H. R. ______

To amend title 10, United States Code, to streamline and rationalize acquisition statutes, enhance acquisition agility, and increase private sector participation in the defense sector.

IN THE HOUSE OF REPRESENTATIVES

Mr. THORNBERRY introduced the following bill; which was referred to the Committee on

A BILL

To amend title 10, United States Code, to streamline and rationalize acquisition statutes, enhance acquisition agility, and increase private sector participation in the defense sector.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Accelerating the Pace of Acquisition Reform Act of 2018”.
(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—STATUTORY STREAMLINING

Sec. 101. Effective dates; coordination of amendments.

Subtitle A—Consolidation of Defense Acquisition Statutes in New Part V of Subtitle A of Title 10, United States Code

Sec. 111. Framework for new part V of subtitle A.

Subtitle B—Redesignation of Sections and Chapters of Subtitles B, C, and D to Provide Room for New Part V of Subtitle A

Sec. 121. Redesignation of sections and chapters of subtitle D of title 10, United States Code—Air Force.
Sec. 122. Redesignation of sections and chapters of subtitle C of title 10, United States Code—Navy and Marine Corps.
Sec. 123. Redesignation of sections and chapters of subtitle B of title 10, United States Code—Army.
Sec. 124. Cross references to redesignated sections and chapters.

Subtitle C—Repeals of Certain Provisions of Law

Sec. 131. Repeal of certain defense acquisition laws.
Sec. 132. Repeal of statutory requirement for certain positions or offices in the Department of Defense.
Sec. 133. Repeal of certain Department of Defense reporting requirements that otherwise terminate as of December 31, 2021.

TITLE II—ACQUISITION AGILITY

Sec. 201. Revision of definition of commercial item for purposes of Federal acquisition statutes.
Sec. 203. Limitation on applicability to Department of Defense commercial contracts of certain provisions of law and certain executive orders and regulations.
Sec. 204. Reporting on projects performed through transactions other than contracts, cooperative agreements, and grants.

TITLE III—PRIVATE SECTOR PARTICIPATION

Sec. 301. Department of Defense small business strategy.
Sec. 302. Modifications to procurement through commercial e-commerce portals.
TITLE I—STATUTORY STREAMLINING

SEC. 101. EFFECTIVE DATES; COORDINATION OF AMENDMENTS.

(a) Effective Dates.—

(1) Subtitles A and B.—Subtitles A and B of this title, and the redesignations and amendments made by such subtitles, shall take effect on February 1, 2019.

(2) Subtitle C.—Subtitle C of this title shall take effect on the date of the enactment of this Act.

(b) Coordination of Amendments.—The redesignations and amendments made by subtitle B of this title shall be executed—

(1) before the amendments made by subtitle A of this title; and

(2) after any amendments made by any other provisions of this Act.
Subtitle A—Consolidation of Defense Acquisition Statutes in New Part V of Subtitle A of Title 10, United States Code

SEC. 111. FRAMEWORK FOR NEW PART V OF SUBTITLE A.

(a) IN GENERAL.—Subtitle A of title 10, United States Code, is amended by adding at the end the following new part:

