

of weapon systems.

(b) **OBJECTIVE OF REVIEW.**—The objective of the review required by subsection (a) shall be to identify processes and procedures for the acquisition of weapon systems that provide little or no value added or for which any value added is outweighed by cost or schedule delays without adding commensurate value.

(c) **REPORT.**—Not later than January 31, 2015, the Comptroller General shall submit to the congressional defense committees a report on the results of the review required by subsection (a) and based on the objective set forth in subsection (b). The report shall include, at a minimum, the following:

(1) A statement of any processes, procedures, organizations, or layers of review that are recommended by the Comptroller General for modification or elimination, including the rationale for the modification or elimination recommended based on the objective set forth in subsection (b).

(2) Such other findings and recommendations, including recommendations for legislative or administrative action, as the Comptroller General considers appropriate in light of the review required by subsection (a) and the objective set forth in subsection (b).

Subtitle D—Provisions Relating to Contracts in Support of Contingency Operations in Iraq or Afghanistan

SEC. 831. PROHIBITION ON CONTRACTING WITH THE ENEMY.

(a) **AUTHORITY TO TERMINATE OR VOID CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS AND TO RESTRICT FUTURE AWARD.**—

(1) **IDENTIFICATION OF PERSONS AND ENTITIES.**—The Secretary of Defense shall establish in each covered combatant command a program to identify persons or entities, within the area of responsibility of such covered combatant command, that—

(A) provide funds received under a contract, grant, or cooperative agreement of the Department of Defense directly or indirectly to a covered person or entity; or

(B) fail to exercise due diligence to ensure that none of the funds received under a contract, grant, or cooperative agreement of the Department of Defense are provided directly or indirectly to a covered person or entity.

(2) **NOTICE OF PERSONS OR ENTITIES IDENTIFIED.**—Upon the identification of a person or entity as meeting subparagraph (A) or (B) of paragraph (1), the commander of the combatant

command concerned, and any deputies of the commander specified by the commander for purposes of this section, shall be notified in writing of such identification of such person or entity.

(3) **RESPONSIVE ACTIONS.**—Upon receipt of a notice under paragraph (2), the commander of the combatant command concerned may, in consultation with the Under Secretary of Defense for Policy, the Under Secretary of Defense for Acquisition, Technology, and Logistics, and the appropriate Chief of Mission, notify the heads of appropriate contracting activities, in writing, of such identification and request that the heads of such contracting activities exercise the authorities provided pursuant to paragraph (4) and the Department of Defense Supplement to the Federal Acquisition Regulation, as revised, with respect to any contract, grant, or cooperative agreement that provides funding directly or indirectly to the person or entity covered by the notice.

(4) **AUTHORITIES.**—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall revise the Department of Defense Supplement to the Federal Acquisition Regulation to authorize the head of a contracting activity in each covered combatant command, pursuant to a request from the commander of a covered combatant command under paragraph (3)—

(A) to prohibit, limit, or otherwise place restrictions on the award of any Department of Defense contract, grant, or cooperative agreement to a person or entity identified pursuant to paragraph (1)(A);

(B) to terminate for default any Department contract, grant, or cooperative agreement awarded to a person or entity identified pursuant to paragraph (1)(B); or

(C) to void in whole or in part any Department contract, grant, or cooperative agreement awarded to a person or entity identified pursuant to paragraph (1)(A).

(b) **CONTRACT CLAUSE.**—

(1) **IN GENERAL.**—Not later than 30 days after the date of the enactment of this Act, the Department of Defense Supplement to the Federal Acquisition Regulation shall be revised to require that—

(A) the clause described in paragraph (2) shall be included in each covered contract, grant, and cooperative agreement of the Department of Defense that is awarded on or after the date of the enactment of this Act; and

(B) to the maximum extent practicable, each covered contract, grant, and cooperative agreement of the Department of Defense that is awarded before the date of the enactment of this Act shall be modified to include the clause described in paragraph (2).

