

process that identifies the most promising, innovative, and cost-effective prototypes that address one or more of the elements set forth in subsection (c)(1) of section 4422 of this title and are expected to be successfully demonstrated in a relevant environment.

(c) **TYPE OF TRANSACTION.**—Prototype projects shall be funded through contracts, cooperative agreements, or other transactions.

(d) **FUNDING LIMIT.**—(1) Each prototype project may not exceed a total amount of \$10,000,000 (based on fiscal year 2017 constant dollars), unless—

(A) the Secretary of the military department, or the Secretary's designee, approves a larger amount of funding for the project, not to exceed \$50,000,000; and

(B) the Secretary, or the Secretary's designee, submits to the congressional defense committees, within 30 days after approval of such funding for the project, a notification that includes—

- (i) the project;
- (ii) expected funding for the project; and
- (iii) a statement of the anticipated outcome of the project.

(2) The Secretary of Defense may adjust the amounts (and the base fiscal year) provided in paragraph (1) on the basis of Department of Defense escalation rates.

(e) **RELATED PROTOTYPE AUTHORITIES.**—Prototype projects that exceed the duration and funding limits established in this section shall be pursued under the rapid prototyping process established by section 3602 of this title. In addition, nothing in this subchapter shall affect the authority to carry out prototype projects under section 4022 or any other section of this title related to prototyping.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2258, § 2447c; renumbered § 4423 and amended Pub. L. 116-283, div. A, title XVIII, § 1851(c)(1), (3), Jan. 1, 2021, 134 Stat. 4272, 4273; Pub. L. 117-263, div. A, title X, § 1081(a)(5), Dec. 23, 2022, 136 Stat. 2797; Pub. L. 118-159, div. A, title VIII, § 804(c)(4), Dec. 23, 2024, 138 Stat. 1968.)

Editorial Notes

AMENDMENTS

2024—Subsec. (e). Pub. L. 118-159 substituted “section 3602 of this title” for “section 804 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92; 10 U.S.C. 2302 note)”.

2022—Subsec. (e). Pub. L. 117-263 substituted “section 4022” for “section 4003”.

2021—Pub. L. 116-283, § 1851(c)(1), renumbered section 2447c of this title as this section.

Subsec. (b). Pub. L. 116-283, § 1851(c)(3)(A), substituted “section 4422” for “section 2447b”.

Subsec. (e). Pub. L. 116-283, § 1851(c)(3)(B), substituted “section 4003” for “section 2371b”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2021, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 4421 of this title.

§ 4424. Mechanisms to speed deployment of successful weapon system component or technology prototypes

(a) **SELECTION OF PROTOTYPE PROJECT FOR PRODUCTION AND RAPID FIELDING.**—A weapon system component or technology prototype project may be selected by the service acquisition executive of the military department concerned for a follow-on production contract or other transaction without the use of competitive procedures, notwithstanding the requirements of sections 3201 through 3205 of this title, if—

(1) the follow-on production project addresses a high priority warfighter need or reduces the costs of a weapon system;

(2) competitive procedures were used for the selection of parties for participation in the original prototype project;

(3) the participants in the original prototype project successfully completed the requirements of the project; and

(4) a prototype of the system to be procured was demonstrated in a relevant environment.

(b) **SPECIAL TRANSFER AUTHORITY.**—(1) The Secretary of a military department may, as specified in advance by appropriations Acts, transfer funds that remain available for obligation in procurement appropriation accounts of the military department to fund the low-rate initial production of the rapid fielding project until required funding for full-rate production can be submitted and approved through the regular budget process of the Department of Defense.

(2) The funds transferred under this subsection to fund the low-rate initial production of a rapid fielding project shall be for a period not to exceed two years, the amount for such period may not exceed \$50,000,000, and the special transfer authority provided in this subsection may not be used more than once to fund procurement of a particular new or upgraded system.

(3) The special transfer authority provided in this subsection is in addition to any other transfer authority available to the Department of Defense.

(c) **NOTIFICATION TO CONGRESS.**—Within 30 days after the service acquisition executive of a military department selects a weapon system component or technology project for a follow-on production contract or other transaction, the service acquisition executive shall notify the congressional defense committees of the selection and provide a brief description of the rapid fielding project.

(Added Pub. L. 114-328, div. A, title VIII, § 806(a)(1), Dec. 23, 2016, 130 Stat. 2259, § 2447d; renumbered § 4424 and amended Pub. L. 116-283, div. A, title XVIII, § 1851(c)(1), (4), Jan. 1, 2021, 134 Stat. 4272, 4273.)

Editorial Notes

AMENDMENTS

2021—Pub. L. 116-283, § 1851(c)(1), renumbered section 2447d of this title as this section.

