SUBJECT: Defense Production Act Programs

References: (a) DoD Directive 4400.1, "Defense Production Act Programs," March 18, 1996 (hereby canceled)
   (b) Appendix 2061 et seq. of title 50 Appendix, United States Code
   (c) Appendix 468 of title 50 Appendix, United States Code
   (d) Section 2538 of title 10, United States Code
   (e) through (i), see enclosure 1

1. REISSUANCE AND PURPOSE

This Directive:

1.1. Reissues reference (a) to delegate authority and to update policy and responsibilities regarding use of the authorities of references (b), (c), (d), and (e).


1.3. Designates the Secretary of the Air Force as the DoD Executive Agent for the Defense Production Act Title III Program (authorized by reference (b)).

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies,
the DoD Field Activities, and all other organizational entities in the Department of Defense (hereafter referred to collectively as "the DoD Components").

3. **POLICY**

It is DoD policy that the DoD Components shall:

3.1. Ensure the availability of materials and facilities necessary to keep priority defense programs on schedule.

3.2. Assist suppliers in accelerating production of materials and facilities for appropriate defense programs in the event of a national emergency.

3.3. Ensure the adequacy of production capacity and supply by anticipating and addressing, as appropriate, the Department of Defense's needs to create, expand, or maintain domestic industry productivity capacity.

4. **RESPONSIBILITIES**

4.1. The Under Secretary of Defense for Acquisition, Technology, and Logistics shall:

4.1.1. Have authority as delegated in enclosure 2.

4.1.2. Issue DoD Instructions, DoD Publications, and one-time directive-type memoranda, consistent with DoD 5025.1-M (reference (i)) as necessary, to implement this Directive.

4.1.3. Nominate to the Secretary of Defense for approval, DoD programs of the highest national urgency for a "DX" priority rating.

4.1.4. Approve other programs (DoD, other Federal Agency, friendly foreign government) for use of the "DO" priority rating under the DPAS (reference (h)), as required.

4.1.5. Develop, maintain, and issue the official DX-rated programs that are approved by the Secretary of Defense.

4.1.6. Delegate, as appropriate and in writing, to the Heads of the DoD Components and associated other Federal Agencies, authority to use the DPAS.
4.1.7. Review requests for special priorities assistance and, when necessary, endorse such requests and forward them to the Department of Commerce for action.

4.1.8. Take appropriate actions to resolve priorities and allocations conflicts involving other Federal Agencies. If they cannot be resolved in a timely manner, refer them to the Assistant to the President for National Security Affairs for the final determination, as provided in reference (g).

4.1.9. Determine whether projects proposed to receive support under Title III of the Defense Production Act (reference (b)) are eligible for such support. For eligible projects, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall:

4.1.9.1. Select those projects that will receive support.

4.1.9.2. Act to have them included in the President's Budget, or in an amendment to the Budget.

4.1.10. Fulfill the following responsibilities associated with Title III of the Defense Production Act (reference (b)).

4.1.10.1. Establish and maintain the Defense Production Act Fund as provided in section 304 of reference (b).

4.1.10.2. Request, defend, and manage the resources required to execute the Defense Production Act Title III Program (the "Program").

4.1.10.3. Monitor the Program and provide guidance to the program office established by the DoD Executive Agent.

4.2. The Secretaries of the Military Departments and the Directors of Defense Agencies shall take those steps necessary to implement the DPAS (reference (h)).

4.3. The Secretary of the Air Force, as the DoD Executive Agent for the Defense Production Act Title III Program (authorized by reference (b)), under the direction of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), shall establish and support an office (i.e., a "Title III Program Office") to execute the Program.
5. EFFECTIVE DATE

This Directive is effective immediately.

Enclosures - 2
   E1. References, continued
   E2. Delegation of Authority

[Signature]
Paul Wolfowitz
Deputy Secretary of Defense
E1. ENCLOSURE 1

REFERENCES, continued

(e) Section 82 of title 50, United States Code
(g) Executive Order 12919, "National Defense Industrial Resources Preparedness," June 3, 1994
E2. ENCLOSURE 2

DELEGATIONS OF AUTHORITY

E2.1.1. The authorities of Title I (Priorities and Allocations) of 50 U.S.C. App. 2061 et seq. (reference (b)) as delegated to the Secretary of Defense (see E.O. 12919, and Title 15 CFR 700 (references (g) and (h))) are hereby delegated to the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) and to the Secretaries of the Military Departments and the Directors of Defense Agencies, subject to the authority, direction, and control of the USD(AT&L). This delegation includes:

E2.1.1.1. Authority to apply, or redelegate the authority to apply, DO (critical to national defense) and DX (highest national urgency) priority ratings to contracts or orders for DoD and other programs approved for priorities and allocations support.

E2.1.1.2. Authority to apply, or redelegate the authority to apply, DO and DX ratings to orders for delivery of production or construction equipment required to support DoD and other programs approved for priorities and allocations support.

E2.1.2. The authorities of the Secretary of Defense, as delegated in E.O. 12742 (reference (f)), are hereby delegated to the USD(AT&L).

E2.1.3. The authorities of Title III of the Defense Production Act (reference (b)), as delegated to the Secretary of Defense in E.O. 12919 (reference (g)), are hereby delegated to the USD(AT&L).