) IN GENERAL.—Except as provided by subsection
23 (b), the head of an agency may use alternative capability-
24 based analysis for the acquisition of a commercial solution
25 to determine whether the price for a commercial solution

1 is fair and reasonable based on the value to the Govern-
2 ment as determined under such analysis.

3 “(b) EXCEPTION.—Subsection (a) does not apply
4 with respect to the acquisition of a commercial solution
5 under a subcontract.

6 “(c) DEFINITIONS.—In this section:

7 “(1) The term ‘alternative capability-based
8 analysis’ means an analysis of the value to the Gov-
9 ernment of a commercial solution that determines
10 such value based on one or more of the following cri-
11 teria:

12 “(A) The suitability of the commercial so-
13 lution for the particular purpose for which the
14 Government would acquire such commercial so-
15 lution.

16 “(B) The benefits obtained by the Govern-
17 ment as a result of improvements in capability,
18 effectiveness, efficiency, process, or speed to de-
19 livery provided by such commercial solution.

20 “(C) The estimated total cost avoidance re-
21 sulting from the acquisition and use of such
22 commercial solution, including the cost avoid-
23 ance resulting from reductions to operations,
24 sustainment, or risks to mission by replacing

1 fielded capabilities with such commercial solu-
2 tion.

3 “(D) Input from the intended end users of
4 such commercial solution on the potential value
5 of the improvements to capabilities or processes
6 provided by such commercial solution.

7 “(2) The term ‘commercial solution’ means a
8 product or service, including an integrated combina-
9 tion of products, services, or products and services—

10 “(A) that is sold, leased, or licensed in the
11 commercial marketplace, or offered for sale,
12 lease, or license in the commercial marketplace;
13 and

14 “(B) the provider of which contempora-
15 neously offers such solution or a solution that
16 is similar to such solution to the general public
17 or public entities, including State and local gov-
18 ernments and foreign governments, under terms
19 and conditions that are similar to the terms and
20 conditions under which such solution is offered
21 to the Federal Government.”.

1 **SEC. 305. CLARIFICATION OF CONDITIONS FOR PAYMENTS**
2 **FOR COMMERCIAL PRODUCTS AND COMMER-**
3 **CIAL SERVICES.**

4 Section 3805 of title 10, United States Code, is
5 amended—

6 (1) in subsection (d)—

7 (A) by striking “The conditions” and in-
8 serting “(1) The conditions”; and

9 (B) by adding at the end the following new
10 paragraph:

11 “(2) For the purposes of section 3803 of this title,
12 a payment for covered services acquired through a com-
13 mercially utilized acquisition strategy shall not be consid-
14 ered an advance payment made under section 3801 of this
15 title.”; and

16 (2) by adding at the end the following new sub-
17 section:

18 “(e) DEFINITIONS.—In this section:

19 “(1) The term ‘commercially utilized acquisition
20 strategy’ means an acquisition of a service by the
21 Government under terms and conditions that—

22 “(A) are similar to the terms and condi-
23 tions under which such service is available to
24 the public; and

25 “(B) provide such service as a consump-
26 tion-based solution or under a technology sub-

1 description model or other model based on pre-
2 determined pricing for access to such service.

3 “(2) The term ‘covered service’ means a com-
4 mercial service that includes access to or use of any
5 combination of hardware, equipment, software,
6 labor, or services, including access to commercial
7 satellite data and associated services, that is inte-
8 grated to provide a capability.”.

9 **TITLE IV—STRENGTHENING THE**
10 **DEFENSE INDUSTRIAL BASE**
11 **AND LEVERAGING COMMER-**
12 **CIAL INNOVATION**

13 **SEC. 401. DEFENSE INDUSTRIAL RESILIENCE CONSORTIUM.**

14 (a) ESTABLISHMENT.—Not later than 90 days after
15 the date of the enactment of this Act, the Secretary of
16 Defense shall establish a consortium (to be known as the
17 “Defense Industrial Resilience Consortium”) to address
18 challenges to and limitations of the industrial base to en-
19 sure that the Armed Forces are equipped with the capa-
20 bilities necessary to effectively respond to national security
21 challenges.

22 (b) MEMBERSHIP.—Membership in the consortium
23 established under subsection (a) shall be open to relevant
24 entities and individuals from the Government, industry,
25 and academia with an interest in advanced manufacturing

1 or production technologies, fostering domestic industrial
2 innovation, or enabling rapid, scalable solutions to sustain
3 and enhance the availability of essential defense compo-
4 nents.

5 (c) PURPOSE.—

6 (1) IN GENERAL.—The consortium established
7 under subsection (a) shall provide a forum for the
8 Government, industry, and academia to collaborate
9 on identifying and addressing challenges to and limi-
10 tations of the industrial base in meeting the needs
11 of the Department of Defense.

12 (2) AREAS OF FOCUS.—In identifying and ad-
13 dressing challenges to and limitations of the indus-
14 trial base, the consortium established under sub-
15 section (a) shall focus on—

16 (A) eliminating impediments to a resilient
17 and robust industrial base, including—

18 (i) policies and procedures that are
19 impeding businesses of all types and sizes
20 from working with the Department of De-
21 fense;

22 (ii) areas where the Department could
23 improve implementation of the Federal Ac-
24 quisition Streamlining Act of 1994 (Public
25 Law 103–355), including limiting the ap-

1 plication of requirements specific to the
2 Government in the procurement of com-
3 mercial products and commercial services,
4 and maximizing the use of commercial
5 standards rather than military specifica-
6 tions and standards; and

7 (iii) impediments to transitioning re-
8 search, development, testing, and evalua-
9 tion programs funded by military depart-
10 ments and the Department to relevant ac-
11 quisition programs of record;

12 (B) identifying and addressing supply
13 chain fragility, including—

14 (i) preventing or mitigating parts ob-
15 solescence, and addressing the
16 vulnerabilities from reliance on single
17 sources for any material, product, or serv-
18 ice while reducing the dependencies on
19 nonallied nations;

20 (ii) developing long-term industrial
21 base strategies and solutions to ensure the
22 availability of mission-critical parts for sys-
23 tems of the Department throughout the
24 life cycle of such systems; and

1 (iii) bolstering supply chain diversity
2 and developing shared awareness of supply
3 chain challenges, risks, and opportunities
4 between Government and industry;

