

(B) initiating special studies or analyses—
 (i) to determine targets that would be optimally addressed or defeated by weapons that incorporate novel energetic materials; and

(ii) to inform the program objective memorandum process; and

(C) identifying any shortfalls in the supply chain for energetic materials and developing plans to alleviate any shortfalls through the expansion of the energetic materials industrial base to include critical contractors, subcontractors, and suppliers.

(2) Coordinate and ensure consistency and congruity among research, development, test, and evaluation efforts in energetic materials across the Department of Defense—

(A) to identify promising new energetic materials and technologies;

(B) to mature, integrate, prototype, test, and demonstrate novel energetic materials and technologies, including new materials and manufacturing technologies;

(C) to expedite testing, evaluation, and acquisition of energetic materials and technologies to meet the emergent needs of the Department, including the rapid integration of promising new materials and other promising energetic compounds into weapons platforms;

(D) to identify or establish prototyping demonstration venues to integrate advanced technologies that speed the maturation and deployment of energetic materials; and

(E) to support collaboration among industry, academia, and elements of the Department of Defense to transition energetic materials and technologies from the research and development phase to production and operational use within the Department.

(3) Oversee a process to expedite—

(A) the validation, verification, and accreditation of modeling and simulation of energetic materials for the development of requirements; and

(B) the qualification process for energetic materials, from discovery through transition to production and integration into weapon systems.

(4) Recommend changes to laws, regulations, and policies that present barriers or extend timelines for the expedited process described in paragraph (3).

(5) Coordinate with other organizations involved in energetic materials activities within the Department of Defense, including the Armed Forces, and across other departments and agencies of the Federal Government.

(6) Pursuant to the authority provided under section 191 of this title, establish and manage a Department of Defense Field Activity dedicated to systems engineering associated with energetic materials. Such Field Activity shall be funded under budget activity 3 (advanced technology development) or budget activity 4 (advanced component development and prototypes) (as such budget activity classifications are set forth in volume 2B, chapter 5 of the Department of Defense Financial Management

Regulation (DOD 7000.14-R)) to reduce technical risk, integrate research, development, test, and evaluation, and perform system demonstration programs of the Department of Defense on novel energetic materials for use in weapon systems.

(7) Carry out such other responsibilities relating to energetic materials as the Secretary shall specify.

(d) BUDGETING AND FUNDING REQUIREMENTS.—

(1) The Secretary of Defense shall ensure that the Office is budgeted for and funded in a manner sufficient to ensure the Office has the staff and other resources necessary to effectively carry out the responsibilities specified in subsection (c).

(2) In the budget justification materials submitted to Congress in support of the Department of Defense budget for fiscal year 2027 and each fiscal year thereafter (as submitted with the budget of the President under section 1105(a) of title 31), the Secretary of Defense shall include a dedicated budget line item for the implementation of subsection (a) and for the testing and evaluation of energetic materials and technologies by the Office.

(e) DEFINITIONS.—In this section, the term “energetic materials” means critical chemicals and formulations that—

(1) release large amounts of stored chemical energy; and

(2) are capable of being used as explosives, propellants, pyrotechnics, and reactive materials that—

(A) create lethal effects in warheads in kinetic weapons components and systems; or

(B) increase propellant performance in a weapon propulsion system as related to lethal effects, range, or speed.

(Added Pub. L. 118–31, div. A, title II, §241(a), Dec. 22, 2023, 137 Stat. 205; amended Pub. L. 118–159, div. A, title II, §211, Dec. 23, 2024, 138 Stat. 1823.)

Editorial Notes

AMENDMENTS

2024—Subsec. (d). Pub. L. 118–159 amended subsec. (d) generally. Prior to amendment, text read as follows: “The Secretary of Defense shall ensure that the Office is budgeted for and funded in a manner sufficient to ensure the Office has the staff and other resources necessary to effectively carry out the responsibilities specified in subsection (c).”

§ 149. Office of Strategic Capital

(a) ESTABLISHMENT.—There is in the Office of the Secretary of Defense an office to be known as the Office of Strategic Capital (in this section referred to as the “Office”).

