

Pub. L. 107-248, title VIII, §8008, Oct. 23, 2002, 116 Stat. 1537.

Pub. L. 107-117, div. A, title VIII, §8008, Jan. 10, 2002, 115 Stat. 2248.

Pub. L. 106-259, title VIII, §8008, Aug. 9, 2000, 114 Stat. 675.

Pub. L. 106-79, title VIII, §8008, Oct. 25, 1999, 113 Stat. 1232.

Pub. L. 105-262, title VIII, §8008, Oct. 17, 1998, 112 Stat. 2298.

Pub. L. 104-208, div. A, title I, §101(b) [title VIII, §8009], Sept. 30, 1996, 110 Stat. 3009-71, 3009-89.

Pub. L. 104-61, title VIII, §8010, Dec. 1, 1995, 109 Stat. 653.

Pub. L. 103-335, title VIII, §8010, Sept. 30, 1994, 108 Stat. 2618.

Pub. L. 103-139, title VIII, §8011, Nov. 11, 1993, 107 Stat. 1439.

Pub. L. 102-396, title IX, §9013, Oct. 6, 1992, 106 Stat. 1903.

Pub. L. 102-172, title VIII, §8013, Nov. 26, 1991, 105 Stat. 1173.

Pub. L. 101-511, title VIII, §8014, Nov. 5, 1990, 104 Stat. 1877.

Pub. L. 101-165, title IX, §9021, Nov. 21, 1989, 103 Stat. 1133.

[[§§ 3502 to 3511. Omitted]

Editorial Notes

CODIFICATION

See Codification note set out under section 3501 of this title.

**SUBCHAPTER II—MULTIYEAR CONTRACTS
FOR ACQUISITION OF SERVICES**

Sec.

3531. Multiyear contracts: acquisition of services.

Editorial Notes

AMENDMENTS

2021—Pub. L. 117-81, div. A, title XVII, §1701(k)(3)(A)(i), (B), Dec. 27, 2021, 135 Stat. 2143, amended Pub. L. 116-283, div. A, title XVIII, §1822(c), formerly §1822(m), Jan. 1, 2021, 134 Stat. 4203, which added this analysis, by making the redesignation of section 1822(m) as 1822(c) and by adding item 3531 and striking out what would have been items 3531 to 3535.

§ 3531. Multiyear contracts: acquisition of services

(a) **AUTHORITY.**—Subject to subsections (d) and (e), the head of an agency may enter into contracts for periods of not more than five years for services described in subsection (b), and for items of supply related to such services, for which funds would otherwise be available for obligation only within the fiscal year for which appropriated whenever the head of the agency finds that—

(1) there will be a continuing requirement for the services consonant with current plans for the proposed contract period;

(2) the furnishing of such services will require a substantial initial investment in plant or equipment, or the incurrence of substantial contingent liabilities for the assembly, training, or transportation of a specialized work force; and

(3) the use of such a contract will promote the best interests of the United States by encouraging effective competition and promoting economies in operation.

(b) **COVERED SERVICES.**—The authority under subsection (a) applies to the following types of services:

(1) Operation, maintenance, and support of facilities and installations.

(2) Maintenance or modification of aircraft, ships, vehicles, and other highly complex military equipment.

(3) Specialized training necessitating high quality instructor skills (for example, pilot and air crew members; foreign language training).

(4) Base services (for example, ground maintenance; in-plane refueling; bus transportation; refuse collection and disposal).

(5) Environmental remediation services for—

(A) an active military installation;

(B) a military installation being closed or realigned under a base closure law; or

(C) a site formerly used by the Department of Defense.

(c) **APPLICABLE PRINCIPLES.**—In entering into multiyear contracts for services under the authority of this section, the head of the agency shall be guided by the following principles:

(1) The portion of the cost of any plant or equipment amortized as a cost of contract performance should not exceed the ratio between the period of contract performance and the anticipated useful commercial life of such plant or equipment. Useful commercial life, for this purpose, means the commercial utility of the facilities rather than the physical life thereof, with due consideration given to such factors as location of facilities, specialized nature thereof, and obsolescence.

(2) Consideration shall be given to the desirability of obtaining an option to renew the contract for a reasonable period not to exceed three years, at prices not to include charges for plant, equipment and other nonrecurring costs, already amortized.

(3) Consideration shall be given to the desirability of reserving in the agency the right, upon payment of the unamortized portion of the cost of the plant or equipment, to take title thereto under appropriate circumstances.

(d) **RESTRICTIONS APPLICABLE GENERALLY.**—(1) The head of an agency may not initiate under this section a contract for services that includes an unfunded contingent liability in excess of \$20,000,000 unless the congressional defense committees are notified of the proposed contract at least 30 days in advance of the award of the proposed contract.

(2) The head of an agency may not initiate a multiyear contract for services under this section if the value of the multiyear contract would exceed \$500,000,000 unless authority for the contract is specifically provided by law.

(3) The head of an agency may not terminate a multiyear procurement contract for services until 10 days after the date on which notice of the proposed termination is provided to the congressional defense committees.

(4) Before any contract described in subsection (a) that contains a clause setting forth a cancellation ceiling in excess of \$100,000,000 may be awarded, the head of the agency concerned shall give written notification of the proposed con-