5 (C) expanding domestic manufacturing and
6 industrial capacity, including—

7 (i) enabling rapid engagement be-
8 tween government, academia, and industry
9 to develop, test, and scale solutions that
10 can revitalize domestic manufacturing ca-
11 pabilities, reduce reliance on single sources
12 of supply, and strengthen the defense in-
13 dustrial base;

14 (ii) identifying financial incentives and
15 business models to enable and support a
16 civil reserve manufacturing network that
17 could be activated to meet the needs of the
18 Department of Defense;

19 (iii) supporting and informing efforts
20 to enhance government-owned, govern-
21 ment-operated arsenals and depots with
22 advanced manufacturing and other produc-
23 tion capabilities to enable rapid response
24 across the spectrum of operational environ-
25 ments;

1 (iv) enabling and enhancing public-
2 private partnerships between the organic
3 industrial base, commercial manufacturing,
4 and other industrial entities; and

5 (v) anticipate and close gaps in manu-
6 facturing capabilities for defense systems
7 by fostering the adoption of additive manu-
8 facturing, automation, AI-driven produc-
9 tion, and other emerging capabilities to
10 modernize the industrial base and associ-
11 ated supply chains;

12 (D) accessing and implementing commer-
13 cial approaches to enabling modern manufac-
14 turing capabilities, including—

15 (i) adoption of commercial approaches
16 to information technology, software, the
17 cloud, data management, and artificial in-
18 telligence to support and enable modern
19 manufacturing capabilities; and

20 (ii) identifying financial incentives and
21 business models to encourage private-sec-
22 tor investment and expand access to ad-
23 vanced, high-quality advanced manufac-
24 turing, that uses software to digitize man-

1 manufacturing to the greatest extent possible;
2 and

3 (E) development and training of the work-
4 force, including—

5 (i) leveraging industry best practices
6 training and development of critical skills
7 in advanced manufacturing, including skills
8 required to manufacture unique compo-
9 nents and products for systems of the De-
10 partment of Defense and to enable capa-
11 bilities of the Department;

12 (ii) identifying or developing opportu-
13 nities for public-private talent exchanges
14 and skills development in areas such as ad-
15 vanced manufacturing, supply chain man-
16 agement, and supply chain risk manage-
17 ment; and

18 (iii) identify or develop curriculum
19 and experiential learning to support and
20 enable advanced manufacturing, produc-
21 tion technologies, or industrial innovation.

22 (d) CONSORTIUM WORK PRODUCTS AND REC-
23 OMMENDATIONS.—Relevant work products and rec-
24 ommendations developed through consortium activities
25 shall be considered by the Secretary of Defense in devel-

1 oping policy and allocating resources to ensure that the
2 Armed Forces are equipped with the capabilities necessary
3 to effectively respond to national security challenges.

4 (e) USE OF OTHER TRANSACTION AUTHORITIES.—

5 The consortium established under subsection (a) shall sup-
6 port the use of other transaction authorities under sec-
7 tions 4021 and 4022 of title 10, United States Code, and
8 other appropriate acquisition authorities, to rapidly proto-
9 type and field advanced manufacturing solutions and to
10 address the other challenges to and limitations of the in-
11 dustrial base.

12 **SEC. 402. AMENDMENT TO OTHER TRANSACTION AUTHOR-**
13 **ITY.**

14 (a) IN GENERAL.—Section 4022 of title 10, United
15 States Code, is amended—

16 (1) in subsection (a)(2)—

17 (A) in subparagraph (A), by striking
18 “agency that” and all that follows through “the
19 use” and inserting “agency that the use”;

20 (B) in subparagraph (B)(i), by striking
21 “writing that” and all that follows through “the
22 use” and inserting “writing that the use”; and

23 (C) in subparagraph (C)—

1 (i) by striking “subsection (f)” each
2 place it appears and inserting “subsection
3 (e)”; and

4 (ii) in clause (i)(I), by striking “the
5 requirements of subsection (d)” and all
6 that follows through “and the” and insert-
7 ing “the”;

8 (2) by striking subsection (d);

9 (3) by redesignating subsections (e) through (i)
10 as subsections (d) through (h), respectively; and

11 (4) in subsection (f), as so redesignated, by
12 striking “subsection (f)” and inserting “subsection
13 (e)”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) NATIONAL SECURITY ACT OF 1947.—Section
16 102A(n)(6)(C) of the National Security Act of 1947
17 (50 U.S.C. 3024(n)(6)(C)) is amended—

18 (A) by repealing clauses (v) and (vi); and

19 (B) in clause (vii)—

20 (i) in the matter preceding subclause
21 (I), by striking “4022(f)(2)” and inserting
22 “4022(e)(2)”; and

23 (ii) in subclause (V)(cc), by striking
24 “4022(f)(5)” and inserting “4022(e)(5)”.

1 (2) HOMELAND SECURITY ACT OF 2002.—Sec-
2 tion 831(d) of the Homeland Security Act of 2002
3 (6 U.S.C. 391(d)) is amended by striking “4022(e)”
4 and inserting “4022(d)”.

5 (3) JOHN S. MCCAIN NATIONAL DEFENSE AU-
6 THORIZATION ACT FOR FISCAL YEAR 2019.—Section
7 873(c)(1) of the John S. McCain National Defense
8 Authorization Act for Fiscal Year 2019 (Public Law
9 115–232; 10 U.S.C. 4021 note) is amended—

10 (A) in subparagraph (A), by striking “sub-
11 section (f)” and inserting “subsection (e)”; and

12 (B) in subparagraph (E), by striking “or
13 (f)” and inserting “or (e)”.

14 (4) JAMES M. INHOFE NATIONAL DEFENSE AU-
15 THORIZATION ACT FOR FISCAL YEAR 2023.—Section
16 322(h)(2) of the James M. Inhofe National Defense
17 Authorization Act for Fiscal Year 2023 (Public Law
18 117–263; 10 U.S.C. 2911 note) is amended by strik-
19 ing “subsection (f)” and inserting “subsection (e)”.