(b) DIRECTOR.—The Office shall be headed by a Director (in this section referred to as the “Director”), who shall be appointed by the Secretary from among employees in Senior Executive Service positions (as defined in section 3132 of title 5), or from outside the civil service who have successfully held equivalent positions.

(c) DUTIES.—The Office shall—

(1) develop, integrate, and implement capital investment strategies proven in the commer-

cial sector to shape and scale investment in critical technologies and assets;

(2) identify and prioritize promising critical technologies and assets that require capital assistance and have the potential to benefit the Department of Defense; and

(3) make eligible investments in such technologies and assets, such as supply chain technologies not always supported through direct investment.

(d) **NON-FEDERAL FUNDING REQUIREMENTS FOR CERTAIN INVESTMENTS.**—In the case of an eligible investment made through a direct loan, not less than 80 percent of the total capital provided for the specific technology to be funded by the investment shall be derived from non-Federal sources as of the time of the investment.

(e) **PILOT PROGRAM ON CAPITAL ASSISTANCE TO SUPPORT DEFENSE INVESTMENT IN THE INDUSTRIAL BASE.**—

(1) To the extent and in such amounts as specifically provided in advance in appropriations Acts for the purposes detailed in this subsection, the Secretary of Defense, acting through the Director, may carry out a pilot program under this subsection to provide capital assistance to eligible entities for eligible investments to develop technologies that support the duties and elements of the Office and meet the needs of the Department of Defense.

(2)(A) An eligible entity seeking capital assistance for an eligible investment under this subsection shall submit to the Director an application at such time, in such manner, and containing such information as the Director may require.

(B) The Director shall establish criteria for selecting among eligible investments for which applications are submitted under subparagraph (A). The criteria shall include—

(i) the extent to which an investment supports the national security or economic interests of the United States;

(ii) the likelihood that capital assistance provided for an investment would enable the investment to proceed sooner than the investment would otherwise be able to proceed; and

(iii) the creditworthiness of an investment.

(3)(A)(i) To the extent and in such amounts as specifically provided in advance in appropriations Acts for the purposes detailed in this subsection, the Director may provide loans or loan guarantees to finance or refinance the costs of an eligible investment selected pursuant to paragraph (2)(B).

(ii)(I)(aa) Except as provided under item (bb), the interest rate on a loan provided under clause (i) shall be not less than the yield on marketable United States Treasury securities of a similar maturity to the maturity of the loan on the date of execution of the loan agreement.

(bb) The Director may waive the requirement under item (aa) with respect to an investment if the investment is determined by the Secretary of Defense to be vital to the national security of the United States.

(cc) The Director shall establish separate and distinct criteria for interest rates for loan

guarantees with private sector lending institutions.

(II) The final maturity date of a loan provided under clause (i) shall be not later than 50 years after the date on which the loan was provided.

(III) A loan provided under clause (i) may be paid earlier than is provided for under the loan agreement without a penalty.

(IV)(aa) A loan provided under clause (i) shall not be subordinated to the claims of any holder of investment obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

(bb) The Director may waive the requirement under item (aa) with respect to the investment in order to mitigate risks to loan repayment.

(V) The Director may sell to another entity or reoffer into the capital markets a loan provided under clause (i) if the Director determines that the sale or reoffering can be made on favorable terms.

(VI) Any loan guarantee provided under clause (i) shall specify the percentage of the principal amount guaranteed. If the Secretary determines that the obligor of a loan guaranteed by the Department of Defense defaults on the loan, the Director shall pay the holder, or such other party, as specified in the loan guarantee agreement.

(VII) The Director shall establish a credit rating system to ensure a reasonable assurance of repayment. The system may include use of existing credit rating agencies where appropriate.

(VIII) Loans and loan guarantees provided under clause (i) shall be subject to such other terms and conditions and contain such other covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

(IX) Loans and loan guarantees provided under clause (i) shall be subject to the requirements of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(B) Subject to appropriations Acts, the Director may provide technical assistance with respect to developing and financing investments to eligible entities seeking capital assistance for eligible investments and eligible entities receiving capital assistance under this subsection.