"PART V—ACQUISITION"

```
  Chap.  Sec.
  "SUBPART A—GENERAL"
  "201. Definitions ................................................................. 3001
  "203. General Matters .......................................................... 3021
  "205. Defense Acquisition System ........................................ 3051
  "207. Budgeting and Appropriations Matters ...................... 3101
  "209. Overseas Contingency Operations .............................. 3151

  "SUBPART B—ACQUISITION PLANNING"
  "221. Planning and Solicitation Generally .......................... 3201
  "223. Planning and Solicitation Relating to Particular Items or Services .................................................... 3251

  "SUBPART C—CONTRACTING METHODS AND CONTRACT TYPES"
  "241. Awarding of Contracts .............................................. 3301
  "243. Specific Types of Contracts ...................................... 3351
  "245. Task and Delivery Order Contracts (Multiple Award Contracts) 3401
  "247. Acquisition of Commercial Items ............................... 3451
  "249. Multiyear Contracts .................................................. 3501
  "251. Simplified Acquisition Procedures ............................ 3551
  "253. Emergency and Rapid Acquisitions ............................ 3601
  "255. Contracting With or Through Other Agencies .............. 3651

  "SUBPART D—GENERAL CONTRACTING REQUIREMENTS"
  "271. Truthful Cost or Pricing Data ..................................... 3701
  "273. Allowable Costs ....................................................... 3741
  "275. Proprietary Contractor Data and Technical Data .......... 3771
  "277. Contract Financing ................................................... 3801
  "279. Contractor Audits and Accounting ............................. 3841
  "281. Claims and Disputes ................................................ 3861
  "283. Foreign Acquisitions ................................................. 3881
  "285. Small Business Programs ........................................... 3901
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"287. Socioeconomic Programs ....................................................... 3961

"SUBPART E—SPECIAL CATEGORIES OF CONTRACTING: MAJOR DEFENSE
ACQUISITION PROGRAMS AND MAJOR SYSTEMS

"301. Major Defense Acquisition Programs ................................. 4001
"303. Weapon Systems Development and Related Matters ............... 4071
"305. Other Matters Relating to Major Systems ............................. 4121

"SUBPART F—SPECIAL CATEGORIES OF CONTRACTING: RESEARCH,
DEVELOPMENT, TEST, AND EVALUATION

"321. Research and Development Generally .................................. 4201
"323. Innovation ............................................................................. 4301
"325. Department of Defense Laboratories ...................................... 4351
"327. Research and Development Centers and Facilities ................. 4401
"329. Operational Test and Evaluation; Developmental Test and Eval-
uation ................................................................................... 4451

"SUBPART G—OTHER SPECIAL CATEGORIES OF CONTRACTING

"341. Contracting for Performance of Civilian Commercial or Indus-
trial Type Functions ................................................................. 4501
"343. Acquisition of Services .......................................................... 4541
"345. Acquisition of Information Technology ................................. 4571

"SUBPART H—CONTRACT MANAGEMENT

"361. Contract Administration .......................................................... 4601
"363. Prohibitions and Penalties ....................................................... 4651
"365. Contractor Workforce ............................................................. 4701
"367. Other Administrative and Miscellaneous Provisions ............... 4751

"SUBPART I—DEFENSE INDUSTRIAL BASE

"381. Defense Industrial Base Generally ......................................... 4801
"383. Loan Guarantee Programs ..................................................... 4861
"385. Procurement Technical Assistance Cooperative Agreement Pro-
gram ....................................................................................... 4881

1

"Subpart A—General

2

"CHAPTER 201—DEFINITIONS

3

"SEC. 3001. [RESERVED].

[Reserved]

4

"CHAPTER 203—GENERAL MATTERS

5

"SEC. 3021. [RESERVED].

[Reserved]
6

1 "CHAPTER 205—DEFENSE ACQUISITION SYSTEM

2 "SEC. 3051. [RESERVED].

[Reserved]

3 "CHAPTER 207—BUDGETING AND APPROPRIATIONS MATTERS

4 "SEC. 3101. [RESERVED].

[Reserved]

5 "CHAPTER 209—OVERSEAS CONTINGENCY OPERATIONS

6 "SEC. 3151. [RESERVED].

[Reserved]

7 "Subpart B—Acquisition Planning

8 "CHAPTER 221—PLANNING AND SOLICITATION GENERALLY

9 "SEC. 3201. [RESERVED].

[Reserved]

10 "CHAPTER 223—PLANNING AND SOLICITATION RELATING TO PARTICULAR ITEMS OR SERVICES

11 "SEC. 3251. [RESERVED].

[Reserved]
Subpart C—Contracting Methods and Contract Types

CHAPTER 241—AWARDING OF CONTRACTS

SEC. 3301. [RESERVED].

[Reserved]

CHAPTER 243—SPECIFIC TYPES OF CONTRACTS

SEC. 3351. [RESERVED].

[Reserved]

CHAPTER 245—TASK AND DELIVERY ORDER CONTRACTS (MULTIPLE AWARD CONTRACTS)

SEC. 3401. [RESERVED].

[Reserved]

CHAPTER 247—ACQUISITION OF COMMERCIAL ITEMS

SEC. 3451. [RESERVED].

[Reserved]

CHAPTER 249—MULTIYEAR CONTRACTS

SEC. 3501. [RESERVED].

[Reserved]

CHAPTER 251—SIMPLIFIED ACQUISITION PROCEDURES

SEC. 3551. [RESERVED].

[Reserved]
“CHAPTER 253—EMERGENCY AND RAPID ACQUISITIONS

“SEC. 3601. [RESERVED].

[Reserved]

“CHAPTER 255—CONTRACTING WITH OR THROUGH OTHER AGENCIES

“SEC. 3651. [RESERVED].

[Reserved]

“Subpart D—General Contracting Requirements

“CHAPTER 271—TRUTHFUL COST OR PRICING DATA

“SEC. 3701. [RESERVED].

[Reserved]

“CHAPTER 273—ALLOWABLE COSTS

“SEC. 3741. [RESERVED].

[Reserved]

“CHAPTER 275—PROPRIETARY CONTRACTOR DATA AND TECHNICAL DATA

“SEC. 3771. [RESERVED].

[Reserved]

“CHAPTER 277—CONTRACT FINANCING

“SEC. 3801. [RESERVED].

[Reserved]
“CHAPTER 279—CONTRACTOR AUDITS
AND ACCOUNTING

“SEC. 3841. [RESERVED].
[Reserved]

“CHAPTER 281—CLAIMS AND DISPUTES

“SEC. 3861. [RESERVED].
[Reserved]

“CHAPTER 283—FOREIGN ACQUISITIONS

“SEC. 3881. [RESERVED].
[Reserved]

“CHAPTER 285—SMALL BUSINESS
PROGRAMS

“SEC. 3901. [RESERVED].
[Reserved]

“CHAPTER 287—SOCIOECONOMIC
PROGRAMS

“SEC. 3961. [RESERVED].
[Reserved]

“Subpart E—Special Categories of Contracting:
Major Defense Acquisition Programs and Major
Systems

“CHAPTER 301—MAJOR DEFENSE
ACQUISITION PROGRAMS

“SEC. 4001. [RESERVED].
[Reserved]
“CHAPTER 303—WEAPON SYSTEMS DEVELOPMENT AND RELATED MATTERS

“SEC. 4071. [RESERVED].

[Reserved]

“CHAPTER 305—OTHER MATTERS RELATING TO MAJOR SYSTEMS

“SEC. 4121. [RESERVED].

[Reserved]

“Subpart F—Special Categories of Contracting: Research, Development, Test, and Evaluation

“CHAPTER 321—RESEARCH AND DEVELOPMENT GENERALLY

“SEC. 4201. [RESERVED].

[Reserved]

“CHAPTER 323—INNOVATION

“SEC. 4301. [RESERVED].

[Reserved]

“CHAPTER 325—DEPARTMENT OF DEFENSE LABORATORIES

“SEC. 4351. [RESERVED].

[Reserved]

“CHAPTER 327—RESEARCH AND DEVELOPMENT CENTERS AND FACILITIES

“SEC. 4401. [RESERVED].

[Reserved]
"CHAPTER 329—OPERATIONAL TEST AND EVALUATION; DEVELOPMENTAL TEST AND EVALUATION

"SEC. 4451. [RESERVED].

[Reserved]

"Subpart G—Other Special Categories Of Contracting

"CHAPTER 341—CONTRACTING FOR PERFORMANCE OF CIVILIAN COMMERCIAL OR INDUSTRIAL TYPE FUNCTIONS

"SEC. 4501. [RESERVED].

[Reserved]

"CHAPTER 343—ACQUISITION OF SERVICES

"SEC. 4541. [RESERVED].

[Reserved]

"CHAPTER 345—ACQUISITION OF INFORMATION TECHNOLOGY

"SEC. 4571. [RESERVED].

[Reserved]
“Subpart H—Contract Management

“CHAPTER 361—CONTRACT ADMINISTRATION

“SEC. 4601. [RESERVED].

[Reserved]

“CHAPTER 363—PROHIBITIONS AND PENALTIES

“SEC. 4651. [RESERVED].

[Reserved]

“CHAPTER 365—CONTRACTOR WORKFORCE

“SEC. 4701. [RESERVED].

[Reserved]

“CHAPTER 367—OTHER ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

“SEC. 4751. [RESERVED].

[Reserved]

“Subpart I—Defense Industrial Base

“CHAPTER 381—DEFENSE INDUSTRIAL BASE GENERALLY

“SEC. 4801. [RESERVED].

[Reserved]

“CHAPTER 383—LOAN GUARANTEE PROGRAMS

“SEC. 4861. [RESERVED].

[Reserved]
CHAPTER 385—PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

SEC. 4881. [RESERVED].

[Reserved]

(b) TABLE OF CHAPTERS AMENDMENT.—The table of chapters at the beginning of subtitle A is amended by adding at the end the following new items:

PART V—ACQUISITION

Subpart A—General

PART V—ACQUISITION

Subpart A—General

Chap.  Sec.

201. Definitions ................................................................. 3001
203. General Matters .......................................................... 3021
205. Defense Acquisition System ........................................... 3051
207. Budgeting and Appropriations Matters ......................... 3101
209. Overseas Contingency Operations ............................... 3151

Subpart B—Acquisition Planning

Chap.  Sec.

221. Planning and Solicitation Generally ............................ 3201
223. Planning and Solicitation Relating to Particular Items or Services ......................................................... 3251

Subpart C—Contracting Methods and Contract Types

Chap.  Sec.

241. Awarding of Contracts ................................................ 3301
243. Specific Types of Contracts .......................................... 3351
245. Task and Delivery Order Contracts (Multiple Award Contracts) .................. 3401
247. Acquisition of Commercial Items ................................. 3451
249. Multiyear Contracts ..................................................... 3501
251. Simplified Acquisition Procedures ............................... 3551
253. Emergency and Rapid Acquisitions ............................ 3601
255. Contracting With or Through Other Agencies ............. 3651

Subpart D—General Contracting Requirements

Chap.  Sec.

271. Truthful Cost or Pricing Data ..................................... 3701
273. Allowable Costs ......................................................... 3741
275. Proprietary Contractor Data and Technical Data .......... 3771
277. Contract Financing ..................................................... 3801
279. Contractor Audits and Accounting ............................. 3841
281. Claims and Disputes ................................................... 3861
283. Foreign Acquisitions ................................................... 3881
285. Small Business Programs ............................................ 3901
"287. Socioeconomic Programs ................................................................. 3961

"SUBPART E—SPECIAL CATEGORIES OF CONTRACTING: MAJOR DEFENSE
ACQUISITION PROGRAMS AND MAJOR SYSTEMS

"301. Major Defense Acquisition Programs ........................................... 4001
"303. Weapon Systems Development and Related Matters ....................... 4071
"305. Other Matters Relating to Major Systems ....................................... 4121

"SUBPART F—SPECIAL CATEGORIES OF CONTRACTING: RESEARCH,
DEVELOPMENT, TEST, AND EVALUATION

"321. Research and Development Generally ......................................... 4201
"323. Innovation .................................................................................... 4301
"325. Department of Defense Laboratories ............................................. 4351
"327. Research and Development Centers and Facilities ....................... 4401
"329. Operational Test and Evaluation; Developmental Test and Evaluation ............................................. 4451

"SUBPART G—OTHER SPECIAL CATEGORIES OF CONTRACTING

"341. Contracting for Performance of Civilian Commercial or Industrial Type Functions ..................................................... 4501
"343. Acquisition of Services ................................................................ 4541
"345. Acquisition of Information Technology ........................................... 4571

"SUBPART H—CONTRACT MANAGEMENT

"361. Contract Administration ................................................................. 4601
"363. Prohibitions and Penalties ............................................................. 4651
"365. Contractor Workforce ................................................................. 4701
"367. Other Administrative and Miscellaneous Provisions ....................... 4751

"SUBPART I—DEFENSE INDUSTRIAL BASE

"381. Defense Industrial Base Generally ............................................... 4801
"383. Loan Guarantee Programs ............................................................. 4861
"385. Procurement Technical Assistance Cooperative Agreement Program ................................................................. 4881".
Subtitle B—Redesignation of Sections and Chapters of Subtitles B, C, and D to Provide Room for New Part V of Subtitle A

SEC. 121. REDESIGNATION OF SECTIONS AND CHAPTERS OF SUBTITLE D OF TITLE 10, UNITED STATES CODE—AIR FORCE.