20 **SEC. 403. DATA-AS-A-SERVICE SOLUTIONS FOR WEAPON**
21 **SYSTEM CONTRACTS.**

22 (a) IN GENERAL.—Chapter 323 of title 10, United
23 States Code, as amended by section 105 of this Act, is
24 amended by adding at the end the following new section:

1 **“§ 4324. Data-as-a-service solutions for weapon sys-**
2 **tem contracts**

3 “(a) NEGOTIATIONS FOR DATA-AS-A-SERVICE.—Be-
4 fore entering into a contract for the procurement of a
5 weapon system (or component thereof), the Secretary of
6 Defense shall ensure, to the maximum extent practicable,
7 that the negotiations for such contract include negotia-
8 tions for data-as-a-service solutions to facilitate access to
9 the information described in subsection (b) as necessary
10 for—

11 “(1) the performance of depot-level mainte-
12 nance and repair workload by employees of the De-
13 partment of Defense in accordance with section
14 2466 of this title; or

15 “(2) the maintenance of a core logistics capa-
16 bility in accordance with section 2464 of this title.

17 “(b) COVERED INFORMATION.—The information de-
18 scribed in subsection (a) is technical data or computer
19 software that relates to the weapon system (or component
20 thereof) to be procured that is—

21 “(1) detailed manufacturing or process data re-
22 lating to how contractors or subcontractors design,
23 develop, produce, test, certify, diagnose, maintain,
24 repair, or otherwise support such weapon system (or
25 component thereof);

1 “(2) digital networks or digital models that con-
2 tain data described in paragraph (1), or virtual rep-
3 licas of such data;

4 “(3) design details, algorithms, processes, flow
5 charts, formulas, and related information that de-
6 scribe the design, organization, or structure of com-
7 puter software; or

8 “(4) necessary for operation, maintenance, in-
9 stallation, or training with respect to such weapon
10 system (or component thereof).

11 “(c) METHODS AND SCHEDULE FOR ACCESS.—(1)
12 With respect to a data-as-a-service solution described in
13 subsection (a), access to the information described in sub-
14 section (b) may be made available through one or more
15 methods, including electronically, in-person, or machine-
16 to-machine encryption, as appropriate based on the type,
17 sensitivity, or authorized use of such information.

18 “(2) The Secretary of Defense shall ensure that the
19 terms of a contract for a data-as-a-service solution de-
20 scribed in subsection (a) clearly state the requirements,
21 conditions, and schedule for providing access to the infor-
22 mation described in subsection (b).

23 “(d) APPLICABILITY TO COMMERCIAL PRODUCTS.—
24 (1) With respect to a contract for a commercial product
25 that is a data-as-a-service solution described in subsection

1 (a), the offeror for such commercial product shall ensure
2 that the pricing and terms and conditions of access to in-
3 formation described in subsection (b) for such commercial
4 product is commensurate with commercial practices for
5 similar access.

6 “(2) The Secretary of Defense may not require an
7 offeror for a commercial product that is a data-as-a-serv-
8 ice solution described in subsection (a) to provide access
9 to information described in subsection (b) in a manner
10 that is different from what such offeror customarily pro-
11 vides to a buyer of such commercial product, unless the
12 offeror has agreed to provide such access pursuant to a
13 specifically negotiated agreement with the Secretary.

14 “(e) RULE OF CONSTRUCTION.—Nothing in this sec-
15 tion shall be construed as modifying any rights, obliga-
16 tions, or limitations of the Government, contractor, or sub-
17 contractor with respect to rights in technical data under
18 subchapter I of chapter 275 of this title.

19 “(f) DEFINITIONS.—In this section:

20 “(1) The term ‘access’, with respect to informa-
21 tion described in subsection (b), means the avail-
22 ability of such information as a service rather than
23 as specifically delivered in the performance of a con-
24 tract for the procurement of a weapon system (or
25 component thereof).

1 “(2) The term ‘data-as-a-service’ means a
2 model under which the Secretary is provided access
3 to the most up-to-date information described in sub-
4 section (b) that relates to a weapon system (or com-
5 ponent thereof) to be procured by the Secretary, in-
6 cluding any associated license agreements for such
7 information.

8 “(3) The term ‘technical data’ has the meaning
9 given in section 3013 of this title.”.

10 (b) **GUIDANCE REQUIRED.**—Not later than 180 days
11 after the date of the enactment of this Act, the Secretary
12 of Defense shall issue guidance to carry out the require-
13 ments of section 4324 of title 10, United States Code, as
14 added by this section.

15 (c) **APPLICABILITY.**—Section 4324 of title 10, United
16 States Code, as added by this section, shall apply with re-
17 spect to a contract for the procurement of a weapon sys-
18 tem (or component thereof) entered into on or after the
19 date of the enactment of this Act.

20 **SEC. 404. REQUIREMENTS FOR MODULAR OPEN SYSTEM**
21 **APPROACH AND MODIFICATIONS TO RIGHTS**
22 **IN TECHNICAL DATA.**

23 (a) **REQUIREMENTS FOR MODULAR OPEN SYSTEM**
24 **APPROACH.**—Section 4401 of title 10, United States
25 Code, is amended to read as follows:

1 **“§ 4401. Requirement for modular open system ap-**
2 **proach**

3 “(a) REQUIREMENT.—The Secretary of Defense shall
4 ensure that a covered system to be procured is designed
5 and developed, to the maximum extent practicable, with
6 a modular open system approach.

7 “(b) ASSESSMENT TO INFORM STRATEGY.—Before
8 designing or developing a covered system, the Secretary
9 of Defense shall conduct an assessment to identify the
10 open systems objectives to be achieved by the design and
11 development of the covered system. Such assessment shall
12 identify and document how such approach would—

13 “(1) support the objectives of the defense acqui-
14 sition system established pursuant to section 3102 of
15 this title;

16 “(2) align with the preference for the acquisi-
17 tion of commercial products in section 3453 of this
18 title to retain, to the maximum extent practicable,
19 the commercial viability of subsystems and compo-
20 nents of the covered system;

21 “(3) reduce the complexity and increase the
22 speed by which new technology can be integrated
23 into a covered system to enhance military effective-
24 ness and responsiveness to emerging threats;

1 “(4) enable the use of iterative development cy-
2 cles and discontinue or terminate the development of
3 capabilities—

4 “(A) that no longer align with approved
5 capability requirements (as defined in section
6 181 of this title) or priorities; or

7 “(B) that are experiencing significant cost
8 growth, performance deficiencies, or delays in
9 schedule;

10 “(5) promote a robust and responsive defense
11 industrial base, and foster competition amongst
12 offerors of subsystems and components of the cov-
13 ered system through the life cycle of the covered sys-
14 tem, especially at the module level;

15 “(6) reduce schedule delays and development
16 timelines;

17 “(7) increase and enable interoperability of a
18 covered system with the joint force as changes to
19 force design evolve; and

20 “(8) enable effective life-cycle management and
21 product support of a covered system—

22 “(A) in accordance with the requirements
23 of section 4322 of this title; and

24 “(B) to ensure that the covered system will
25 meet applicable operational readiness require-

1 ments (as defined in such section 4322) and
2 materiel readiness objectives (established under
3 section 118(c) of this title) in the most cost-ef-
4 fective manner practicable.