(C)(i) To the extent and in such amounts as specifically provided in advance in appropriations Acts for the purposes detailed in this subsection, the Director shall provide to an eligible investment selected pursuant to paragraph (2)(B) the amount of capital assistance necessary to carry out the investment.

(ii) All financial transactions conducted under this subsection shall be conducted in United States dollars.

(4) The requirements of subsection (d) shall apply to eligible investments under this subsection.

(5)(A)(i) There is established in the Treasury of the United States a Department of Defense Credit Program Account to make and guarantee loans under this subsection in accordance with section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(ii) The Credit Program Account shall consist of amounts appropriated pursuant to the authorization of appropriations.

(B) To the extent and in such amounts as specifically provided in advance in appropriations Acts for the purposes detailed in this subsection, the Director is authorized to pay, from amounts in the Department of Defense Credit Program Account—

- (i) the cost, as defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a), of loans and loan guarantees and other capital assistance;
- (ii) administrative expenses associated with activities under this subsection;
- (iii) project-specific transaction costs; and
- (iv) the cost of providing support authorized by this subsection.

(6) The Secretary of Defense may prescribe such regulations as the Secretary determines to be appropriate to carry out this subsection.

(7) Not later than the first Monday in February of a fiscal year, the Secretary of Defense shall submit to the congressional defense committees an annual report describing activities carried out pursuant to this subsection in the preceding fiscal year and the goals of the Department of Defense in accordance with this subsection for the next fiscal year.

(8) The Secretary of Defense shall notify the congressional defense committees not later than 30 days after a use of loans, loan guarantees, or technical assistance under this subsection.

(9)(A) The authority of the Director to make new loans and provide new loan guarantees under subparagraph (A)(i) of paragraph (3) shall expire on October 1, 2028. Any loans or loan guarantees provided under such subparagraph that are outstanding as of such date shall continue to be subject to the terms, conditions, and other requirements of this subsection.

(B) The authority of the Director to provide technical assistance to eligible entities under subparagraph (B) of paragraph (3) shall expire on October 1, 2028.

(f) DEFINITIONS.—In this section:

(1) The term “capital assistance” means a loan, loan guarantee, or technical assistance.

(2) The term “covered technology category” means the following:

- (A) Advanced bulk materials.
- (B) Advanced manufacturing.
- (C) Autonomous mobile robots.
- (D) Battery storage.
- (E) Biochemicals.
- (F) Bioenergetics.
- (G) Biomass.
- (H) Cybersecurity.
- (I) Data fabric.
- (J) Decision science.
- (K) Edge computing.
- (L) External communication.
- (M) Hydrogen generation and storage.
- (N) Mesh networks.
- (O) Microelectronics assembly, testing, or packaging.
- (P) Microelectronics design and development.

(Q) Microelectronics fabrication.

(R) Microelectronics manufacturing equipment.

(S) Microelectronics materials.

(T) Nanomaterials and metamaterials.

(U) Open RAN.

(V) Optical communications.

(W) Sensor hardware.

(X) Solar.

(Y) Space launch.

(Z) Spacecraft.

(AA) Space-enabled services and equipment.

(BB) Synthetic biology.

(CC) Quantum computing.

(DD) Quantum security.

(EE) Quantum sensing.

(FF) Strategic maritime infrastructure.

(GG) Critical minerals and materials.

(3) The term “eligible entity” means—

(A) an individual;

(B) a corporation;

(C) a partnership, which may include a public-private partnership, limited partnership, or general partnership;

(D) a joint venture;

(E) a trust;

(F) a State, including a political subdivision or any other instrumentality of a State;

(G) a Tribal government or consortium of Tribal governments;

(H) any other governmental entity or public agency in the United States, including a special purpose district or public authority, including a port authority;

(I) a multi-State or multi-jurisdictional group of public entities; or

(J) a strategic alliance among two or more entities described in subparagraphs (A) through (I).