(a) Subtitle D, Part III, Section Numbers.—The sections in part III of subtitle D of title 10, United States Code, are redesignated as follows:

(1) Chapter 909.—Each section in chapter 909 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 50.

(2) Chapter 907.—Each section in chapter 907 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 70.

(3) Chapters 901 and 903.—Each section in chapter 901 and chapter 903 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 100.

(b) Subtitle D, Part II, Section Numbers.—The sections in part II of such subtitle are redesignated as follows:
(1) Chapter 831.—Section 8210 is redesignated as section 9110.

(2) Chapter 833.—Sections 8251, 8252, 8257, and 8258 are redesignated as sections 9131, 9132, 9137, and 9138, respectively.

(3) Chapter 835.—Sections 8281 and 8310 are redesignated as sections 9151 and 9160, respectively.

(4) Chapter 839.—Section 8446 is redesignated as section 9176.

(5) Chapter 841.—Sections 8491 and 8503 are redesignated as sections 9191 and 9203, respectively.

(6) Chapter 843.—Sections 8547 and 8548 are redesignated as sections 9217 and 9218, respectively.

(7) Chapter 845.—Sections 8572, 8575, 8579, 8581, and 8583 are redesignated as sections 9222, 9225, 9229, 9231, and 9233, respectively.

(8) Chapter 849.—Section 8639 is redesignated as section 9239.

(9) Chapter 853.—Sections 8681, 8684, and 8691 are redesignated as sections 9251, 9252, and 9253, respectively.
(10) CHAPTER 855.—Section 8723 is redesignated as section 9263.

(11) CHAPTER 857.—Each section in chapter 857 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 530.

(12) CHAPTER 861.—Section 8817 is redesignated as section 9307.

(13) CHAPTER 867.—Each section in chapter 867 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 400.

(14) CHAPTER 869.—Sections 8961, 8962, 8963, 8964, 8965, and 8966 are redesignated as sections 9341, 9342, 9343, 9344, 9345, and 9346, respectively.

(15) CHAPTER 871.—Sections 8991 and 8992 are redesignated as sections 9361 and 9362, respectively.

(16) CHAPTER 873.—Sections 9021, 9025, and 9027 are redesignated as sections 9371, 9375, and 9377, respectively.

(17) CHAPTER 875.—Section 9061 is redesignated as section 9381.
(c) Subtitle D, Part I, Section Numbers.— Each section in part I of such subtitle is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,000.

(d) Subtitle D Chapter Numbers.—

(1) Part IV chapter numbers.—Each chapter in part IV of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 30.

(2) Part III chapter numbers.—Each chapter in part III of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 50.

(3) Part II chapter numbers.—

(A) In general.—Except as provided in subparagraph (B), each chapter in part II of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 80.

(B) Other chapters.—

(i) Chapter 861 is redesignated as chapter 939.

(ii) Chapters 867, 869, 871, 873, and 875 are each redesignated so that the number of the chapter, as redesignated, is
the number equal to the previous number plus 74.

(4) PART I CHAPTER NUMBERS.—Each chapter in part I of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 100.

(e) SUBTITLE D TABLES OF SECTIONS AND TABLES OF CHAPTERS.—

(1) TABLES OF SECTIONS.—The tables of sections at the beginning of the chapters of such subtitle are revised so as to conform the section references in those tables to the redesignations made by subsections (a), (b), and (c).

(2) TABLES OF CHAPTERS.—The table of chapters at the beginning of such subtitle, and the tables of chapters at the beginning of each part of such subtitle, are revised so as to conform the chapter references and section references in those tables to the redesignations made by this section.

SEC. 122. REDESIGNATION OF SECTIONS AND CHAPTERS OF SUBTITLE C OF TITLE 10, UNITED STATES CODE—NAVY AND MARINE CORPS.

(a) Subtitle C, Part I, Section Numbers.—

(1) In general.—Except as provided in paragraph (2), each section in part I of subtitle C of title
10, United States Code, is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 3,000.

(2) Chapter 513.—For sections in chapter 513, each section is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 2,940.

(b) Subtitle C, Part II, Section Numbers.—The sections in part II of such subtitle are redesignated as follows:

(1) Chapter 533.—Sections 5441, 5450, and 5451 are redesignated as sections 8101, 8102, and 8103, respectively.

(2) Chapter 535.—Sections 5501, 5502, 5503, and 5508 are redesignated as sections 8111, 8112, 8113, and 8118, respectively.

(3) Chapter 537.—Section 5540 is redesignated as section 8120.

(4) Chapter 539.—Sections 5582, 5585, 5587, 5587a, 5589, and 5596 are redesignated as sections 8132, 8135, 8137, 8138, 8139, and 8146, respectively.

(5) Chapter 544.—Section 5721 is redesignated as section 8151.
(6) \textbf{CHAPTER 551}.—Each section in chapter 551 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 2,220.

(7) \textbf{CHAPTER 553}.—Sections 5983, 5985, and 5986 are redesignated as sections 8183, 8185, and 8186, respectively.

(8) \textbf{CHAPTER 555}.—The sections in chapter 555 are redesignated as follows:

\begin{table}[h]
\centering
\begin{tabular}{|l|l|}
\hline
Section & Redesignated Section \\
\hline
6011 & 8211 \\
6012 & 8212 \\
6013 & 8213 \\
6014 & 8214 \\
6019 & 8215 \\
6021 & 8216 \\
6022 & 8217 \\
6024 & 8218 \\
6027 & 8219 \\
6029 & 8220 \\
6031 & 8221 \\
6032 & 8222 \\
6035 & 8225 \\
6036 & 8226 \\
\hline
\end{tabular}
\end{table}

(9) \textbf{CHAPTER 557}.—Each section in chapter 557 is redesignated so that the number of the section, as
redesignated, is the number equal to the previous number plus 2,160.

(10) CHAPTER 559.—Section 6113 is redesignated as section 8253.

(11) CHAPTER 561.—The sections in chapter 561 are redesignated as follows:

<table>
<thead>
<tr>
<th>Section</th>
<th>Redesignated Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>6141</td>
<td>8261</td>
</tr>
<tr>
<td>6151</td>
<td>8262</td>
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<td>6152</td>
<td>8263</td>
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<td>6156</td>
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<tr>
<td>6160</td>
<td>8270</td>
</tr>
<tr>
<td>6161</td>
<td>8271</td>
</tr>
</tbody>
</table>

(12) CHAPTER 563.—Sections 6201, 6202, and 6203 are redesignated as sections 8281, 8282, and 8283, respectively.

(13) CHAPTER 565.—Sections 6221 and 6222 are redesignated as sections 8286 and 8287, respectively.

(14) CHAPTER 567.—Each section in chapter 567 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 2,050.
(15) CHAPTER 569.—Section 6292 is redesignated as section 8317.

(16) CHAPTER 571.—Each section in chapter 571 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 2,000.

(17) CHAPTER 573.—Sections 6371, 6383, 6389, 6404, and 6408 are redesignated as sections 8371, 8372, 8373, 8374, and 8375, respectively.

(18) CHAPTER 575.—Sections 6483, 6484, 6485, and 6486 are redesignated as sections 8383, 8384, 8385, and 8386, respectively.

(19) CHAPTER 577.—Section 6522 is redesignated as section 8392.

(c) SUBTITLE C, PART III, SECTION NUMBERS.—

(1) IN GENERAL.—Except as provided in paragraph (2), each section in part III of such subtitle is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,500.

(2) CHAPTER 609.—Sections 7101, 7102, 7103, and 7104 are redesignated as sections 8591, 8592, 8593, and 8594, respectively.
(d) **Subtitle C, Part IV, Section Numbers.**—The sections in part IV of such subtitle are redesignated as follows:

1. **CHAPTER 631.**—Each section in chapter 631 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,400.

2. **CHAPTER 633.**—Each section in chapter 633 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,370.

3. **CHAPTER 637.**—Sections 7361, 7362, 7363, and 7364 are redesignated as sections 8701, 8702, 8703, and 8704, respectively.

4. **CHAPTER 639.**—Sections 7395 and 7396 are redesignated as sections 8715 and 8716, respectively.

5. **CHAPTER 641.**—Each section in chapter 641 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,300.

6. **CHAPTER 643.**—Sections 7472, 7473, 7476, 7477, 7478, 7479, and 7480 are redesignated as sections 8742, 8743, 8746, 8747, 8748, 8749, and 8750, respectively.
(7) **CHAPTER 645.**—Sections 7522, 7523, and 7524 are redesignated as sections 8752, 8753, and 8754, respectively.

(8) **CHAPTER 647.**—The sections in chapter 647 are redesignated as follows:

<table>
<thead>
<tr>
<th>Section</th>
<th>Redesignated Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>7541</td>
<td>8761</td>
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<tr>
<td>7541a</td>
<td>8761a</td>
</tr>
<tr>
<td>7541b</td>
<td>8761b</td>
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<td>7542</td>
<td>8762</td>
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<td>7546</td>
<td>8746</td>
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<tr>
<td>7577</td>
<td>8747</td>
</tr>
</tbody>
</table>

(9) **CHAPTERS 649, 651, 653, AND 655.**—Each section in chapters 649, 651, 653, and 655 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,200.

(10) **CHAPTER 657.**—Each section in chapter 657 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 1,170.
(11) Chapter 659.—Sections 7851, 7852, 7853, and 7854 are redesignated as sections 8901, 8902, 8903, and 8904, respectively.

(12) Chapter 661.—Sections 7861, 7862, and 7863 are redesignated as sections 8911, 8912, and 8913, respectively.

(13) Chapter 663.—Section 7881 is redesignated as section 8921.

(14) Chapter 665.—Sections 7901, 7902, and 7903 are redesignated as sections 8931, 8932, and 8933, respectively.

(15) Chapter 667.—Sections 7912 and 7913 are redesignated as sections 8942 and 8943, respectively.

(16) Chapter 669.—Section 7921 is redesignated as section 8951.

(e) Subtitle C Chapter Numbers.—

(1) Part I Chapter Numbers.—Each chapter in part I of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 300, except that chapter 513 is redesignated as chapter 809.

(2) Part II Chapter Numbers.—

(A) In General.—Except as provided in subparagraph (B), each chapter in part II of
such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 270.

(B) OTHER CHAPTERS.—Chapter 533 is redesignated as chapter 811, chapter 535 is redesignated as chapter 812, chapter 537 is redesignated as chapter 813, chapter 539 is redesignated as chapter 815, and chapter 544 is redesignated as chapter 817.

(3) PART III CHAPTER NUMBERS.—Each chapter in part III of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 250.

(4) PART IV CHAPTER NUMBERS.—Each chapter in part IV of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 228, except that chapter 631 is redesignated as chapter 861 and chapter 633 is redesignated as chapter 863.

(f) SUBTITLE C TABLES OF SECTIONS AND TABLES OF CHAPTERS.—

(1) TABLES OF SECTIONS.—The table of sections at the beginning of each chapter of such subtitle is revised so as to conform the section re-
references in the table to the redesignations made by subsections (a), (b), (c), and (d).

(2) Tables of chapters.—The table of chapters at the beginning of such subtitle, and the tables of chapters at the beginning of each part of such subtitle, are revised so as to conform the chapter references and section references in those tables to the redesignations made by this section.

SEC. 123. REDESIGNATION OF SECTIONS AND CHAPTERS OF SUBTITLE B OF TITLE 10, UNITED STATES CODE—ARMY.

(a) Subtitle B, Part I, Section Numbers.—Each section in part I of subtitle B of title 10, United States Code, is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 4,000.

(b) Subtitle B, Part II, Section Numbers.—The sections in part II of such subtitle are redesignated as follows:

(1) Chapter 331.—Section 3210 is redesignated as section 7110.

(2) Chapter 333.—Sections 3251, 3258, and 3262 are redesignated as sections 7131, 7138, and 7142, respectively.
(3) CHAPTER 335.—Sections 3281, 3282, 3283, and 3310 are redesignated as sections 7151, 7152, 7153, and 7160, respectively.

(4) CHAPTER 339.—Section 3446 is redesignated as sections 7176.

(5) CHAPTER 341.—Sections 3491 and 3503 are redesignated as sections 7191 and 7203, respectively.

(6) CHAPTER 343.—Sections 3533, 3534, 3536, 3547 and 3548 are redesignated as sections 7213, 7214, 7316, 7217, and 7218, respectively.

(7) CHAPTER 345.—Sections 3572, 3575, 3579, 3581, and 3583 are redesignated as sections 7222, 7225, 7229, 7231, and 7233, respectively.

(8) CHAPTER 349.—Section 3639 is redesignated as section 7239.

(9) CHAPTER 353.—Sections 3681, 3684, and 3691 are redesignated as sections 7251, 7252, and 7253, respectively.

(10) CHAPTER 355.—Section 3723 is redesignated as section 7263.

(11) CHAPTER 357.—Each section in chapter 357 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 3,530.
(12) **CHAPTER 367.**—Each section in chapter 367 is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 3,400.

(13) **CHAPTER 369.**—Sections 3961, 3962, 3963, 3964, 3965, and 3966 are redesignated as sections 7341, 7342, 7343, 7344, 7345, and 7346, respectively.