5 “(c) ARCHITECTURE REQUIREMENTS.—(1) In devel-
6 oping an architecture for the procurement of a covered
7 system using a modular open system approach, the Sec-
8 retary shall ensure that the architecture—

9 “(A) adequately designates and defines mod-
10 ules, module interfaces, key interfaces, and openness
11 characteristics of the covered system necessary to
12 achieve the open systems objectives described in sub-
13 section (b);

14 “(B) to the extent practicable, is based on—

15 “(i) widely accepted, consensus-based
16 standards that are available at no cost or under
17 fair and reasonable license terms; or

18 “(ii) if such standards are not available or
19 suitable, incremental standards that define rela-
20 tionships between module interfaces and key
21 interfaces; and

22 “(C) is designed and developed to accelerate the
23 procurement and integration of commercial products
24 as modules, module interfaces, and key interfaces.

1 “(2) The Secretary shall consider input from private
2 entities as early as possible to inform decisions regarding
3 the level in the architecture at which a modular open sys-
4 tem approach will be implemented for a covered system.

5 “(3) The architecture described in this subsection
6 shall be included in any draft and final solicitations for
7 procurement of a covered system.

8 “(d) OPENNESS CHARACTERISTICS.—Consistent with
9 the requirements of subchapter I of chapter 275 of this
10 title, the Secretary shall include in the solicitation for the
11 covered system a description of the desired openness char-
12 acteristics of the covered system necessary to achieve the
13 open systems objectives described in subsection (b), in-
14 cluding the following:

15 “(1) The open systems objectives identified as
16 result of the assessment required by subsection (b).

17 “(2) A description of the application of speci-
18 fications or standards for module interfaces to
19 achieve such objectives.

20 “(3) A description of the minimum technical
21 data package elements necessary to achieve such ob-
22 jectives.

23 “(4) The desired license rights in module inter-
24 faces or key interfaces based on such objectives, in-
25 cluding desired license rights to enable the replace-

1 ment of a module or module interface with an alter-
2 native or new module or module interface.

3 “(e) APPLICABILITY TO COMMERCIAL PRODUCTS.—

4 In applying the requirements of this section to a covered
5 system that includes a commercial product, the Secretary
6 of Defense shall—

7 “(1) implement modular open system ap-
8 proaches in accordance with such approaches used in
9 the ordinary course of business for such commercial
10 product on the commercial marketplace;

11 “(2) for a commercial product that is commer-
12 cial technical data or commercial software, procure
13 such commercial product under license terms similar
14 to such terms that are customarily provided to the
15 public, unless the Secretary has specifically nego-
16 tiated different license terms;

17 “(3) when applicable, obtain the delivery of
18 commercial software development kits with license
19 rights necessary to support the desired openness
20 characteristics for the covered system; and

21 “(4) to the maximum extent practical, conduct
22 negotiations for desired license rights in accordance
23 with the preference for specially negotiated licenses
24 in section 3774(c) of this title.

25 “(f) DEFINITIONS.—In this section:

1 “(1) The term ‘covered system’ means a system
2 acquired or developed under—

3 “(A) an acquisition program of the De-
4 partment of Defense; or

5 “(B) a research and development program
6 of the Department to address a capability re-
7 quirement or joint capability requirement (as
8 defined in section 181 of this title).

9 “(2) The term ‘incremental standard’ means a
10 specification for a module interface or key interface
11 that includes—

12 “(A) software-defined syntax and prop-
13 erties that specifically govern how values are
14 validly passed and received between subsystems
15 and components in machine-readable format;

16 “(B) a machine-readable definition of the
17 relationship between the module interface or
18 key interface and existing common standards or
19 interfaces available in Department databases;
20 and

21 “(C) documentation with functional de-
22 scriptions of software-defined interfaces, con-
23 veying semantic meaning of elements of the
24 module interface or key interface.

1 “(3) The term ‘key interface’ means a shared
2 boundary between any system, subsystem of a cov-
3 ered system, or set of modules, defined by various
4 physical, logical, functional characteristics, such as
5 electrical, mechanical, fluidic, optical, radio fre-
6 quency, data, networking, or software.

7 “(4) The term ‘modular open system approach’
8 means the application of a strategy that leverages an
9 architecture that enables modules to be incremen-
10 tally added, removed, or replaced throughout the life
11 cycle of the covered system to achieve a set of objec-
12 tives.

13 “(5) The term ‘module’ means a self-contained
14 functional hardware or software unit—

15 “(A) that can be developed, tested, and de-
16 ployed independently of a module interface or
17 key interface; and

18 “(B) that can simultaneously interact with
19 another self-contained functional hardware or
20 software unit described in subparagraph (A)
21 through a module interface or key interface.

22 “(6) The term ‘module interface’ means a
23 shared boundary between modules, defined by phys-
24 ical, logical, and functional characteristics, such as

1 electrical, mechanical, fluidic, optical, radio fre-
2 quency, data, networking, or software.

3 “(7) The term ‘software development kit’ means
4 a collection of software tools and programs such as
5 libraries, application programming interfaces, inte-
6 grated development environments, testing tools, or
7 documentation used to create applications that are
8 appropriate for a specific software platform.”.

9 (b) GUIDANCE.—Not later than 180 days after the
10 date of the enactment of this Act, the Secretary of Defense
11 shall issue guidance to carry out the requirements of sec-
12 tion 4401 of title 10, United States Code, as amended by
13 this section.