Subsec. (a). Pub. L. 116-283, §1851(c)(4), substituted “sections 3201 through 3205” for “section 2304” in introductory provisions.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

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

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 4421 of this title.

§ 4425. Definition of weapon system component

In this subchapter, the term “weapon system component” has the meaning given the term “major system component” in section 4401 of this title.

(Added Pub. L. 114-328, div. A, title VIII, §806(a)(1), Dec. 23, 2016, 130 Stat. 2259, §2447e; renumbered §4425 and amended Pub. L. 116-283, div. A, title XVIII, §1851(c)(1), (5), Jan. 1, 2021, 134 Stat. 4272, 4273.)

Editorial Notes

AMENDMENTS

2021—Pub. L. 116-283, §1851(c)(5), substituted “section 4401” for “section 2446a”.

Pub. L. 116-283, §1851(c)(1), renumbered section 2447e of this title as this section.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

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

EFFECTIVE DATE

Section effective Jan. 1, 2017, see section 806(a)(2) of Pub. L. 114-328, set out as a note under section 4421 of this title.

Subpart G—Other Special Categories Of Contracting

Editorial Notes

AMENDMENTS

2018—Pub. L. 115-232, div. A, title VIII, §801(a), Aug. 13, 2018, 132 Stat. 1830, added subpart heading.

Statutory Notes and Related Subsidiaries

REQUIRING DEFENSE MICROELECTRONICS PRODUCTS AND SERVICES MEET TRUSTED SUPPLY CHAIN AND OPERATIONAL SECURITY STANDARDS

Pub. L. 116-92, div. A, title II, §224, Dec. 20, 2019, 133 Stat. 1266, provided that:

“(a) PURCHASES.—To protect the United States from intellectual property theft and to ensure national security and public safety in the application of new generations of wireless network technology and microelectronics, beginning no later than January 1, 2023, the Secretary of Defense shall ensure that each microelectronics product or service that the Department of De-

fense purchases on or after such date meets the applicable trusted supply chain and operational security standards established pursuant to subsection (b), except in a case in which the Department seeks to purchase a microelectronics product or service but—

“(1) no such product or service is available for purchase that meets such standards; or

“(2) no such product or service is available for purchase that—

“(A) meets such standards; and

“(B) is available at a price that the Secretary does not consider prohibitively expensive.

“(b) TRUSTED SUPPLY CHAIN AND OPERATIONAL SECURITY STANDARDS.—

“(1) STANDARDS REQUIRED.—(A) Not later than January 1, 2021, the Secretary shall establish trusted supply chain and operational security standards for the purchase of microelectronics products and services by the Department.

“(B) For purposes of this section, a trusted supply chain and operational security standard—

“(i) is a standard that systematizes best practices relevant to—

“(I) manufacturing location;

“(II) company ownership;

“(III) workforce composition;

“(IV) access during manufacturing, suppliers’ design, sourcing, manufacturing, packaging, and distribution processes;

“(V) reliability of the supply chain; and

“(VI) other matters germane to supply chain and operational security; and

“(ii) is not a military standard (also known as ‘MIL-STD’) or a military specification (also known as ‘MIL-SPEC’) for microelectronics that—

“(I) specifies individual features for Department of Defense microelectronics; or

“(II) otherwise inhibits the acquisition by the Department of securely manufactured, commercially-available products.

“(2) CONSULTATION REQUIRED.—In developing standards under paragraph (1), the Secretary shall consult with the following:

“(A) The Secretary of Homeland Security, the Secretary of State, the Secretary of Commerce, and the Director of the National Institute of Standards and Technology.

“(B) Suppliers of microelectronics products and services from the United States and allies and partners of the United States.

“(C) Representatives of major United States industry sectors that rely on a trusted supply chain and the operational security of microelectronics products and services.

“(D) Representatives of the United States insurance industry.

“(3) TIERS OF TRUST AND LEVELS OF SECURITY AUTHORIZED.—In carrying out paragraph (1), the Secretary may establish tiers and levels of trust and security within the supply chain and operational security standards for microelectronics products and services.

“(4) GENERAL APPLICABILITY.—The standards established pursuant to paragraph (1) shall be, to the greatest extent practicable, generally applicable to the trusted supply chain and operational security needs and use cases of the United States Government and commercial industry, such that the standards could be widely adopted by government agencies, commercial industry, and allies and partners of the United States as the basis for procuring microelectronics products and services.

“(5) ANNUAL REVIEW.—Not later than October 1 of each year, the Secretary shall, in consultation with persons and entities set forth under paragraph (2), review the standards established pursuant to paragraph (1) and issue updates or modifications as the Secretary considers necessary or appropriate.

“(c) ENSURING ABILITY TO SELL COMMERCIALY.—

“(1) IN GENERAL.—The Secretary shall, to the greatest extent practicable, ensure that suppliers of micro-