(14) **CHAPTER 371.**—Sections 3991 and 3992 are redesignated as sections 7361 and 7362, respectively.

(15) **CHAPTER 373.**—Sections 4021, 4024, 4025, and 4027 are redesignated as sections 7371, 7374, 7375, and 7377, respectively.

(16) **CHAPTER 375.**—Section 4061 is redesignated as section 7381.

(c) **SUBTITLE B, PART III, SECTION NUMBERS.—**

(1) **IN GENERAL.**—Except as provided in paragraph (2), each section in part III of such subtitle is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 3,100.

(2) **CHAPTER 407.**—Each section in chapter 407 is redesignated so that the number of the section, as
redesignated, is the number equal to the previous number plus 3,070.

(d) **Subtitle B, Part IV, Section Numbers.**—Each section in part IV of such subtitle is redesignated so that the number of the section, as redesignated, is the number equal to the previous number plus 3,000.

(e) **Subtitle B Chapter Numbers.**—

1. **Part I Chapter Numbers.**—Each chapter in part I of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 400.

2. **Part II Chapter Numbers.**—
   
   (A) In General.—Except as provided in subparagraph (B), each chapter in part II of such subtitle is redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 380.

   (B) Other Chapters.—Chapters 367, 369, 371, 373, and 375 are each redesignated so that the number of the chapter, as redesignated, is the number equal to the previous number plus 374.

3. **Part III Chapter Numbers.**—Each chapter in part III of such subtitle is redesignated so
that the number of the chapter, as redesignated, is
the number equal to the previous number plus 350.

(4) **PART IV CHAPTER NUMBERS.**—Each chap-
ter in part IV of such subtitle is redesignated so
that the number of the chapter, as redesignated, is
the number equal to the previous number plus 330.

(f) **SUBTITLE B TABLES OF SECTIONS AND TABLES
OF CHAPTERS.**—

(1) **TABLES OF SECTIONS.**—The table of sec-
tions at the beginning of each chapter of such sub-
title is revised so as to conform the section refer-
cences in the table to the redesignations made by
subsections (a), (b), (c), and (d).

(2) **TABLES OF CHAPTERS.**—The table of chap-
ters at the beginning of such subtitle, and the tables
of chapters at the beginning of each part of such
subtitle, are revised so as to conform the chapter
references and section references in those tables to
the redesignations made by this section.

**SEC. 124. CROSS REFERENCES TO REDESIGNATED SEC-
TIONS AND CHAPTERS.**

(a) **AMENDMENTS TO REFERENCES IN TITLE 10.**—
Each provision of title 10, United States Code (including
the table of subtitles preceding subtitle A), that contains
a reference to a section or chapter redesignated by this
subtitle is amended so that the reference refers to the
number of the section or chapter as redesignated.

(b) Deeming Rule for Other References.—
Any reference in a provision of law other than title 10,
United States Code, to a section or chapter redesignated
by this subtitle shall be deemed to refer to the section or
chapter as so redesignated.

Subtitle C—Repeals of Certain
Provisions of Law

SEC. 131. REPEAL OF CERTAIN DEFENSE ACQUISITION
LAWS.

(a) Title 10, United States Code.—

(1) Section 167A.—

(A) Repeal.—Section 167a of title 10,
United States Code, is repealed.

(B) Clerical Amendment.—The table of
sections at the beginning of chapter 6 of such
title is amended by striking the item relating to
section 167a.

(C) Conforming Amendment.—Section
905(a)(1) of the John Warner National Defense
Authorization Act for Fiscal Year 2007 (Public
Law 109–364; 10 U.S.C. 133a note) is amend-
ed by striking “166b, 167, or 167a” and insert-
ing “166b or 167”.

(2) Section 2323.—

(A) REPEAL.—Section 2323 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2323.

(C) CONFORMING AMENDMENTS.—


(ii) Section 831(n) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—

(I) in paragraph (4), by inserting “, as in effect on March 1, 2018” after “section 2323 of title 10, United States Code”; and

(II) in paragraph (6), by striking “section 2323 of title 10, United States Code, and”.

(iii) Subsection (d) of section 811 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2323 note) is repealed.

(iv) Section 8304(1) of the Federal Acquisition Streamlining Act of 1994 (10 U.S.C. 2375 note) is amended by striking “section 2323 of title 10, United States Code, or”.

(v) Section 10004(a)(1) of the Federal Acquisition Streamlining Act of 1994 (41 U.S.C. 1122 note) is amended by striking “section 2323 of title 10, United States Code, or”.

(vi) Section 2304(b)(2) of title 10, United States Code, is amended by striking “and concerns other than” and all that follows through “this title”.

(vii) Section 2304e(b) of title 10, United States Code, is amended—

(I) by striking “other than—” and all that follows through “small” and inserting “other than small”;

(II) by striking “; or” and inserting a period; and
(III) by striking paragraph (2).

(viii) Section 2323a(a) of title 10, United States Code, is amended by striking “section 2323 of this title and”.

(ix) Section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(I) in subsection (j)(3), by striking “section 2323 of title 10, United States Code,”;

(II) in subsection (k)(10), by striking “or section 2323 of title 10, United States Code,” and all that follows through “subsection (m),”; and

(III) by striking subsection (m).

(x) Section 1902(b)(1) of title 41, United States Code, is amended by striking “, section 2323 of title 10,”.

(3) SECTION 2332.—

(A) REPEAL.—Section 2332 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2332.
(b) OTHER PROVISIONS OF LAW.—The following provisions of law are repealed:


(45) Sections 908(a), (b), (c), and (e) of Public Laws 99–500, 99–591, and 99–661 (10 U.S.C. 2326 note).


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(60) Sections 234(a) and (b) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99–661; 10 U.S.C. 2364 note).


(64) Section 8133 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 10 U.S.C. 2401a note).


SEC. 132. REPEAL OF STATUTORY REQUIREMENT FOR CERTAIN POSITIONS OR OFFICES IN THE DEPARTMENT OF DEFENSE.

(a) Repeal of Statutory Requirement for Director of Corrosion Policy and Oversight.—

(1) Repeal.—

(A) In general.—Section 2228 of title 10, United States Code, is repealed.

(B) Clerical amendment.—The table of sections at the beginning of chapter 131 of such title is amended by striking the item relating to section 2228.

(2) Conforming amendments.—

(A) Section 131(b)(9) of such title is amended by striking subparagraph (H).

(B) The National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328) is amended—
(i) by striking section 322 (10 U.S.C. 2228 note); and

(ii) in section 1061(c) (10 U.S.C. 111 note) by striking paragraph (36).

(C) Section 324 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81; 125 Stat 1362; 10 U.S.C. 2228 note) is amended by striking subsection (d).

(D) Section 903(b) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 is amended by striking paragraph (4).

(E) Section 1067 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2658, 2659; 10 U.S.C. 2228 note) is amended by striking subsections (b), (e), (d), and (e).

(b) REPEAL OF STATUTORY REQUIREMENT FOR DIRECTOR OF THE OFFICE OF PERFORMANCE ASSESSMENT AND ROOT CAUSE ANALYSIS.—

(1) REPEAL.—

(A) IN GENERAL.—Section 2438 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 144 of such
title is amended by striking the item relating to section 2438.

(2) CONFORMING AMENDMENTS.—

(A) Section 131(b)(9) of such title is amended by striking subparagraph (I).

(B) Section 2548(a) of such title is amended by striking “, the Director of Procurement and Acquisition Policy, and the Director of the Office of Performance Assessment and Root Cause Analysis,” and inserting “and the Director of Procurement and Acquisition Policy”.


(c) REPEAL OF STATUTORY REQUIREMENT FOR OFFICE OF TECHNOLOGY TRANSITION.—

(1) REPEAL.—Section 2515 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter III of chapter 148 of such title is amended by striking the item relating to section 2515.
(d) **Repeal of Statutory Requirement for Office for Foreign Defense Critical Technology Monitoring and Assessment.**—

(1) **Repeal.**—Section 2517 of title 10, United States Code, is repealed.

(2) **Clerical Amendment.**—The table of sections at the beginning of subchapter III of chapter 148 of such title is amended by striking the item relating to section 2517.


(1) **Repeal.**—Section 204 of title 10, United States Code, is repealed.

(2) **Clerical Amendment.**—The table of sections at the beginning of subchapter II of chapter 8 of such title is amended by striking the item relating to section 204.

(f) **Repeal of Statutory Requirement for Defense Logistics Agency Advocate for Competition.**—

(1) **Repeal.**—Section 2318 of title 10, United States Code, is amended—

(A) by striking subsection (a); and
(B) by striking ``(b)'' before ``Each advocate''.

(2) TECHNICAL AMENDMENTS.—Such section is further amended—

(A) by striking ``advocate for competition of'' and inserting ``advocate for competition designated pursuant to section 1705(a) of title 41 for''; and

(B) by striking ``a grade GS–16 or above under the General Schedule (or in a comparable or higher position under another schedule)'' and inserting ``in a position classified above GS–15 pursuant to section 5108 of title 5''.


(h) SUNSET FOR STATUTORY DESIGNATION OF SENIOR DEPARTMENT OF DEFENSE OFFICIAL WITH PRINCIPAL RESPONSIBILITY FOR DIRECTED ENERGY WEAPONS.—Section 219 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 10 U.S.C. 2431 note) is amended by adding at the end the following new subsection:
“(d) Sunset.—The provisions of subsection (a) and
of paragraphs (2) and (3) of subsection (b) shall cease
to be in effect as of September 30, 2022.”.

(i) Repeal of Statutory Requirement for Designation of Individual to Serve as Primary Liaison Between the Procurement and Research and Development Activities of the United States Armed Forces and Those of the State of Israel.—Section 1006 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2040; 10 U.S.C. 133a note) is repealed.


(1) by striking “(a) In General.—”; and

(2) by striking subsections (b), (c), and (d).

(k) Repeal of Statutory Requirement for Designation of Senior Official Responsible for Focus on Urgent Operational Needs and Rapid Acquisition.—Section 902 of the National Defense Au-


(a) Amendments to Title 10, United States Code.—Title 10, United States Code, is amended as follows:

(1) Section 2275.—

(A) Repeal.—Section 2275, relating to reports on integration of acquisition and capability delivery schedules for segments of major
satellite acquisition programs and funding for such programs, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 135 is amended by striking the item relating to section 2275.

(2) SECTION 2276.—Section 2276, relating to commercial space launch cooperation, is amended by striking subsection (e).

(3) SECTION 10543.—Section 10543, relating to National Guard and reserve component equipment procurement and military construction funding, is amended—

   (A) by striking subsections (a) and (c); and

   (B) by striking “(b) ASSOCIATED AN-

   NEXES.—”.

(c) NDAA FOR FY 2011.—Section 1217 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111–383; 22 U.S.C. 7513 note), relating to authority to establish a program to develop and carry out infrastructure projects in Afghanistan, is amended by striking subsection (i).

(d) NDAA FOR FY 2013.—Section 904(h) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 10 U.S.C. 133 note), relating to recommendations of the Deputy Assistant Secretary of Defense for Developmental Test and Evaluation, is amended—

(1) by striking “REPORTS TO CONGRESS” and all that follows through “(3) ADDITIONAL CONGRESSIONAL NOTIFICATION.—” and inserting “CONGRESSIONAL NOTIFICATION.—”; and

(2) by striking “Under Secretary of Defense for Acquisition, Technology, and Logistics” and inserting “Under Secretary of Defense for Research and Engineering”.

(e) NDAA FOR FY 2015.—Section 1026(d) of the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 128 Stat. 3490), relating to availability of funds
for retirement or inactivation of Ticonderoga-class cruis-
ers or dock landing ships, is repealed.

(f) CONFORMING AMENDMENTS.—Section 1061 of
the National Defense Authorization Act for Fiscal Year
2017 (Public Law 114–328; 10 U.S.C. 111 note) is
amended—

(1) in subsection (e), by striking paragraphs
(40), (41), and (63);

(2) in subsection (d), by striking paragraph (3);

(3) in subsection (f), by striking paragraph (2);

and

(4) in subsection (g), by striking paragraph (3).

TITLE II—ACQUISITION AGILITY

SEC. 201. REVISION OF DEFINITION OF COMMERCIAL ITEM
FOR PURPOSES OF FEDERAL ACQUISITION
STATUTES.

(a) Definitions in Chapter 1 of Title 41,
United States Code.—

(1) Separation of “commercial item” def-
inition into definitions of “commercial prod-
uct” and “commercial service”.—Chapter 1 of