14 (c) APPLICABILITY.—The requirements of section
15 4401 of title 10, United States Code, as amended by this
16 section, shall apply with respect to a contract entered into
17 on or after the date of the enactment of this Act.

18 (d) MODIFICATION TO RIGHTS IN TECHNICAL
19 DATA.—

20 (1) RIGHTS IN TECHNICAL DATA.—Section
21 3771 of title 10, United States Code, is amended—

22 (A) in subsection (a)—

23 (i) in paragraph (2)(A), by striking “
24 or copyrights” and inserting “, copyrights,
25 trade secrets,”; and

1 (ii) by adding at the end the following
2 new paragraph:

3 “(3) ENFORCEMENT OF CERTAIN RIGHTS.—
4 Regulations prescribed under paragraph (1) may not
5 affect or limit any right described in paragraph
6 (2)(A) or the ability of a contractor or subcontractor
7 to enforce such a right against a third party that
8 has not otherwise obtained a license for such a right
9 from the United States or from the contractor or
10 subcontractor.”; and

11 (B) in subsection (b)—

12 (i) in paragraph (2), by striking
13 “paragraphs (3), (4), and (7),” and insert-
14 ing “paragraphs (3) and (4),”;

15 (ii) by amending paragraph (3) to
16 read as follows:

17 “(3) INAPPLICABILITY OF PARAGRAPH (2).—
18 Unless otherwise negotiated, paragraph (2) does not
19 apply to technical data that—

20 “(A) constitutes a correction or change to
21 data furnished by the United States; or

22 “(B) is otherwise publicly available or has
23 been released or disclosed by the contractor or
24 subcontractor without restriction on further re-
25 lease or disclosure.”;

1 (iii) by amending paragraph (4) to
2 read as follows:

3 “(4) EXCEPTIONS TO PARAGRAPH (2).—(A)
4 Notwithstanding paragraph (2), unless otherwise ne-
5 gotiated, the United States shall have government
6 purpose rights, in perpetuity, in technical data
7 that—

8 “(i) relates to form, fit, or function of an
9 item or process; or

10 “(ii) is necessary for operation, mainte-
11 nance, installation, or training (other than de-
12 tailed manufacturing or process data) of an
13 item or process.

14 “(B) Notwithstanding paragraph (2), the
15 United States may release or disclose technical data
16 to persons outside the Government, or permit the
17 use of technical data by such persons, if such re-
18 lease, disclosure, or use—

19 “(i) is necessary for emergency repair and
20 overhaul;

21 “(ii) is a release or disclosure of technical
22 data (other than detailed manufacturing or
23 process data) to, or use of such data by, a for-
24 eign government, where such release or disclo-
25 sure is in the interest of the United States and

1 is required for evaluation or informational pur-
2 poses;

3 “(iii) is made subject to a prohibition that
4 the person to whom the data are released or
5 disclosed may not further release, disclose, or
6 use such data; and

7 “(iv) the contractor or subcontractor as-
8 serting the restriction is notified of such re-
9 lease, disclosure, or use.”;

10 (iv) in paragraph (6)—

11 (I) in the paragraph heading, by
12 striking “INTERFACES” and inserting
13 “MODULE INTERFACES OF AN ITEM”;

14 (II) by inserting “, in per-
15 petuity,” after “government purpose
16 rights”; and

17 (III) by striking “an interface be-
18 tween an item or process and other
19 items or processes” and inserting “a
20 module interface of an item”; and

21 (v) in paragraph (7)—

22 (I) in the paragraph heading, by
23 striking “MODULAR SYSTEM INTER-
24 FACES” and inserting “KEY INTER-
25 FACES OF AN ITEM”;

- 1 (II) in subparagraph (A)—
2 (aa) by striking “paragraphs
3 (2) and (5)” and inserting “para-
4 graph (5) and except as other-
5 wise provided by subsection (e) of
6 section 4401 of this title,”;
7 (bb) by inserting “, in per-
8 petuity,” after “government pur-
9 pose rights”; and
10 (cc) by striking “modular
11 system interface” and inserting
12 “key interface of an item”;
13 (III) in subparagraph (B), by
14 striking “modular system interface”
15 and inserting “a key interface”; and
16 (IV) in subparagraph (C), by
17 striking “modular system interface”
18 and inserting “key interface of an
19 item”.

20 (2) DEFINITIONS.—Section 3775(b) of title 10,
21 United States Code, is amended to read as follows:

22 “(b) ADDITIONAL DEFINITIONS.—In this subchapter,
23 the terms ‘key interface’, ‘modular open system approach’,
24 and ‘module interface’ have the meanings given, respec-
25 tively, in section 4401 of this title.”.

1 (e) CONFORMING AMENDMENTS.—

2 (1) Section 3791(c)(1) of title 10, United
3 States Code, is amended—

4 (A) in subparagraph (A), by striking “sec-
5 tion 4401(b) of this title” and inserting “sec-
6 tion 4401 of this title”; and

7 (B) in subparagraph (D)(iv), by striking
8 “modular system interfaces (as defined in sec-
9 tion 4401(b) of this title)” and inserting “mod-
10 ule interfaces (as defined in section 4401(f) of
11 this title)”.

12 (2) Section 4402 of title 10, United States
13 Code, is repealed.

14 (3) Section 4403 of title 10, United States
15 Code, is repealed.

16 (4) Section 4425 of title 10, United States
17 Code, is amended to read as follows:

18 **“§ 4425. Definitions**

19 “In this subchapter:

20 “(1) The term ‘major system platform’ means
21 the highest level structure of a major weapon system
22 that is not physically mounted or installed onto a
23 higher level structure and on which a major system
24 component can be physically mounted or installed.

25 “(2) The term ‘weapon system component’—

1 “(A) means a high level subsystem or as-
2 sembly, including hardware, software, or an in-
3 tegrated assembly of both, that can be mounted
4 or installed on a major system platform through
5 a key system interface (as defined in section
6 4401(f) of this title); and

7 “(B) includes a subsystem or assembly
8 that is likely to have additional capability re-
9 quirements, is likely to change because of evol-
10 ving technology or threat, is needed for inter-
11 operability, facilitates incremental deployment
12 of capabilities, or is expected to be replaced by
13 another subsystem or assembly described in
14 subparagraph (A).”.