(2) **CLAUSE DESCRIBED.**—The clause described in this paragraph is a clause that—

(A) requires the contractor, or the recipient of the grant or cooperative agreement, to exercise due diligence to ensure that none of the funds received under the contract, grant, or cooperative agreement are provided directly or indirectly to a covered person or entity; and

(B) notifies the contractor, or the recipient of the grant or cooperative agreement, of the authority of the head

of the contracting activity to terminate or void the contract, grant, or cooperative agreement, in whole or in part.

(3) COVERED CONTRACT, GRANT, OR COOPERATIVE AGREEMENT.—In this subsection, the term “covered contract, grant, or cooperative agreement” means a contract, grant, or cooperative agreement with an estimated value in excess of \$50,000.

(4) TREATMENT AS VOID.—For purposes of subsection (a)(4) and the exercise under subsection (a)(3) of the authorities in the Department of Defense Supplement to the Federal Acquisition Regulation pursuant to this subsection:

(A) A contract, grant, or cooperative agreement that is void is unenforceable as contrary to public policy.

(B) A contract, grant, or cooperative agreement that is void in part is unenforceable as contrary to public policy with regard to a segregable task or effort under the contract, grant, or cooperative agreement.

(c) REQUIREMENTS FOLLOWING CONTRACT ACTIONS.—Not later than 30 days after the date of the enactment of this Act, the Department of Defense Supplement to the Federal Acquisition Regulation shall be revised as follows:

(1) To require that any head of contracting activity taking an action pursuant to subsection (a)(3) or (a)(4) to terminate, void, or restrict a contract, grant, or cooperative agreement notify in writing the contractor or recipient of the grant or cooperative agreement, as applicable, of the action.

(2) To permit, in such manner as the Department of Defense Supplement to the Federal Acquisition Regulation as so revised shall provide, the contractor or recipient of a grant or cooperative agreement subject to an action taken pursuant to subsection (a)(3) or (a)(4) to terminate or void the contract, grant, or cooperative agreement, as the case may be, an opportunity to challenge the action by requesting administrative review within 30 days after receipt of notice of the action.

(d) ANNUAL REVIEW.—The commanders of the covered combatant commands shall, on an annual basis, review the lists of persons and entities previously identified pursuant to subsection (a)(1) in order to determine whether or not such persons and entities continue to warrant identification pursuant to that subsection. If a commander determines pursuant to such a review that a person or entity no longer warrants identification pursuant to subsection (a)(1), the commander shall notify the heads of contracting activities of the Department of Defense in writing of such determination.

(e) PROTECTION OF CLASSIFIED INFORMATION.—Classified information relied upon to make an identification pursuant to subsection (a)(1) may not be disclosed to a contractor or a recipient of a grant or cooperative agreement with respect to which an action is taken pursuant to subsection (a)(3) or (a)(4) or to their representatives, in the absence of a protective order issued by a court of competent jurisdiction established under Article I or Article III of the Constitution of the United States that specifically addresses the conditions upon which such classified information may be so disclosed.

(f) DELEGATION.—

(1) RESPONSIBILITIES RELATING TO IDENTIFICATION AND REVIEW.—The commander of a covered combatant command may delegate the responsibilities in subsection (a)(3) to any

deputies of the commander specified by the commander pursuant to that subsection. The commander may delegate any responsibilities under subsection (d) to the deputy commander of the combatant command. Any delegation of responsibilities under this paragraph shall be made in writing.

(2) NONDELEGATION OF RESPONSIBILITY FOR CONTRACT ACTIONS.—The authority provided by subsections (a)(3) and (a)(4) to terminate, void, or restrict contracts, grants, and cooperative agreements may not be delegated below the level of head of contracting activity.

(g) INCLUSION OF INFORMATION ON CONTRACT ACTIONS IN FAPIIS.—Upon the termination, voiding, or restriction of a contract, grant, or cooperative agreement pursuant to subsection (a)(3) or (a)(4), the head of contracting activity concerned shall provide for the inclusion in the Federal Awardee Performance and Integrity Information System (FAPIIS), or other formal system of records on contractors or entities, of appropriate information on the termination, voiding, or restriction of the contract, grant, or cooperative agreement.