title 41, United States Code, is amended by striking
section 103 and inserting the following new sections:
“§ 103. Commercial product

In this subtitle, the term ‘commercial product’ means any of the following:

“(1) A product, other than real property, that—

“(A) is of a type customarily used by the general public or by nongovernmental entities for purposes other than governmental purposes; and

“(B) has been sold, leased, or licensed, or offered for sale, lease, or license, to the general public.

“(2) A product that—

“(A) evolved from a product described in paragraph (1) through advances in technology or performance; and

“(B) is not yet available in the commercial marketplace but will be available in the commercial marketplace in time to satisfy the delivery requirements under a Federal Government solicitation.

“(3) A product that would satisfy the criteria in paragraph (1) or (2) were it not for—

“(A) modifications of a type customarily available in the commercial marketplace; or
“(B) minor modifications made to meet Federal Government requirements.

“(4) A product that—

“(A) is produced in response to a Federal Government drawing or specification; and

“(B) is ordinarily produced using customer drawings or specifications for the general public using the same workforce, plant, or equipment.

“(5) Any combination of products meeting the requirements of paragraph (1), (2), (3), or (4) that are of a type customarily combined and sold in combination to the general public.

“(6) A product, or combination of products, referred to in paragraphs (1) through (5), even though the product, or combination of products, is transferred between or among separate divisions, subsidiaries, or affiliates of a contractor.

“(7) A nondevelopmental item if the procuring agency determines, in accordance with conditions in the Federal Acquisition Regulation, that—

“(A) the product was developed exclusively at private expense; and

“(B) has been sold in substantial quantities, on a competitive basis, to multiple State
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and local governments or to multiple foreign
governments.

“§ 103a. Commercial service

“In this subtitle, the term ‘commercial service’ means
any of the following:

“(1) Installation services, maintenance services,
repair services, training services, and other services
if—

“(A) those services are procured for sup-
port of a commercial product, regardless of
whether the services are provided by the same
source or at the same time as the commercial
product; and

“(B) the source of the services provides
similar services contemporaneously to the gen-
eral public under terms and conditions similar
to those offered to the Federal Government;

“(2) Services of a type offered and sold com-
petitively, in substantial quantities, in the commer-
cial marketplace—

“(A) based on established catalog or mar-
et prices;

“(B) for specific tasks performed or spe-
cific outcomes to be achieved; and
“(C) under standard commercial terms and conditions.

“(3) A service, even though the service is transferred between or among separate divisions, subsidiaries, or affiliates of a contractor.”.

(2) REPEAL OF DEFINITION OF COMMERCIALY AVAILABLE OFF-THE-SHELF ITEM.—Section 104 of such title is repealed.

(3) CONFORMING AMENDMENTS TO TITLE 41 DEFINITIONS.—

(A) DEFINITION OF COMMERCIAL COMPONENT.—Section 102 of such title is amended by striking “commercial item” and inserting “commercial product”.

(B) DEFINITION OF NONDEVELOPMENTAL ITEM.—Section 110(1) of such title is amended by striking “commercial item” and inserting “commercial product”.

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 41, United States Code, is amended by striking the items relating to sections 103 and 104 and inserting the following new items:

“103. Commercial product.”
“103a. Commercial service.”.
(b) Conforming Amendments to Other Provisions of Title 41, United States Code.—Title 41, United States Code, is further amended as follows:

(1) Section 1502(b) is amended—

(A) in paragraph (1)(A), by striking “commercial items” and inserting “commercial products or commercial services”;

(B) in paragraph (1)(C)(i), by striking “commercial item” and inserting “commercial product or commercial service”; and

(C) in paragraph (3)(A)(i), by striking “commercial items” and inserting “commercial products or commercial services”.

(2) Section 1705(c) is amended by striking “commercial items” and inserting “commercial products and commercial services”.

(3) Section 1708 is amended by striking “commercial items” in subsections (c)(6) and (e)(3) and inserting “commercial products or commercial services”.

(4) Section 1901 is amended—

(A) in subsection (a)(2), by striking “commercial items” and inserting “commercial products or commercial services”; and

(B) in subsection (e)
(i) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”; and

(ii) by striking “commercial items” and inserting “commercial products or commercial services”.

(5) Section 1903(c) is amended—

(A) in the subsection heading, by striking “COMMERCIAL ITEM” and inserting “COMMERCIAL PRODUCT OR COMMERCIAL SERVICE”; 

(B) in paragraph (1), by striking “as a commercial item” and inserting “as a commercial product or a commercial service”; and

(C) in paragraph (2), by striking “for an item or service treated as a commercial item” and inserting “for a product or service treated as a commercial product or a commercial service”.

(6)(A) Section 1906 is amended by striking “commercial items” each place it appears in subsections (b), (c), and (d) and inserting “commercial products or commercial services”.

(B)(i) The heading of such section is amended to read as follows:
§ 1906. List of laws inapplicable to procurements of commercial products and commercial services.

(ii) The table of sections at the beginning of chapter 19 is amended by striking the item relating to section 1906 and inserting the following new item:

“1906. List of laws inapplicable to procurements of commercial products and commercial services.”

(7)(A) Section 1907 is repealed.

(B) The table of sections at the beginning of chapter 19 is amended by striking the item relating to section 1907.

(8) Section 3304 is amended by striking “commercial item” in subsections (a)(5) and (e)(4)(B) and inserting “commercial product”.

(9) Section 3305(a)(2) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(10) Section 3306(b) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(11)(A) Section 3307 is amended—

(i) in subsection (a)—

(I) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting
“COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”;

(II) in paragraph (1), by striking “commercial items” and inserting “commercial products and commercial services”; and

(III) in paragraph (2), by striking “a commercial item” and inserting “a commercial product or commercial service”; (ii) in subsection (b)—

(I) in paragraph (2), by striking “commercial items or, to the extent that commercial items suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial products”; and

(II) in paragraph (3), by striking “commercial items and nondevelopmental items other than commercial items” and inserting “commercial services, commercial
products, and nondevelopmental items other than commercial products’’;

(iii) in subsection (c)—

(I) in paragraphs (1) and (2), by striking “commercial items or nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or nondevelopmental items other than commercial products’’;

(II) in paragraphs (3) and (4), by striking “commercial items or, to the extent that commercial items suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial products”; and

(III) in paragraphs (5) and (6), by striking “commercial items” and inserting “commercial products and commercial services”;

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(iv) in subsection (d)(2), by striking “commercial items or, to the extent that commercial items suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the executive agency’s needs are not available, nondevelopmental items other than commercial products”; and

(v) in subsection (e)—

(I) in paragraph (1), by inserting “103a, 104,” after “sections 102, 103,;”;

(II) in paragraph (2)(A), by striking “commercial items” and inserting “commercial products or commercial services”; 

(III) in the first sentence of paragraph (2)(B), by striking “commercial end items” and inserting “end items that are commercial products”; 

(IV) in paragraphs (2)(B)(i), (2)(C)(i) and (2)(D), by striking “commercial items or commercial components” and inserting “commercial products, commercial components, or commercial services”;
(V) in paragraph (2)(C), in the matter preceding clause (i), by striking “commercial items” and inserting “commercial products or commercial services”;

(VI) in paragraph (4)(A), by striking “commercial items” and inserting “commercial products or commercial services”;

(VII) in paragraph (4)(C)(i), by striking “commercial item, as described in section 103(5)” and inserting “commercial product, as described in section 103a(1)”;

and

(VIII) in paragraph (5), by striking “items” each place it appears and inserting “products”.

(B)(i) The heading of such section is amended to read as follows:

“§ 3307. Preference for commercial products and commercial services”.

(ii) The table of sections at the beginning of chapter 33 is amended by striking the item relating to section 3307 and inserting the following new item:

“3307. Preference for commercial products and commercial services.”.

(12) Section 3501 is amended—

(A) in subsection (a)—
(i) by striking paragraph (1);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(iii) in paragraph (2) (as so redesignated), by striking “commercial items” and inserting “commercial products or commercial services”; and

(B) in subsection (b)—

(i) by striking “ITEM” in the heading for paragraph (1); and

(ii) by striking “commercial items” in paragraphs (1) and (2)(A) and inserting “commercial services”.

(13) Section 3503 is amended—

(A) in subsection (a)(2), by striking “a commercial item” and inserting “a commercial product or a commercial service”; and

(B) in subsection (b)—

(i) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS OR COMMERCIAL SERVICES”; and

(ii) by striking “a commercial item” each place it appears and inserting “a
commercial product or a commercial service”.

(14) Section 3505(b) is amended by striking “commercial items” each place it appears and inserting “commercial products or commercial services”.

(15) Section 3509(b) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(16) Section 3704(c)(5) is amended by striking “commercial item” and inserting “commercial product”.

(17) Section 3901(b)(3) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(18) Section 4301(2) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(19)(A) Section 4505 is amended by striking “commercial items” in subsections (a) and (c) and inserting “commercial products or commercial services”.

(B)(i) The heading of such section is amended to read as follows:
§ 4505. Payments for commercial products and commercial services.

(ii) The table of sections at the beginning of chapter 45 is amended by striking the item relating to section 4505 and inserting the following new item:

“4505. Payments for commercial products and commercial services.”.

(20) Section 4704(d) is amended by striking “commercial items” both places it appears and inserting “commercial products or commercial services”.

(21) Sections 8102(a)(1), 8703(d)(2), and 8704(b) are amended by striking “commercial items (as defined in section 103 of this title)” and inserting “commercial products or commercial services (as defined in sections 103 and 103a, respectively, of this title)”.

e) Amendments to Chapter 137 of Title 10, United States Code.—Chapter 137 of title 10, United States Code, is amended as follows:

(1) Section 2302(3) is amended—

(A) by redesignating subparagraphs (J), (K), and (L) as subparagraphs (K), (L), and (M); and
(B) by striking subparagraph (I) and inserting the following new subparagraphs (I) and (J):

“(I) The term ‘commercial product’.

“(J) The term ‘commercial service’.”.

(2) Section 2304 is amended—

(A) in subsections (c)(5) and (f)(2)(B), by striking “brand-name commercial item” and inserting “brand-name commercial product”; 

(B) in subsection (g)(1)(B), by striking “commercial items” and inserting “commercial products or commercial services”; and 

(C) in subsection (i)(3), by striking “commercial item” and inserting “commercial product”.

(3) Section 2305 is amended—

(A) in subsection (a)(2), by striking “commercial items” and inserting “commercial products or commercial services”; and 

(B) in subsection (b)(5)(B)(v), by striking “commercial item” and inserting “commercial product”.

(4) Section 2306(b) is amended by striking “commercial items” and inserting “commercial products or commercial services”.
(5) Section 2306a is amended—

(A) in subsection (b)—