15 (5) Section 804 of the National Defense Au-
16 thorization Act for Fiscal Year 2021 (10 U.S.C.
17 4401 note) is repealed.

18 **SEC. 405. QUALIFICATION, ACCEPTANCE, AND SUPPLY**
19 **CHAIN MANAGEMENT OF PRODUCTS MANU-**
20 **FACTURED USING ADVANCED MANUFAC-**
21 **TURING.**

22 (a) IN GENERAL.—Not later than 180 days after the
23 date of the enactment of this Act, the Secretary of Defense
24 shall establish in the Defense Industrial Resilience Con-
25 sortium established under section 401 of this Act a work-

1 ing group to develop recommendations for improving the
2 policies and procedures of the Department of Defense for
3 the qualification, acceptance, and management of the sup-
4 ply chains of products manufactured using advanced man-
5 ufacturing.

6 (b) MEMBERSHIP.—The membership of the working
7 group shall include representatives from government, in-
8 dustry, and academia with expertise in advanced manufac-
9 turing, engineering, the procedures of the Department of
10 Defense for qualifying and accepting products, supply
11 chain management, or commercial best practices and busi-
12 ness models for advanced manufacturing.

13 (c) RESPONSIBILITIES.—The working group shall—

14 (1) review the policies and procedures of the
15 Department of Defense to identify policies and pro-
16 cedures for the qualification, acceptance, and man-
17 agement of the supply chains of products that are
18 insufficient for or not applicable to products manu-
19 factured using advanced manufacturing;

20 (2) identify any changes to the policies and pro-
21 cedures of the Department required for the Depart-
22 ment to benefit fully from access to and use of prod-
23 ucts manufactured using advanced manufacturing;
24 and

25 (3) develop recommendations for—

1 (A) technical guidance with respect to the
2 qualification, acceptance, and management of
3 the supply chains of products manufactured
4 using advanced manufacturing;

5 (B) policies and procedures for the quali-
6 fication, acceptance, and management of the
7 supply chains of such products;

8 (C) changes to any other policies and pro-
9 cedures of the Department identified under
10 paragraph (2); and

11 (D) training to enhance the knowledge and
12 experience of the workforce of the Department
13 of Defense with advanced manufacturing, in-
14 cluding the benefits, limitations, and commer-
15 cial best practices and business models for de-
16 signing, developing, and using products manu-
17 factured using advanced manufacturing.

18 (d) REPORT.—Not later than 1 year after the date
19 of enactment, the Secretary of Defense shall submit to
20 Congress—

21 (1) a report on the recommendations developed
22 by the working group under subsection (c)(3) and
23 the actions taken by the Secretary to better enable
24 to the Department of Defense to access and use

1 products manufactured using advanced manufac-
2 turing; and

3 (2) a recommendation whether to continue or
4 terminate the working group.

5 (e) WORKING GROUP DEFINED.—In this section, the
6 term “working group” means the working group estab-
7 lished under subsection (a).

8 **SEC. 406. AMENDMENTS TO THE PROCUREMENT TECH-**
9 **NICAL ASSISTANCE PROGRAM.**

10 Chapter 388 of title 10, United States Code, is
11 amended—

12 (1) in section 4952—

13 (A) by redesignating paragraphs (1) and
14 (2) as paragraphs (2) and (3);

15 (B) by inserting before paragraph (2), as
16 so redesignated, the following new paragraph:

17 “(1) to support the growth and resiliency of the
18 industrial base by accelerating innovation, fostering
19 ingenuity of business entities, and establishing resil-
20 ient supply chains;”;

21 (C) in paragraph (2), as so redesignated,
22 by striking “and” at the end;

23 (D) in paragraph (3), as so redesignated,
24 by striking the period at the end and inserting

25 “; and”; and

1 (E) by inserting after paragraph (3) the
2 following new paragraph:

3 “(4) to mitigate costs of entry for business enti-
4 ties that improve the technology capabilities of the
5 Department of Defense.”; and

6 (2) in section 4961—

7 (A) in paragraph (1), by striking “and” at
8 the end;

9 (B) in paragraph (2)(B), by striking the
10 period at the end and inserting “; and”; and

11 (C) by adding at the end the following new
12 paragraph:

13 “(3) an amount determined appropriate by the
14 Secretary to establish one or more centers of excel-
15 lence to provide to individuals or eligible entities
16 that provide procurement technical assistance pursu-
17 ant to this chapter training necessary to fulfill the
18 purpose of the program under section 4952 of this
19 title.”.

20 **SEC. 407. REPORT ON SURGE CAPACITY IN THE DEFENSE**
21 **INDUSTRIAL BASE.**

22 (a) REPORT REQUIRED.—Not later than March 1,
23 2026, the Assistant Secretary of Defense for Industrial
24 Base Policy and the Director of Defense Pricing, Con-
25 tracting, and Acquisition Policy shall jointly submit to the

1 congressional defense committees a report on efforts to
2 identify and address regulations or policies that discour-
3 age or prevent contractors of the Department of Defense
4 from maintaining or investing in surge capacity.

5 (b) ELEMENTS.—The report required subsection (a)
6 shall include the following:

7 (1) A discussion of any efforts by United States
8 DOGE Service (commonly referred to as the “De-
9 partment of Government Efficiency” or “DOGE”),
10 acting in coordination with the Office of the Sec-
11 retary of Defense, to review and address the barriers
12 described in subsection (a)(1).

13 (2) An identification of policies that incentivize
14 contractors to reduce or eliminate surge capacity, in-
15 cluding section 31.205–17 of the Federal Acquisition
16 Regulation (relating to idle facilities and idle capac-
17 ity costs).

18 (3) Any steps taken by the Secretary of De-
19 fense to address regulatory barriers disincentivizing
20 surge capacity within the defense industrial base as
21 part of the implementation of Executive Order
22 14265 titled “Modernizing Defense Acquisitions and
23 Spurring Innovation in the Defense Industrial Base”
24 (90 Fed. Reg. 15621; April 15, 2025).

