



ACQUISITION REFORM

To deter national security threats, our armed services need to be equipped with the latest technology. But the defense acquisition system is broken and too slow, rigid, and bureaucratic to meet evolving threats. It can take more than a decade before new capabilities are finally deployed, and by then, the threat has changed, the technology is outdated, and the program is over budget.

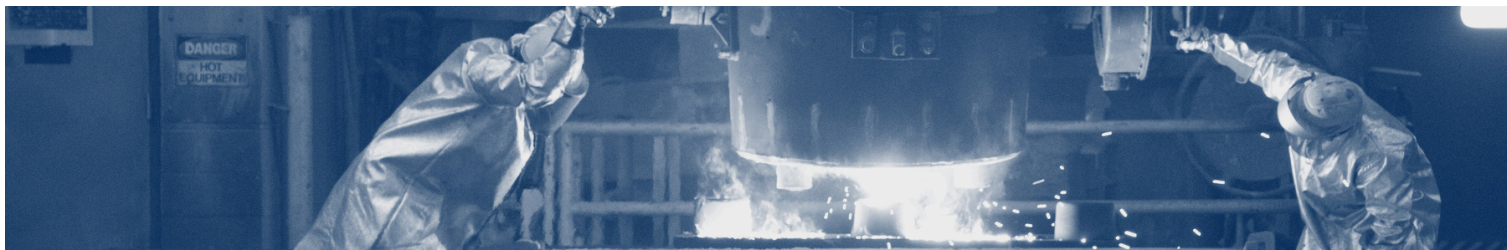
The FY26 NDAA includes the Streamlining Procurement for Effective Execution and Delivery (SPEED) Act, which fundamentally reforms defense acquisition. It centers defense acquisition on one primary objective: quickly equipping warfighters with needed capabilities in the most cost-effective manner practical.

Ensures the Acquisition System Delivers for the Warfighter at Speed and Scale:

- ★ Shifts the focus of the defense acquisition system from compliance to quickly and cost-effectively fielding new capabilities to ensure that America's armed forces are the most lethal and effective fighting force in the world.
- ★ Creates a new, accelerated requirements process designed to solve capability gaps, reducing decision timelines from nearly three years to as few as 90 days.
- ★ Empowers program executive officers (PEOs) so they can be held accountable for a program's success by designating them as the senior officials responsible for the oversight of the plans, budgets, and execution of the assigned programs and aligning key support functions under them.
- ★ Directs DoD to develop a transition plan to realign PEOs around Major Capability Activity Areas, as recommended by the Planning, Programming, Budgeting, and Execution Commission, and to designate two PEOs as pathfinders with enhanced budget flexibility to pilot the transition.
- ★ Prevents costly readiness issues and long-term maintenance shortfalls by strengthening the Product Support Manager's (PSMs) role and ensuring they have an authoritative voice in life-cycle sustainment decisions early in the acquisition process.

Cuts Red Tape:

- ★ Directs DoD to remove barriers to adopting commercial innovation.
- ★ Right-sizes numerous dollar thresholds to exempt smaller programs from excessive regulatory burdens without sacrificing transparency on critical contracts.
- ★ Eliminates duplicative and burdensome cost reporting requirements by removing Cost Accounting Standards (CAS) requirements that overlap with Generally Accepted Accounting Principles (GAAP).
- ★ Modernizes contracting by clarifying that consumption- and subscription-based services should not be considered as advance payments that require collateral.



ACQUISITION REFORM



Revitalizes the Defense Industrial Base:

- ★ Establishes the Defense Industrial Resilience Consortium and brings industry to the table to address parts obsolescence, supply chain fragility, diminishing manufacturing, and the urgent need to restore U.S. surge capacity.
- ★ Delivers greater efficiency, cost savings, and industrial base stability by requiring the Secretary of Defense to enter into multi-year procurement contracts for high-demand systems.
- ★ Requires DoD to streamline the qualification and approval of parts made with alternative manufacturing methods.
- ★ Improves supply chain transparency and incentivizes contractors to assess and monitor their supply chains' strength against infiltration from China and other adversaries by creating a public online repository for offerors to self-attest compliance with sourcing restrictions.
- ★ Directs DoD to identify and eliminate regulatory barriers that discourage contractors from maintaining or expanding surge capacity.
- ★ Enables more rapid procurement of U.S.-manufactured drones across the Joint Force by requiring DoD to scale the Defense Innovation Unit's (DIU) Blue List and Framework.
- ★ Requires an assessment of the domestic maritime capability to support national security sealift and shipbuilding requirements.

Leverages Commercial Innovation:

- ★ Bridges the Valley of Death by establishing the Bridging Operational Objectives & Support for Transition (BOOST) Program within the DIU to align promising technologies with operational needs.
- ★ Drives faster integration of new technologies by clarifying and streamlining Modular Open System Approach (MOSA) requirements in defense system design and development.
- ★ Removes the obstacles to use of Other Transaction Authorities (OTAs) for prototyping to accelerate the delivery of innovative, cost-effective solutions to the warfighter.
- ★ Authorizes capability-based pricing that values mission impact over cost, encouraging more commercial companies to compete for and work with DoD.
- ★ Establishes preference for data-as-a-service solutions to provide DoD with access to proprietary data that may be needed in the maintenance and repair of weapon systems while preserving the intellectual capital of American industry.

Develops a Mission-Oriented Defense Acquisition Workforce:

- ★ Empowers the acquisition workforce to ensure it is prepared for modern challenges and strengthens acquisition professionals' career development.
- ★ Ensures the Defense Acquisition University (DAU) educates and develops high-performing leaders.
- ★ Strengthens the talent pipeline for DoD's acquisition workforce by improving the public-private talent exchange program and establishing a program to appoint members of the Defense Civilian Training Corps to civil service acquisition positions.
- ★ Establishes a working group within the Defense Industrial Resilience Consortium to address advanced manufacturing workforce shortages and recommend ways to increase employment of individuals with disabilities in this sector.