(h) REPORTS.—

(1) IN GENERAL.—Not later than March 1 each year through 2019, the Secretary of Defense shall submit to the congressional defense committees a report on the use of the authorities in this section in the preceding calendar year, including the following:

(A) For each instance in which a contract, grant, or cooperative agreement was terminated or voided, or entry into contracts, grants, and cooperative agreements was restricted, pursuant to subsection (a)(3) or (a)(4), the following:

(i) An explanation of the basis for the action taken.

(ii) The value of the contract, grant, or cooperative agreement terminated or voided.

(iii) The value of all contracts, grants, or cooperative agreements of the Department of Defense in force with the person or entity concerned at the time the contract, grant, or cooperative agreement was terminated or voided.

(iv) Information on how the goods or services covered by the terminated or voided contract, grant, or cooperative agreement were otherwise obtained by the commander of the combatant command concerned.

(B) For each instance in which a contract, grant, or cooperative agreement of a person or entity identified pursuant to subsection (a)(1) was not terminated or voided pursuant to subsection (a)(3) or (a)(4), or the future award of contracts, grants, and cooperative agreements to such person or entity was not restricted pursuant to subsection (a)(3) or (a)(4), an explanation why such action was not taken.

(2) FORM.—Any report under this subsection may be submitted in classified form.

(i) OTHER DEFINITIONS.—In this section:

(1) The term "covered combatant command" means United States Central Command, United States European Command, United States Africa Command, United States Southern Command, or United States Pacific Command.

(2) The term “head of contracting activity” has the meaning given that term in subpart 601 of part 1 of the Federal Acquisition Regulation.

(3) The term “covered person or entity” means a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the armed forces are actively engaged in hostilities.

(j) SUNSET.—The provisions of this section shall cease to be effective on December 31, 2018.

SEC. 832. EXTENSION OF AUTHORITY TO ACQUIRE PRODUCTS AND SERVICES PRODUCED IN COUNTRIES ALONG A MAJOR ROUTE OF SUPPLY TO AFGHANISTAN.

(a) EXTENSION.—Subsection (f) of section 801 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2399), as amended by section 841(a) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 126 Stat. 1845), is further amended by striking “December 31, 2014” and inserting “December 31, 2015”.

(b) CLARIFICATION OF AUTHORITY.—Subsection (b)(1)(B) of such section is amended—

(1) by striking “and the NATO International Security Assistance Force” and inserting “or NATO forces”; and

(2) by striking “to Afghanistan” and inserting “to or from Afghanistan”.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Department of Defense Management

- Sec. 901. Revisions to composition of transition plan for defense business enterprise architecture.
- Sec. 902. Comptroller General report on potential relocation of Federal Government tenants onto military installations in the United States.
- Sec. 903. Clarification of authority for the command acquisition executive of the United States Special Operations Command.
- Sec. 904. Streamlining of Department of Defense management headquarters.
- Sec. 905. Update of statutory statement of functions of the Chairman of the Joint Chiefs of Staff relating to doctrine, training, and education.
- Sec. 906. Modification of reference to major Department of Defense headquarters activities instruction.
- Sec. 907. Personnel security.

Subtitle B—Space Activities

- Sec. 911. National security space satellite reporting policy.
- Sec. 912. National security space defense and protection.
- Sec. 913. Space acquisition strategy.
- Sec. 914. Space control mission report.
- Sec. 915. Responsive launch.
- Sec. 916. Limitation on use of funds for Space Protection Program.
- Sec. 917. Eagle Vision system.

Subtitle C—Defense Intelligence and Intelligence-Related Activities

- Sec. 921. Revision of Secretary of Defense authority to engage in commercial activities as security for intelligence collection activities.
- Sec. 922. Department of Defense intelligence priorities.
- Sec. 923. Defense Clandestine Service.
- Sec. 924. Prohibition on National Intelligence Program consolidation.

Subtitle D—Cyberspace-Related Matters

- Sec. 931. Modification of requirement for inventory of Department of Defense tactical data link systems.