(i) in paragraph (1)(B), by striking “a commercial item” and inserting “a commercial product or a commercial service”;

(ii) in paragraph (2)—

(I) by striking “COMMERCIAL ITEMS” in the paragraph heading and inserting “COMMERCIAL PRODUCTS OR COMMERCIAL SERVICES”; and

(II) by striking “commercial item” each place it appears and inserting “commercial product or commercial services”;

(iii) in paragraph (3)—

(I) by striking “COMMERCIAL ITEMS” in the paragraph heading and inserting “COMMERCIAL PRODUCTS”; and

(II) by striking “item” each place it appears and inserting “product”; and

(iv) in paragraph (4)—

(I) by striking “COMMERCIAL ITEM” in the paragraph heading and...
inserting “COMMERCIAL PRODUCT OR COMMERCIAL SERVICE”;

(II) by striking “commercial item” in subparagraph (A) after “applying the”;

(III) by striking “prior commercial item determination” in subparagraph (A) and inserting “prior commercial product or commercial service determination”;

(IV) by striking “of such item” in subparagraph (A) and inserting “of such product or service”;

(V) by striking “of an item previously determined to be a commercial item” in subparagraph (B) and inserting “of a product or service previously determined to be a commercial product or a commercial service”;

(VI) by striking “of a commercial item,” in subparagraph (B) and inserting “of a commercial product or a commercial service, as the case may be,”;
(VII) by striking “the commercial item determination” in subparagraph (B) and inserting “the commercial product or commercial service determination”; and

(VIII) by striking “commercial item” in subparagraph (C); and

(v) in paragraph (5), by striking “commercial items” and inserting “commercial products or commercial services”; 

(B) in subsection (d)(2), by striking “commercial items” each place it appears and inserting “commercial products or commercial services”; and

(C) in subsection (h)—

(i) in paragraph (2), by striking “commercial items” and inserting “commercial products or commercial services”; 

and

(ii) by striking paragraph (3).

(6) Section 2307(f) is amended—

(A) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”; 

and
(B) by striking “commercial items” in paragraphs (1) and (2) and inserting “commercial products and commercial services”.

(7) Section 2320(b) is amended—

(A) in paragraph (1), by striking “a commercial item, the item” and inserting “a commercial product, the product”; and

(B) in paragraph (9)(A), by striking “any noncommercial item or process” and inserting “any noncommercial product or process”.

(8) Section 2321(f) is amended—

(A) in paragraph (1)—

(i) by striking “commercial items” and inserting “commercial products”; and

(ii) by striking “the item” both places it appears and inserting “commercial products”; and

(B) in paragraph (2)(A)—

(i) in clauses (i) and (ii), by striking “commercial item” and inserting “commercial product”; and

(ii) in clause (iii), by striking “is a commercially” and all that follows and inserting “is a commercial product; and’.

(9) Section 2324(l)(1)(A) is amended by striking “commercial items” and inserting “commercial products or commercial services”.

(10) Section 2335(b) is amended—

(A) by striking “commercial items” and inserting “commercial products and commercial services”; and

(B) by striking “, the procurement of commercial-off-the-shelf-items,”.

(d) Amendments to Chapter 140 of Title 10, United States Code.—Chapter 140 of title 10, United States Code, is amended as follows:

(1) Section 2375 is amended—

(A) in subsection (a)—

(i) by striking “commercial item” in paragraphs (1) and (2) and inserting “commercial product or commercial service”; and

(ii) by striking paragraph (3);

(B) in subsections (b) and (c)—

(i) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”; and
(ii) by striking “commercial items” each place it appears and inserting “commercial products and commercial services”; 
(C) by striking subsection (d); and 
(D) in subsection (e)(3), by striking “commercial items” and inserting “commercial products and commercial services”.

(2) Section 2376(1) is amended—

(A) by striking “terms ‘commercial item’,” and inserting “terms ‘commercial product’, ‘commercial service’,”; and 
(B) by striking “chapter 1 of title 41” and inserting “sections 103, 103a, 110, 105, and 102, respectively, of title 41”.

(3) Section 2377 is amended—

(A) in subsection (a)—

(i) in paragraph (2), by striking “commercial items or, to the extent that commercial items suitable to meet the agency’s needs are not available, non-
developmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the agency’s needs are not available, non-
developmental items other than commercial products”; and

(ii) in paragraph (3), by striking “commercial items and nondevelopmental items other than commercial items” and inserting “commercial services, commercial products, and nondevelopmental items other than commercial products”;

(B) in subsection (b)—

(i) in paragraphs (1) and (2), by striking “commercial items or nondevelopmental items other than commercial items” and inserting “commercial services, commercial products, or nondevelopmental items other than commercial products”;

(ii) in paragraphs (3) and (4), by striking “commercial items or, to the extent that commercial items suitable to meet the agency’s needs are not available, nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the agency’s needs are not available,
nondevelopmental items other than commercial products”; and

(iii) in paragraphs (5) and (6), by striking “commercial items” and inserting “commercial products and commercial services”;

(C) in subsection (c)—

(i) in paragraph (2), by striking “commercial items or, to the extent that commercial items suitable to meet the agency’s needs are not available, nondevelopmental items other than commercial items” and inserting “commercial services or commercial products or, to the extent that commercial products suitable to meet the agency’s needs are not available, nondevelopmental items other than commercial products”; and

(ii) in paragraph (4), by striking “items other than commercial items” and inserting “products other than commercial products or services other than commercial services”;
(i) in the first sentence, by striking “commercial items” and inserting “commercial products or commercial services”;

(ii) in paragraph (1), by striking “items” and inserting “products or services”; and

(iii) in paragraph (2), by striking “items” and inserting “products or services”; and

(E) in subsection (e)(1), by striking “commercial items” and inserting “commercial products and commercial services”.

(4) Section 2379 is amended—

(A) by striking “COMMERCIAL ITEMS” in the headings of subsections (b) and (c) and inserting “COMMERCIAL PRODUCTS”;

(B) by striking “commercial item” and “commercial items” each place they appear and inserting “commercial product” and “commercial products”, respectively;

(C) in subsections (b) and (c), by striking “commercially available off-the-shelf item as defined in section 104 of title 41” and inserting “commercial product”; and
(D) in subsection (d)(3), by striking “commercially available off-the-shelf item” and inserting “commercial product”.

(5) Section 2380 is amended—

(A) in subsection (a), by striking “commercial item determinations” in paragraphs (1) and (2) and inserting “commercial product and commercial service determinations”; and

(B) in subsection (b) (as added by section 848 of the National Defense Authorization Act for Fiscal Year 2018)—

(i) by striking “ITEM” in the subsection heading;

(ii) by striking “an item” each place it appears and inserting “a product or service”; 

(iii) by striking “item” after “using commercial” each place it appears;

(iv) by striking “prior commercial item determination” and inserting “prior commercial product or service determination”; 

(v) by striking “such item” and inserting “such product or service”; and
(vi) by striking “the item” both places it appears and inserting “the product or service”.

(6) Section 2380a is amended—

(A) in subsection (a)—

(i) by striking “items and” and inserting “products and”; and

(ii) by striking “commercial items” and inserting “commercial products and commercial services, respectively,”; and

(B) in subsection (b), by striking “commercial items” and inserting “commercial services”.

(7) Section 2380B is amended by striking “commercial item” and inserting “commercial product”.

(8) Amendments to headings, etc.—

(A) The heading of such chapter is amended to read as follows:

“CHAPTER 140—PROCUREMENT OF COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”.

(B) The heading of section 2375 is amended to read as follows:
§ 2375. Relationship of other provisions of law to procurement of commercial products and commercial services”.

(C) The heading of section 2377 is amended to read as follows:

§ 2377. Preference for commercial products and commercial services”.

(D) The heading of section 2379 is amended to read as follows:

§ 2379. Procurement of a major weapon system as a commercial product: requirement for prior determination by Secretary of Defense and notification to Congress”.

(E) The heading of section 2380 is amended to read as follows:

§ 2380. Commercial product and commercial service determinations by Department of Defense”.

(F) The heading of section 2380a is amended to read as follows:

§ 2380a. Treatment of certain products and services as commercial products and commercial services”.

(G) Section 2380B is redesignated as section 2380b and the heading of that section is amended to read as follows:
§ 2380b. Treatment of commingled items purchased by contractors as commercial products.

(H) The table of sections at the beginning of such chapter is amended to read as follows:

"2375. Relationship of other provisions of law to procurement of commercial products and commercial services.

"2376. Definitions.

"2377. Preference for commercial products and commercial services.

"2379. Procurement of a major weapon system as a commercial product: requirement for prior determination by Secretary of Defense and notification to Congress.

"2380. Commercial product and commercial service determinations by Department of Defense.

"2380a. Treatment of certain products and services as commercial products and commercial services.

"2380b. Treatment of commingled items purchased by contractors as commercial products."

(e) OTHER AMENDMENTS TO TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is further amended as follows:

(1) Section 2226(b) is amended by striking "for services" and all that follows through "deliverable items" and inserting "for services or deliverable items".

(2) Section 2384(b)(2) is amended by striking "commercial items" and inserting "commercial products".

(3) Section 2393(d) is amended by striking "commercial items (as defined in section 103 of title 41)" and inserting "commercial products or commercial services (as defined in sections 103 and 103a, respectively, of title 41)".
(4) Section 2402(d) is amended—

   (A) in paragraph (1), by striking “commercial items” both places it appears and inserting “commercial products or commercial services”; and

   (B) in paragraph (2), by striking “the term” and all that follows and inserting “the terms ‘commercial product’ and ‘commercial service’ have the meanings given those terms in sections 103 and 103a, respectively, of title 41.”.

(5) Section 2408(a)(4)(B) is amended by striking “commercial items (as defined in section 103 of title 41)” and inserting “commercial products or commercial services (as defined in sections 103 and 103a, respectively, of title 41)”.

(6) Section 2410b(c) is amended by striking “commercial items” and inserting “commercial products”.

(7) Section 2410g(d)(1) is amended by striking “Commercial items (as defined in section 103 of title 41)” and inserting “Commercial products or commercial services (as defined in sections 103 and 103a, respectively, of title 41)”.

(8) Section 2447a is amended—
(A) in subsection (a)(2), by striking “commercial items and technologies” and inserting “commercial products and technologies”; and

(B) in subsection (e), by inserting before the period at the end the following: “and the term ‘commercial product’ has the meaning given that term in section 103 of title 41”.

(9) Section 2451(d) is amended by striking “commercial items” and inserting “commercial products (as defined in section 103 of title 41)”.

(10) Section 2464 is amended—

(A) in subsection (a)—

(i) in paragraph (3), by striking “commercial items” and inserting “commercial products”; and

(ii) in paragraph (5), by striking “commercial items” the first place it appears and all that follows in that paragraph and inserting “commercial products covered by paragraph (3) are commercial products as defined in section 103 of title 41.”; and

(B) in subsection (e)—
(i) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS”; and

(ii) by striking “commercial item” and inserting “commercial product”.

(11) Section 2484(f) is amended—

(A) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS”; and