1 (c) SURGE CAPACITY DEFINED.—In this section, the
2 term “surge capacity” means the ability of contractors in
3 the defense industrial base to rapidly increase production
4 capacity to meet increased demand for defense articles and
5 defense services (as such terms are defined, respectively,
6 in section 301 of title 10, United States Code).

7 **SEC. 408. BRIDGING OPERATIONAL OBJECTIVES AND SUP-**
8 **PORT FOR TRANSITION PROGRAM.**

9 (a) BRIDGING OPERATIONAL OBJECTIVES AND SUP-
10 PORT FOR TRANSITION PROGRAM.—

11 (1) ESTABLISHMENT.—In meeting the respon-
12 sibilities of the Defense Innovation Unit under sec-
13 tion 4127(d) of title 10, United States Code, the Di-
14 rector of the Defense Innovation Unit shall establish
15 a program (to be known as the “Bridging Oper-
16 ational Objectives and Support for Transition pro-
17 gram”) to accelerate the adoption or integration of
18 commercial technologies into programs of record of
19 the Department of Defense.

20 (2) PROGRAM EXECUTION.—Not later than 90
21 days after the date of the enactment of this sub-
22 section, the Director shall issue guidance on the
23 BOOST program, including guidance to do the fol-
24 lowing:

1 (A) Enable a customer seeking a tech-
2 nology solution for a challenge or requirement
3 in a program of record of the Department of
4 Defense to request assistance under the
5 BOOST program with identifying and adopting
6 or integrating such a solution into such pro-
7 gram.

8 (B) Establish requirements for the Defense
9 Innovation Unit to—

10 (i) conduct a review of commercial
11 technologies pursuant to a request de-
12 scribed in subparagraph (A) with respect
13 to a challenge or requirement of a program
14 of record of the Department to identify
15 commercial technology that may address
16 such challenge or requirement;

17 (ii) provide to the customer that made
18 such request the findings of such review,
19 including any commercial technologies so
20 identified; and

21 (iii) at the request of such customer
22 after providing such findings to such cus-
23 tomer, conduct development, experimen-
24 tation, or integration activities in coordina-
25 tion with such customer to support or en-

1 able the adoption or integration of any
2 commercial technology so identified into
3 such program of record.

4 (C) Establish criteria for terminating as-
5 sistance under the BOOST program for a cus-
6 tomer or with respect to a commercial tech-
7 nology.

8 (3) SUPPORT TO OTHER PROGRAMS.—The Di-
9 rector shall ensure the BOOST program works with
10 and in support of—

11 (A) the program established under section
12 4061(a) of title 10, United States Code;

13 (B) other organizations of the Department
14 of Defense responsible for accelerating the
15 adoption and integration of technology in sys-
16 tems or programs of the Department;

17 (C) the Small Business Innovation Re-
18 search Program;

19 (D) the Small Business Technology Trans-
20 fer Program; and

21 (E) the Joint Rapid Acquisition Cell (as
22 described in the Department of Defense Direc-
23 tive 5000.71 titled “Rapid Fulfillment of Com-
24 batant Commander Urgent Operational Needs”
25 (August 24, 2012)).

1 (4) FUNDING.—Subject to the availability of
2 appropriations, amounts authorized to be appro-
3 priated the Defense Innovation Unit for research,
4 development, test, and evaluation for a fiscal year
5 may be used for such fiscal year to carry out the
6 BOOST program.

7 (5) SUNSET.—The authorities and require-
8 ments under this subsection shall expire on Decem-
9 ber 31, 2030.

10 (b) REPORTING.—Not later than two years after the
11 date of the enactment of this Act, the Secretary of De-
12 fense, in coordination with the Under Secretary of Defense
13 for Acquisition and Sustainment and the Director, shall
14 submit to the congressional defense committees a report
15 on the effectiveness of the BOOST program in accel-
16 erating the adoption or integration of commercial tech-
17 nologies into programs of record of the Department of De-
18 fense, including—

19 (1) a summary description of customers and
20 technologies adopted or integrated into such pro-
21 grams of record based on assistance provided under
22 the BOOST program;

23 (2) recommendations of the Secretary to im-
24 prove the BOOST program; and

1 (3) a recommendation whether to continue or
2 terminate the BOOST program.

3 (c) DEFINITIONS.—In this section:

4 (1) The term “BOOST program” means the
5 program established under subsection (a)(1).

6 (2) The term “customer” means a program
7 manager or program executive officer of the Depart-
8 ment of Defense that has primary responsibility for
9 fielding the system or systems acquired.

10 (3) The term “Director” means the Director of
11 the Defense Innovation Unit.

12 (4) The term “program executive officer” has
13 the meaning given such term in section 1737(a) of
14 title 10, United States Code.

15 (5) The terms “Small Business Innovation Re-
16 search Program” and “Small Business Technology
17 Transfer Program” have the meanings given such
18 terms, respectively, in section 9(e) of the Small
19 Business Act (15 U.S.C. 638(e)).

1 **TITLE V—DEVELOPING A MIS-**
2 **SION-ORIENTED DEFENSE AC-**
3 **QUISITION WORKFORCE**

4 **SEC. 501. REPORT ON STRENGTHENING THE DEFENSE AC-**
5 **QUISITION UNIVERSITY.**

6 (a) **ASSESSMENT REQUIRED.**—The Secretary of De-
7 fense, acting through the Director of the Acquisition Inno-
8 vation Research Center, shall conduct a comprehensive as-
9 sessment of the Defense Acquisition University (in this
10 section referred to as “DAU”) to strengthen the ability
11 of the DAU to train and develop members of the acquisi-
12 tion workforce to meet future needs of the Department
13 of Defense. The assessment shall include the following:

14 (1) An evaluation of the mission of the DAU
15 and the alignment of such mission with the objec-
16 tives of the defense acquisition system established
17 pursuant to section 3102 of title 10, United States
18 Code (as added by section 101 of this Act).

19 (2) An evaluation of the effectiveness of train-
20 ing and development provided by DAU to members
21 of the acquisition workforce to enable such members
22 to effectively implement the objectives of the defense
23 acquisition system.

24 (b) **ELEMENTS.**—The assessment in paragraph (1)
25 shall evaluate the following:

1 (1) The organization and structure of DAU.

2 (2) The curriculum and educational offerings of
3 DAU.