(4) The term “eligible investment” means an investment, in the form of capital assistance provided to an eligible entity, for a technology that—

(A) is in a covered technology category; and

(B) is not a technology that solely has defense applications.

(5) The term “obligor” means a party that is primarily liable for payment of the principal or interest on a loan.

(Added Pub. L. 118-31, div. A, title IX, §903(a), Dec. 22, 2023, 137 Stat. 358; amended Pub. L. 118-159, div. A, title IX, §905(a), Dec. 23, 2024, 138 Stat. 2028.)

Editorial Notes

REFERENCES IN TEXT

The Federal Credit Reform Act of 1990, referred to in subsec. (e)(3)(A)(ii)(IX), is title V of Pub. L. 93-344, as added by Pub. L. 101-508, title XIII, §13201(a), Nov. 5, 1990, 104 Stat. 1388-609, which is classified generally to subchapter III (§661 et seq.) of chapter 17A of Title 2, The Congress. For complete classification of this Act to the Code, see Short Title note set out under section 621 of Title 2 and Tables.

PRIOR PROVISIONS

Provisions similar to those in subsec. (e) of this section were contained in Pub. L. 118-31, div. A, title IX,

§ 903(b), Dec. 22, 2023, 137 Stat. 360, which was set out as a note under section 4811 of this title, prior to repeal by Pub. L. 118–159, div. A, title IX, § 905(b), Dec. 23, 2024, 138 Stat. 2031.

AMENDMENTS

2024—Subsecs. (e), (f). Pub. L. 118–159, § 905(a)(1), (2), added subsec. (e) and redesignated former subsec. (e) as (f).

Subsec. (f)(2)(FF), (GG). Pub. L. 118–159, § 905(a)(3)(A), added subpars. (FF) and (GG).

Subsec. (f)(5). Pub. L. 118–159, § 905(a)(3)(B), added par. (5).

Statutory Notes and Related Subsidiaries

AUTHORITY FOR TEMPORARY ASSIGNMENT OF EMPLOYEES OF THE OFFICE OF STRATEGIC CAPITAL TO CERTAIN PRIVATE-SECTOR ORGANIZATIONS

Pub. L. 118–159, div. A, title II, § 230, Dec. 23, 2024, 138 Stat. 1836, provided that:

“(a) **AUTHORIZATION.**—Using the authority provided under section 1599g of title 10, United States Code, the Secretary of Defense, acting through the Director of the Office of Strategic Capital, may carry out a program under which the Director arranges for the temporary assignment of an employee of the Office to a qualifying private-sector organization.

“(b) **OBJECTIVES.**—The objectives of the program under subsection (a) shall be—

“(1) to enable the Office of Strategic Capital to rapidly acquire industry-specific context and technical competence across high priority technology and industrial focus areas through immersion in highly relevant emerging technology and business ecosystems across the United States; and

“(2) to enhance, among personnel of the Department—

“(A) understanding of, connectivity with, and access to knowledge about critical and emerging defense industrial base capabilities; and

“(B) understanding of the strategic role that venture capital and private equity operations have in shaping future sustainment and modernization requirements for the defense industrial base.

“(c) **MATCHING AND TRACKING CAPABILITIES.**—In carrying out program under subsection (a), the Director of the Office of Strategic Capital shall—

“(1) use digital automation and analysis capability to optimize the identification, assessment, and placement of participants within the program, which shall include the ability to match and track private-sector organizations with employees of the Office participating in the program in a manner that aligns the priorities, needs, and expertise of such employees, organizations, and the Office; and

“(2) establish a database or other digital automation capability that—

“(A) enables the Office to identify and track current and former participants in the program;

“(B) documents the nature of the experience such participants had while in the program; and

“(C) is suitable for potential development and expansion to other organizations of Department of Defense in the event the Secretary of Defense determines such expansion is appropriate.

“(d) **QUALIFYING PRIVATE-SECTOR ORGANIZATION DEFINED.**—In this section, the term ‘qualifying private-sector organization’ means a private-sector organization that has functions and expertise relevant to the responsibilities of the Office of Strategic Capital, which may include organization such as a venture capital firm, private equity firm, or other such organizations as determined appropriated by the Director of the Office.”