(B) by striking “commercial item” and inserting “commercial product”.

(12) The items relating to chapter 140 in the tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, are amended to read as follows:

“140. Procurement of Commercial Products and Commercial Services .................................................... 2377”.

(f) AMENDMENTS TO PROVISIONS OF NATIONAL DEFENSE AUTHORIZATION ACTS.—

(1) Section 806(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 2302 note) is amended by striking “commercial items (as defined in section 103 of title 41, United States Code)” and inserting “commercial products or commercial serv-
ices (as defined in sections 103 and 103a, respectively, of title 41, United States Code)”.

(2) Section 821(e) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 10 U.S.C. 2302 note) is amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraph (3) as paragraph (2).

(3) Section 821(b) of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181; 10 U.S.C. 2304 note) is amended—

(A) in paragraph (1), by striking “a commercial item” and inserting “a commercial product or a commercial service”; and

(B) in paragraph (2), by striking “commercial item” and inserting “commercial product”; and

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

“(3) The term ‘commercial service’ has the meaning provided by section 103a of title 41, United States Code.”.

(4) Section 817 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Pub-
lic Law 107–314; 10 U.S.C. 2306 note) is amended—

(A) in subsection (d)—

(i) in the subsection heading, by striking “ANNUAL REPORT ON BOTH COMMERCIAL ITEM AND EXCEPTIONAL CASE EXCEPTIONS AND WAIVERS” and inserting “ANNUAL REPORT ON COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES AND EXCEPTIONAL CASE EXCEPTIONS AND WAIVERS”;

(ii) in paragraph (1), by striking “commercial item exceptions” and inserting “commercial product-commercial service exceptions”; and

(iii) in paragraph (2)(A)—

(I) by striking “commercial item exception” and inserting “commercial product-commercial service exception”; and

(II) by striking “commercial items” and inserting “commercial products or commercial services, as the case may be”.

(B) in subsection (c)(2), by striking “commercial item exception” and inserting “commercial product-commercial service exception”.

(5) Section 852(b)(2)(A)(ii) of the National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364; 10 U.S.C. 2324 note) is amended by striking “a commercial item, as defined in section 103 of title 41” and inserting “a commercial product or a commercial service, as defined in sections 103 and 103a, respectively, of title 41”.


(A) in subsection (b), by striking “commercial items” in paragraphs (1) and (2)(A) and inserting “commercial services”; and

(B) in subsection (c)—

(i) by striking “ITEM” in the headings for paragraphs (1) and (2) and inserting “SERVICES”;

(ii) in the matter in paragraph (1) preceding subparagraph (A), by striking “commercial item” and inserting “commercial service”;}
(iii) in paragraph (1)(A), by striking “a commercial item, as described in section 103(5) of title 41” and inserting “a product, as described in section 103a(1) of title 41”;

(iv) in paragraph (1)(C)(i), by striking “section 103(6) of title 41” and inserting “section 103a(2) of title 41”; and

(v) in paragraph (2), by striking “item” and inserting “service”.

(7) Section 849(d) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 10 U.S.C. 2377 note) is amended—

(A) by striking “commercial items” in paragraph (1) and inserting “commercial products”;

(B) by striking “commercial item” in paragraph (3)(B)(i) and inserting “commercial product”; and

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

“(5) DEFINITION.—In this subsection, the term ‘commercial product’ has the meaning given that term in section 103 of title 41.”.
(8) Section 856(a)(1) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92; 10 U.S.C. 2377 note) is amended by striking “commercial items or services” and inserting “a commercial product or a commercial service, as defined in sections 103 and 103a, respectively, of title 41,”.

(9) Section 879 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 10 U.S.C. 2302 note) is amended—

(A) in the section heading, by striking “Commercial items” and inserting “Commercial products”;

(B) in subsection (a), by striking “commercial items” and inserting “commercial products”;

(C) in subsection (c)(3)—

(i) by striking “COMMERCIAL ITEMS” in the paragraph heading and inserting “COMMERCIAL PRODUCTS OR COMMERCIAL SERVICES”; and

(ii) by striking “commercial items” and inserting “commercial products or commercial services”; and
(D) in subsection (e)(2), by striking “item” in subparagraphs (A) and (B) and inserting “products”.

(10) Section 880 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328; 41 U.S.C. 3301 note) is amended by striking “commercial items” in subsection (a)(1) and inserting “commercial products”.

(g) CONFORMING AMENDMENTS TO OTHER STATUTES.—

(1) Section 604(g) of the American Recovery and Reinvestment Act of 2009 (6 U.S.C. 453b(g)) is amended—

(A) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS”;

(B) by striking “procurement of commercial” in the first sentence and all that follows through “items listed” and inserting “procurement of commercial products notwithstanding section 1906 of title 41, United States Code, with the exception of commercial products listed”; and

(C) in the second sentence—
(i) by inserting “product” after “commercial”; and

(ii) by striking “in the” and all that follows and inserting “in section 103 of title 41, United States Code.”.

(2) Section 142 of the Higher Education Act of 1965 (20 U.S.C. 1018a) is amended—

(A) in subsection (e)—

(i) by striking “COMMERCIAL ITEMS” in the subsection heading and inserting “COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”;

(ii) by striking “that commercial items” and inserting “that commercial products or commercial services”;

(iii) by striking “special rules for commercial items” and inserting “special rules for commercial products and commercial services”;

(iv) by striking “without regard to—” and all that follows through “dollar limitation” and inserting “without regard to any dollar limitation”; 

(v) by striking “; and” and inserting a period; and
(vi) by striking paragraph (2);

(B) in subsection (f)—

(i) by striking “ITEMS” in the subsection heading and inserting “PRODUCTS AND SERVICES”;

(ii) by striking “ITEMS” in the heading of paragraph (2) and inserting “PRODUCTS AND SERVICES”; and

(iii) by striking “a commercial item” in paragraph (2) and inserting “a commercial product or a commercial service”;

(C) in subsection (h)—

(i) by striking “ITEMS” in the subsection heading and inserting “SERVICES”; and

(ii) by striking “commercial items” in paragraph (1) and inserting “commercial services”; and

(D) in subsection (l)—

(i) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively;

(ii) by striking paragraph (1) and inserting the following new paragraphs:
“(1) COMMERCIAL PRODUCT.—The term ‘commercial product’ has the meaning given the term in section 103 of title 41, United States Code.

“(2) COMMERCIAL SERVICE.—The term ‘commercial service’ has the meaning given the term in section 103a of title 41, United States Code.”;

(iii) in paragraph (3), as so redesignated, by striking “in section” and all that follows and inserting “in section 152 of title 41, United States Code.”;

(iv) in paragraph (5), as so redesignated—

(I) by striking “COMMERCIAL ITEMS” in the paragraph heading and inserting “COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES”;

(II) by striking “commercial items” and inserting “commercial products and commercial services”; and

(III) by striking “pursuant to” and all that follows and inserting “pursuant to sections 1901 and 3305(a) of title 41, United States Code.”; and
(v) in paragraph (6), as so redesignated, by striking “pursuant to” and all that follows and inserting “pursuant to sections 1901(a)(1) and 3305(a)(1) of title 41, United States Code.”.

(3) Section 3901(a)(4)(A)(ii)(II) of title 31, United States Code, is amended by striking “commercial item” and inserting “commercial product”.

(4) Section 2455(c)(1) of the Federal Acquisition Streamlining Act of 1994 (31 U.S.C. 6101 note) is amended—

(A) by striking “commercially available off-the-shelf items (as defined in section 35(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 431(c))” and inserting “commercial products (as defined in section 103 of title 41, United States Code)”;

(B) by striking “commercial items” and inserting “commercial products”.

(5) Section 508(f) of the Federal Water Pollution Control Act (33 U.S.C. 1368(f)) is amended—

(A) in paragraph (1), by striking “commercial items” and inserting “commercial products or commercial services”; and
(B) in paragraph (2), by striking “the term” and all that follows and inserting “the terms ‘commercial product’ and ‘commercial service’ have the meanings given those terms in sections 103 and 103a, respectively, of title 41, United States Code.”.

(6) Section 3707 of title 40, United States Code, is amended by striking “a commercial item (as defined in section 103 of title 41)” and inserting “a commercial product (as defined in section 103 of title 41) or a commercial service (as defined in section 103a of title 41)”.

(7) Subtitle III of title 40, United States Code, is amended—

(A) in section 11101(1), by striking “COMMERCIAL ITEM.—The term ‘commercial item’ has” and inserting “COMMERCIAL PRODUCT.—The term ‘commercial product’ has”; and

(B) in section 11314(a)(3), by striking “items” each place it appears and inserting “products”.

(8) Section 8301(g) of the Federal Acquisition Streamlining Act of 1994 (42 U.S.C. 7606 note) is amended by striking “commercial items” and inserting “commercial products or commercial services”.
(9) Section 40118(f) of title 49, United States Code, is amended—

(A) in paragraph (1), by striking “commercial items” and inserting “commercial products”; and

(B) in paragraph (2), by striking “commercial item” and inserting “commercial product”.

(10) Chapter 501 of title 51, United States Code, is amended—

(A) in section 50113(c)—

(i) by striking “COMMERCIAL ITEM” in the subsection heading and inserting “COMMERCIAL PRODUCT OR COMMERCIAL SERVICE”; and

(ii) by striking “commercial item” in the second sentence and inserting “commercial product or commercial service”; and

(B) in section 50115(b)—

(i) by striking “COMMERCIAL ITEM” in the subsection heading and inserting “COMMERCIAL PRODUCT OR COMMERCIAL SERVICE”; and
(ii) by striking “commercial item” in the second sentence and inserting “commercial product or commercial service”; and

(C) in section 50132(a)—

(i) by striking “COMMERCIAL ITEM” in the subsection heading and inserting “COMMERCIAL SERVICE”; and

(ii) by striking “commercial item” in the second sentence and inserting “commercial service”.

(h) SAVINGS PROVISION.—Any provision of law that on the day before the effective date of this section is on a list of provisions of law included in the Federal Acquisition Regulation pursuant to section 1907 of title 41, United States Code, shall be deemed as of that effective date to be on a list of provisions of law included in the Federal Acquisition Regulation pursuant to section 1906 of such title.

SEC. 202. DEFINITION OF SUBCONTRACT.

(a) STANDARD DEFINITION IN TITLE 41, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 1 of title 41, United States Code, is amended—
(A) by redesignating sections 115 and 116 as sections 116 and 117, respectively; and
(B) by inserting after section 114 the following new section 115:

“§ 115. Subcontract

“(a) IN GENERAL.—In this subtitle, the term ‘subcontract’ means a contract entered into by a prime contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract. The term includes a transfer of a commercial product or commercial service between divisions, subsidiaries, or affiliates of a contractor or subcontractor.

“(b) MATTERS NOT INCLUDED.—In this subtitle, the term ‘subcontract’ does not include—

“(1) a contract the costs of which are applied to general and administrative expenses or indirect costs; or

“(2) an agreement entered into by a contractor or subcontractor for the supply of a commodity, a commercial product, or a commercial service that is intended for use in the performance of multiple contracts.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 41, United States Code, is amended by striking the
items relating to sections 115 and 116 and inserting
the following new items:

“115. Subcontract.
“116. Supplies.
“117. Technical data.”.

(b) Conforming Amendments to Title 41,
United States Code.—Title 41, United States Code, is
further amended as follows:

(1) Section 1502(b)(1) is amended—
(A) by striking subparagraph (A);
(B) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respec-
tively; and
(C) in subparagraph (B), as so redesig-