4 (3) The composition of the staff and faculty of
5 DAU, including an assessment of the diversity of
6 skills, abilities, and professional backgrounds of such
7 staff and faculty.

8 (4) The sufficiency of resource and funding
9 mechanisms supporting DAU operations.

10 (5) The extent to which DAU uses external ex-
11 perts and academic institutions to inform and en-
12 hance its programs.

13 (c) RECOMMENDATIONS.—The Director of the Acqui-
14 sition Innovation Research Center shall use the assess-
15 ment required under this section and the objectives of the
16 defense acquisition system to provide to the Secretary of
17 Defense recommendations to strengthen the ability of the
18 DAU to train and develop members of the acquisition
19 workforce to meet future needs of the Department of De-
20 fense.

21 (d) REPORT TO CONGRESS.—Not later than one year
22 after the date of the enactment of this Act, the Secretary
23 of Defense shall submit to the congressional defense com-
24 mittees a report containing—

1 (1) the findings of the assessment conducted
2 under subsection (a) and the recommendations pro-
3 vided under subsection (c); and

4 (2) any actions necessary to ensure that DAU
5 fulfills its mission and provides training and develop-
6 ment to members of the acquisition workforce that
7 aligns with the objectives of the defense acquisition
8 system.

9 (e) DEFINITIONS.—In this section:

10 (1) The term “Acquisition Innovation Research
11 Center” means the acquisition research organization
12 within a civilian college or university that is de-
13 scribed under section 4142(a) of title 10, United
14 States Code.

15 (2) The term “acquisition workforce” has the
16 meaning given in section 101 of title 10, United
17 States Code.

18 **SEC. 502. COMPTROLLER GENERAL REVIEW OF THE MAN-**
19 **AGEMENT, TRAINING, AND DEVELOPMENT OF**
20 **THE ACQUISITION WORKFORCE.**

21 (a) IN GENERAL.—The Comptroller General of the
22 United States shall conduct a review of the management,
23 training, and development of the acquisition workforce to
24 enable the acquisition workforce to expeditiously provide
25 the Armed Forces with the capabilities necessary to oper-

1 ate effectively, to address evolving threats, and to main-
2 tain the military advantage of the United States in the
3 most cost-effective manner practicable.

4 (b) REVIEW CONTENTS.—In conducting the review
5 required by subsection (a), the Comptroller General shall
6 evaluate the following:

7 (1) The current organization and staffing of the
8 acquisition workforce, including the total number of
9 positions in the acquisition workforce, a list of such
10 positions disaggregated by the skills and experience
11 required, and the number of such positions that are
12 vacant or are filled by an individual whose skills and
13 experience do not meet the required skills and expe-
14 rience for such position.

15 (2) The sufficiency of the processes and au-
16 thorities of the Department of Defense for recruiting
17 and retaining the acquisition workforce, and the use
18 of such authorities to maintain an acquisition work-
19 force that is optimized to meet mission require-
20 ments.

21 (3) Trends in acquisition workforce hiring and
22 retention over the preceding five years.

23 (4) The impediments to members of the acquisi-
24 tion workforce receiving training and education, in-
25 cluding any lack of funding, unavailability of re-

1 quired or desired training, and excessive workload
2 demands that preclude such members from being
3 able to attend such training.

4 (c) REPORT.—Not later than April 1, 2026, the
5 Comptroller General shall submit to the congressional de-
6 fense committees a report on the findings of the review
7 required by subsection (a), including any recommenda-
8 tions to improve the management, training, and develop-
9 ment of the acquisition workforce.

10 (d) ACQUISITION WORKFORCE DEFINED.—In this
11 section, the term “acquisition workforce” has the meaning
12 given such term in section 101(a) of title 10, United
13 States Code.

14 **SEC. 503. COMPTROLLER GENERAL REVIEW OF MATTERS**
15 **RELATING TO INDIVIDUALS ASSIGNED TO A**
16 **CRITICAL ACQUISITION POSITION.**

17 (a) REVIEW REQUIRED.—The Comptroller General
18 of the United States shall—

19 (1) conduct a review of the education, training,
20 and career development programs offered by the
21 Secretary of Defense for members of the acquisition
22 workforce; and

23 (2) conduct an assessment of the efficacy of the
24 career development policies established by section
25 1734 of title 10, United States Code.

1 (b) MATTERS FOR REVIEW.—In conducting the re-
2 view required by this section, the Comptroller General
3 shall—

4 (1) review the compliance of the Secretary with
5 the requirements of section 1734 of title 10, United
6 States Code;

7 (2) conduct an assessment of the efficacy of the
8 career development policies and minimum periods of
9 assignment established by such section 1734 in—

10 (A) improving the ability of the acquisition
11 workforce to expeditiously provide the Armed
12 Forces with the capabilities necessary to oper-
13 ate effectively, to address evolving threats, and
14 to maintain the military advantage of the
15 United States in the most cost-effective manner
16 practicable;

17 (B) enhancing the knowledge and experi-
18 ence of the acquisition workforce;

19 (C) enabling competitive career progression
20 of members of the acquisition workforce com-
21 pared to other members of the civilian and mili-
22 tary workforce of the Department of Defense
23 that are not subject to the minimum periods of
24 assignment established by such section 1734;
25 and

1 (D) the retention rates of members of the
2 acquisition workforce assigned to a critical ac-
3 quisition position, particularly key leadership
4 positions (as defined by the Under Secretary of
5 Defense for Acquisition and Sustainment), com-
6 pared with the retention rates for other mem-
7 bers of the civilian and military workforce of
8 the Department of Defense that are not subject
9 to the minimum periods of assignment estab-
10 lished by such section 1734; and

11 (3) conduct an assessment of any benefits, in-
12 cluding enhanced accountability in leadership and
13 decisionmaking by individuals in key leadership posi-
14 tions, of a minimum period of assignment of at least
15 four years to a critical acquisition position.

16 (c) REPORT REQUIRED.—Not later than July 1,
17 2026, the Comptroller General shall submit to the con-
18 gressional defense committees recommendations on—

19 (1) improvements to education, training, and
20 career development programs offered by the Sec-
21 retary of Defense for members of the acquisition
22 workforce; and

23 (2) minimum periods of assignment for an indi-
24 vidual assigned as a program executive officer.

○