ESTABLISHMENT OF NATIONAL SECURITY CAPITAL FORUM

Pub. L. 118–159, div. A, title X, § 1092, Dec. 23, 2024, 138 Stat. 2083, provided that:

“(a) **IN GENERAL.**—The Secretary of Defense shall establish a forum to—

“(1) convene domestic and international institutional financiers, capital providers, investors, entrepreneurs, innovators, business persons, representatives from across the private sector, relevant United States Government offices, and government and private entities of partner nations; and

“(2) allow the exchange of information between the entities referred to in paragraph (1) and the Department of Defense relating to transactions or potential transactions, in accordance with applicable law, and to integrate efforts to achieve coordinated effects to support the national security interests of the United States.

“(b) **CHAIR.**—The Chair of the forum established under subsection (a) shall be the Director of the Office of Strategic Capital.

“(c) **DESIGNATION OF EXECUTIVE AGENT.**—The Secretary may designate the Director as the sole Executive Agent with respect to the authorities and responsibilities of the Secretary of Defense under section 1047 of the National Defense Authorization Act for Fiscal Year 2023 (Public Law 117–263; 10 U.S.C. 113 note).

“(d) **GUIDANCE.**—Not later than 180 days after the date of the enactment of this Act [Dec. 23, 2024], the Secretary of Defense shall issue guidance on the establishment and operation of the forum established under subsection (a), including regarding the vetting and selection of participants. Such guidance shall include each of the following:

“(1) A process for due diligence vetting of investment fund participants to exclude funds with significant investments to or from countries of concern.

“(2) The development of selection criteria for the consideration of a diverse range of investment fund participants, including by fund size, company-size, socio-economic status, and participating investment sectors.

“(3) Reporting responsibilities for participants to avoid or mitigate potential or perceived conflicts of interest.

“(4) The development of a process for the recusal or removal of participants.”

CHAPTER 5—JOINT CHIEFS OF STAFF

Sec.	
151.	Joint Chiefs of Staff: composition; functions.
152.	Chairman: appointment; grade and rank.
153.	Chairman: functions.
154.	Vice Chairman.
155.	Joint Staff.
[155a.	Repealed.]
156.	Legal Counsel to the Chairman of the Joint Chiefs of Staff.

Editorial Notes

PRIOR PROVISIONS

A prior chapter 5 related to Joint Chiefs of Staff, prior to the general revision of this chapter by Pub. L. 99–433, title II, § 201, Oct. 1, 1986, 100 Stat. 1004, consisted of sections 141 to 143 as follows:

Section 141, acts Aug. 10, 1956, ch. 1041, 70A Stat. 6; Aug. 6, 1958, Pub. L. 85–599, § 7, 72 Stat. 519; Sept. 7, 1962, Pub. L. 87–651, title II, § 204, 76 Stat. 519; Oct. 20, 1978, Pub. L. 95–485, title VIII, § 807, 92 Stat. 1622, provided for composition and functions of Joint Chiefs. See section 151 of this title.

Section 142, acts Aug. 10, 1956, ch. 1041, 70A Stat. 7; Sept. 7, 1962, Pub. L. 87–649, § 14c(1), 76 Stat. 501; Oct. 19, 1984, Pub. L. 98–525, title XIII, § 1301(b), 98 Stat. 2611, provided for appointment and duties of Chairman of Joint Chiefs. See sections 152 and 153 of this title.

Section 143, acts Aug. 10, 1956, ch. 1041, 70A Stat. 7; Aug. 6, 1958, Pub. L. 85–599, § 5(a), 72 Stat. 517; Oct. 19, 1984, Pub. L. 98–525, title XIII, § 1301(c), 98 Stat. 2611, provided for a Joint Staff. See section 155 of this title.

AMENDMENTS

2016—Pub. L. 114–328, div. A, title V, § 502(a)(2), Dec. 23, 2016, 130 Stat. 2102, struck out item 155a “Assistants