nated, by striking “Subparagraph (B)” and in-
serting “Subparagraph (A)”.

(2) Section 1906 is amended—
(A) in subsection (c)—
(i) by striking paragraph (1);
(ii) by redesignating paragraphs (2),
(3), and (4) as paragraphs (1), (2), and
(3), respectively;
(iii) in paragraph (1), as so redesig-
nated, by striking “paragraph (3)” and in-
serting “paragraph (2)”; and
(iv) in paragraph (2), as so redesignated, by striking “paragraph (2)” and inserting “paragraph (1)”; and

(B) in subsection (e), by striking “(c)(3)” both places it appears and inserting “(c)(2)”.

(3) Section 3307(e)(2) is amended—

(A) by striking subparagraph (A);

(B) by redesignating subparagraphs (B), (C), (D), and (E) as subparagraphs (A), (B), (C), and (D), respectively;

(C) in subparagraph (C), as so redesignated—

(i) by striking “subparagraph (B)” and inserting “subparagraph (A)”;

(ii) by striking “subparagraph (C)” and inserting “subparagraph (B)”;

(D) in subparagraph (D), as so redesignated, by striking “subparagraph (B)” and inserting “subparagraph (A)”.

(4) Section 3501(a) is amended by striking paragraph (3).

(c) INCORPORATION OF TITLE 41 DEFINITION IN CHAPTERS 137 AND 140 OF TITLE 10, UNITED STATES CODE.—
(1) DEFINITIONS FOR PURPOSES OF CHAPTER 137.—Section 2302(3) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

“(N) The term ‘subcontract’.”.

(2) DEFINITIONS FOR PURPOSES OF CHAPTER 140.—

(A) Section 2375(c) of title 10, United States Code, is amended—

(i) by striking paragraph (3); and

(ii) by redesignating paragraph (4) as paragraph (3).

(B) Section 2376(1) of such title is amended by striking “and ‘commercial component’ have” and inserting “‘commercial component’, and ‘subcontract’ have”.

SEC. 203. LIMITATION ON APPLICABILITY TO DEPARTMENT OF DEFENSE COMMERCIAL CONTRACTS OF CERTAIN PROVISIONS OF LAW AND CERTAIN EXECUTIVE ORDERS AND REGULATIONS.

(a) INAPPLICABILITY OF CERTAIN PROVISIONS OF LAW.—

(1) SECTION 2375.—Section 2375 of title 10, United States Code, is amended—
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(A) in subsection (b)(2), by striking "January 1, 2015" and inserting "October 13, 1994"; and

(B) in subsections (b)(2), (c)(2), and (d)(2), by striking "unless the" and all that follows and inserting a period.

(2) SECTION 2533A.—Section 2533a of such title is amended—

(A) in subsection (a), by striking "through (h)" and inserting "through (i)"; and

(B) by striking subsection (i) and inserting the following:

"(i) EXCEPTION FOR PURCHASES OF COMMERCIAL PRODUCTS.—Subsection (a) does not apply to purchases of commercial products, as defined in section 103 of title 41."

(3) SECTION 2533B.—Section 2533b of such title is amended—

(A) by striking subsection (h) and inserting the following:

"(h) EXCEPTION FOR PURCHASES OF COMMERCIAL PRODUCTS.—Subsection (a) does not apply to acquisitions of commercial products.";
(B) in subsection (j)(2), by striking “commercially available off-the-shelf items” and inserting “commercials products”; and

(C) in subsection (m), by striking paragraph (5) and inserting the following:

“(5) The term ‘commercial product’ has the meaning provided in section 103 of title 41.”.

(b) Inapplicability of Certain Executive Orders and Regulations.—Chapter 140 of title 10, United States Code, is amended by inserting after section 2375 the following new section:

“§2375a. Applicability of certain Executive orders and regulations

“(a) Executive Orders.—

“(1) Commercial Contracts.—No Department of Defense commercial contract shall be subject to an Executive order issued after the date of the enactment of this section unless the Executive order specifically provides that it is applicable to contracts for the procurement of commercial products and commercial services by the Department of Defense.

“(2) Subcontracts under commercial contracts.—No subcontract under a Department of Defense commercial contract shall be subject to an
Executive order issued after the date of the enactment of this section unless the Executive order specifically provides that it is applicable to subcontracts under Department of Defense contracts for the procurement of commercial products and commercial services.

“(b) REGULATIONS AND POLICIES.—

“(1) COMMERCIAL CONTRACTS.—No Department of Defense commercial contract shall be subject to any Department of Defense regulation or policy prescribed after the date of the enactment of this section unless the regulation or policy specifically provides that it is applicable to contracts for the procurement of commercial products and commercial services by the Department of Defense.

“(2) SUBCONTRACTS UNDER COMMERCIAL CONTRACTS.—No subcontract under a Department of Defense commercial contract shall be subject to any Department of Defense regulation or order prescribed after the date of the enactment of this section unless the regulation or policy specifically provides that it is applicable to subcontracts under Department of Defense contracts for the procurement of commercial products and commercial services.
“(c) DEPARTMENT OF DEFENSE COMMERCIAL CONTRACTS.—In this section, the term ‘Department of Defense commercial contract’ means a contract for the procurement of a commercial product or commercial service entered into by the Secretary of Defense.”.

(e) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2375 the following new item:

“2375a. Applicability of certain Executive orders and regulations.”.

SEC. 204. REPORTING ON PROJECTS PERFORMED THROUGH TRANSACTIONS OTHER THAN CONTRACTS, COOPERATIVE AGREEMENTS, AND GRANTS.

(a) REPORT REQUIRED.—Not later than December 31, 2018, and each December 31 thereafter through December 31, 2021, the Secretary of Defense shall submit to the congressional defense committees a report covering the preceding fiscal year on projects described in subsection (b).

(b) CONTENTS.—Each report under subsection (a) shall include—

(1) for each project performed through a transaction (other than contracts, cooperative agreements, and grants) entered into pursuant to section 2371 or 2371b of title 10, United States Code, for which
payments made by the Department of Defense exceeded $5,000,000 for such transaction—

(A) an identification of the element of the Department of Defense and the person or entity outside of the Department of Defense entering into such transaction;

(B) the date of entry into such transaction;

(C) the amount of the payments made by the Department of Defense for such transaction;

(D) the goals and status of each project carried out under such transaction; and

(E) the start date and anticipated end date of each project carried out under such transaction; and

(2) a description of the mechanisms established by the Secretary of Defense to ensure appropriate use of authority relating to a transaction (other than contracts, cooperative agreements, and grants) entered into pursuant to section 2371 or 2371b of title 10, United States Code, including any policies, guidance, reporting requirements, and limitations on the use of such authority.
SEC. 205. COMPTROLLER GENERAL REPORT ON THE
ISSUANCE OF REGULATIONS IN THE
DEFENSE FEDERAL ACQUISITION REGULATION
SUPPLEMENT.

(a) In General.—The Comptroller General of the
United States shall—

(1) not later than March 1, 2019, submit to the
congressional defense committees a report on the
issuance of regulations in the Defense Federal Ac-
quision Regulation Supplement; and

(2) not later than December 1, 2018, provide a
briefing to the Committee on Armed Services of the
House of Representatives on preliminary findings of
the report described in paragraph (1).

(b) Elements.—The report required under sub-
section (a)(1) shall include the following:

(1) A description of the existing process by
which the Defense Federal Acquisition Regulation
Supplement is revised as required under a statutory
provision enacted in a national defense authorization
Act.

(2) An assessment of any statutory provisions
enacted in the National Defense Authorization Act
for Fiscal Year 2010 (Public Law 111–84), the Ike
Skelton National Defense Authorization Act for Fis-
cal Year 2011 (Public Law 111–383), the National


(4) An assessment of factors delaying any revision to the Defense Federal Acquisition Regulation Supplement required by a statutory provision enacted in a national defense authorization Act described under paragraph (2) or (3).
(5) Recommendations for any improving the efficiency of revisions to the Defense Federal Acquisition Regulation Supplement required by any statutory provision enacted in a national defense authorization Act described under paragraph (2) or (3).

**TITLE III—PRIVATE SECTOR PARTICIPATION**

**SEC. 301. DEPARTMENT OF DEFENSE SMALL BUSINESS STRATEGY.**

(a) In general.—Chapter 136 of title 10, United States Code, is amended by adding at the end the following new section:

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§ 2283. Department of Defense small business strategy

"(a) In general.—The Secretary of Defense shall implement a small business strategy for the Department of Defense that meets the requirements of this section.

"(b) Unified Management Structure.—As part of the small business strategy described in subsection (a), the Secretary shall ensure that there is a unified management structure within the Department for the functions of the Department relating to—

"(1) programs and activities related to small business concerns (as defined in section 3 of the Small Business Act);
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“(2) manufacturing and industrial base policy;

and

“(3) any procurement technical assistance pro-
gram established under chapter 142 of this title.

“(c) PURPOSE OF SMALL BUSINESS PROGRAMS.—
The Secretary shall ensure that programs and activities
of the Department of Defense related to small business
concerns are carried out so as to further national defense
programs and priorities and the statements of purpose for
Department of Defense acquisition set forth in section 801
of the National Defense Authorization Act for Fiscal Year
2018 (Public Law 115–91; 131 Stat. 1449).

“(d) POINTS OF ENTRY INTO DEFENSE MARKET.—
The Secretary shall ensure—

“(1) that opportunities for small business con-
cerns to contract with the Department of Defense
are identified clearly; and

“(2) that small business concerns are able to
have access to program managers, contracting offi-
cers, and other persons using the products or serv-
ices of such concern to the extent necessary to in-
form such persons of emerging and existing capabili-
ties of such concerns.

“(e) ENHANCED OUTREACH UNDER PROCUREMENT
TECHNICAL ASSISTANCE PROGRAM MARKET.—The Sec-
retary shall enable and promote activities to provide co-
ordinated outreach to small business concerns through any
procurement technical assistance program established
under chapter 142 of this title to facilitate small business
contracting with the Department of Defense.”.

(b) IMPLEMENTATION.—
   (1) DEADLINE.—The Secretary of Defense shall
develop the small business strategy required by sec-
tion 2283 of title 10, United States Code, as added
by subsection (a), not later than 180 days after the
date of the enactment of this Act.
   (2) NOTICE TO CONGRESS AND PUBLICATION.—
Upon completion of the development of the small
business strategy pursuant to paragraph (1), the
Secretary shall—
   (A) transmit the strategy to Congress; and
   (B) publish the strategy on a public
website of the Department of Defense.

(c) CLERICAL AMENDMENT.—The table of sections
at the beginning of such chapter is amended by adding
at the end the following new item:

“2283. Department of Defense small business strategy.”.
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SEC. 302. MODIFICATIONS TO PROCUREMENT THROUGH COMMERCIAL E-COMMERCE PORTALS.

Section 846 of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115–91; 41 U.S.C. 1901 note) is amended—

(1) in subsection (f), by adding at the end the following new paragraph:

“(5) A procurement of a product made through a commercial e-commerce portal under the program established pursuant to subsection (a) is deemed to satisfy requirements for full and open competition pursuant to section 2304 of title 10, United States Code, and section 3301 of title 41, United States Code, if—

“(A) there are offers from two or more suppliers of such a product or similar product with substantially the same physical, functional, or performance characteristics on the online marketplace; and

“(B) the Administrator establishes procedures to implement subparagraph (A) and notifies Congress at least 30 days before implementing such procedures.”.

(2) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and
(3) by inserting after subsection (i) the following new subsection:

“(j) MICRO-PURCHASE THRESHOLD.—Notwithstanding sections 2338 and 2339 of title 10, United States Code, and section 1902 of title 41, United States Code, the micro-purchase threshold for a procurement of a product through a commercial e-commerce portal used under the program established under subsection (a) is $25,000.”.