

DEPARTMENT OF DEFENSE  
ACQUISITION WORKFORCE DEVELOPMENT FUND  
H. R. 1585 Sec. 852

SEC. 852. DEPARTMENT OF DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND.

(a) In General-

(1) ESTABLISHMENT OF FUND- Chapter 87 of title 10, United States Code, is amended by inserting after section 1704 the following new section:

Sec. 1705. Department of Defense Acquisition Workforce Development Fund

(a) Establishment- The Secretary of Defense shall establish a fund to be known as the 'Department of Defense Acquisition Workforce Fund' (in this section referred to as the 'Fund') to provide funds, in addition to other funds that may be available, for the recruitment, training, and retention of acquisition personnel of the Department of Defense.

(b) Purpose- The purpose of the Fund is to ensure that the Department of Defense acquisition workforce has the capacity, in both personnel and skills, needed to properly perform its mission, provide appropriate oversight of contractor performance, and ensure that the Department receives the best value for the expenditure of public resources.

(c) Management- The Fund shall be managed by a senior official of the Department of Defense designated by the Under Secretary of Defense for Acquisition, Technology, and Logistics for that purpose, from among persons with an extensive background in management relating to acquisition and personnel.

(d) Elements-

(1) IN GENERAL- The Fund shall consist of amounts as follows:

(A) Amounts credited to the Fund under paragraph (2).

(B) Any other amounts appropriated to, credited to, or deposited into the Fund by law.

(2) CREDITS TO THE FUND- (A) There shall be credited to the Fund an amount equal to the applicable percentage for a fiscal year of all amounts expended by the Department of Defense in such fiscal year for contract services, other than services relating to research and development and services relating to military construction.

(B) Not later than 30 days after the end of the third fiscal year quarter of fiscal year 2008, and 30 days after the end of each fiscal year quarter thereafter, the head of each military department and Defense Agency shall remit to the Secretary of Defense an amount equal to the applicable percentage for such fiscal year of the amount expended by such military department or Defense Agency, as the case may be, during such fiscal year quarter for services covered by subparagraph (A). Any amount so remitted shall be credited to the Fund under subparagraph (A).

(C) For purposes of this paragraph, the applicable percentage for a fiscal year is a percentage as follows:

(i) For fiscal year 2008, 0.5 percent.

(ii) For fiscal year 2009, 1 percent.

(iii) For fiscal year 2010, 1.5 percent.

(iv) For any fiscal year after fiscal year 2010, 2 percent.

(D) The Secretary of Defense may reduce a percentage established in subparagraph (C) for any fiscal year, if he determines that the application of such percentage would result in the crediting of an amount greater than is reasonably needed for the purpose of the Fund. In no event may the Secretary reduce a percentage for any

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fiscal year below a percentage that results in the deposit in a fiscal year of an amount equal to the following:

- `(i) For fiscal year 2008, \$300,000,000.
- `(ii) For fiscal year 2009, \$400,000,000.
- `(iii) For fiscal year 2010, \$500,000,000.
- `(iv) For any fiscal year after fiscal year 2010, \$600,000,000.

`(e) Availability of Funds-

`(1) IN GENERAL- Subject to the provisions of this subsection, amounts in the Fund shall be available to the Secretary of Defense for expenditure, or for transfer to a military department or Defense Agency, for the recruitment, training, and retention of acquisition personnel of the Department of Defense for the purpose of the Fund, including for the provision of training and retention incentives to the acquisition workforce of the Department.

`(2) PROHIBITION- Amounts in the Fund may not be obligated for any purpose other than purposes described in paragraph (1) or otherwise in accordance with this subsection.

`(3) GUIDANCE- The Under Secretary of Defense for Acquisition, Technology, and Logistics, acting through the senior official designated to manage the Fund, shall issue guidance for the administration of the Fund. Such guidance shall include provisions--

`(A) identifying areas of need in the acquisition workforce for which amounts in the Fund may be used, including--

`(i) changes to the types of skills needed in the acquisition workforce;

`(ii) incentives to retain in the acquisition workforce qualified, experienced acquisition workforce personnel; and

`(iii) incentives for attracting new, high-quality personnel to the acquisition workforce;

`(B) describing the manner and timing for applications for amounts in the Fund to be submitted;

`(C) describing the evaluation criteria to be used for approving or prioritizing applications for amounts in the Fund in any fiscal year; and

`(D) describing measurable objectives of performance for determining whether amounts in the Fund are being used in compliance with this section.

`(4) LIMITATION ON PAYMENTS TO OR FOR CONTRACTORS- Amounts in the Fund shall not be available for payments to contractors or contractor employees, other than for the purpose of providing advanced training to Department of Defense employees.

`(5) PROHIBITION ON PAYMENT OF BASE SALARY OF CURRENT EMPLOYEES- Amounts in the Fund may not be used to pay the base salary of any person who was an employee of the Department as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 2008.

`(6) DURATION OF AVAILABILITY- Amounts credited to the Fund under subsection (d)(2) shall remain available for expenditure in the fiscal year for which credited and the two succeeding fiscal years.

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`(f) Annual Report- Not later than 60 days after the end of each fiscal year beginning with fiscal year 2008, the Secretary of Defense shall submit to the congressional defense committees a report on the operation of the Fund during such fiscal year. Each report shall include, for the fiscal year covered by such report, the following:

`(1) A statement of the amounts remitted to the Secretary for crediting to the Fund for such fiscal year by each military department and Defense Agency, and a statement of the amounts credited to the Fund for such fiscal year.

`(2) A description of the expenditures made from the Fund (including expenditures following a transfer of amounts in the Fund to a military department or Defense Agency) in such fiscal year, including the purpose of such expenditures.

`(3) A description and assessment of improvements in the Department of Defense acquisition workforce resulting from such expenditures.

`(4) Recommendations for additional authorities to fulfill the purpose of the Fund.

`(5) A statement of the balance remaining in the Fund at the end of such fiscal year.

`(g) Acquisition Workforce Defined- In this section, the term 'acquisition workforce' means personnel in positions designated under section 1721 of this title as acquisition positions for purposes of this chapter.'

(2) CLERICAL AMENDMENT- The table of sections at the beginning of subchapter I of such chapter is amended by inserting after the item relating to section 1704 the following new item:

`1705. Department of Defense Acquisition Workforce Development Fund.'

(b) Effective Date- Section 1705 of title 10, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act.