

## SUBCHAPTER A—NATIONAL SECURITY INDUSTRIAL BASE REGULATIONS

### PART 700—DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM

#### Subpart A—Purpose

- Sec.  
700.1 Purpose of this regulation.

#### Subpart B—Overview

- 700.2 Introduction.  
700.3 Priority ratings and rated orders.  
700.4 Priorities and allocations in a national emergency.  
700.5 Special priorities assistance.  
700.6 Official actions.  
700.7 Compliance.

#### Subpart C—Definitions

- 700.8 Definitions.

#### Subpart D—Industrial Priorities

- 700.10 Delegation of authority.  
700.11 Priority ratings.  
700.12 Elements of a rated order.  
700.13 Acceptance and rejection of rated orders.  
700.14 Preferential scheduling.  
700.15 Extension of priority ratings.  
700.16 Changes or cancellations of priority ratings and rated orders.  
700.17 Use of rated orders.  
700.18 Limitations on placing rated orders.

#### Subpart E—Industrial Priorities for Energy Programs

- 700.20 Use of priority ratings.  
700.21 Application for priority rating authority.

#### Subpart F—National emergency Preparedness and Critical Items

- 700.30 Priorities and allocations in a national emergency.  
700.31 Metalworking machines.

#### Subpart G [Reserved]

#### Subpart H—Special Priorities Assistance

- 700.50 General provisions.  
700.51 Requests for priority rating authority.  
700.52 Examples of assistance.  
700.53 Criteria for assistance.  
700.54 Instances where assistance may not be provided.

- 700.55 Assistance programs with Canada and other nations.

#### Subpart I—Official Actions

- 700.60 General provisions.  
700.61 Rating Authorizations.  
700.62 Directives.  
700.63 Letters of Understanding.

#### Subpart J—Compliance

- 700.70 General provisions.  
700.71 Audits and investigations.  
700.72 Compulsory process.  
700.73 Notification of failure to comply.  
700.74 Violations, penalties, and remedies.  
700.75 Compliance conflicts.

#### Subpart K—Adjustments, Exceptions, and Appeals

- 700.80 Adjustments or exceptions.  
700.81 Appeals.

#### Subpart L—Miscellaneous Provisions

- 700.90 Protection against claims.  
700.91 Records and reports.  
700.92 Applicability of this regulation and official actions.  
700.93 Communications.

SCHEDULE I TO PART 700—APPROVED PROGRAMS AND DELEGATE AGENCIES

APPENDIX I TO PART 700—FORM BIS-999-REQUEST FOR SPECIAL PRIORITIES ASSISTANCE

AUTHORITY: Titles I and VII of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061, *et seq.*), Title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195 *et seq.*), Executive Order 12919, 59 FR 29525, 3 CFR, 1994 Comp. 901, and Executive Order 13286, 68 FR 10619, 3 CFR, 2003 Comp. 166; section 18 of the Selective Service Act of 1948 (50 U.S.C. App. 468), 10 U.S.C. 2538, 50 U.S.C. 82, and Executive Order 12742, 56 FR 1079, 3 CFR, 1991 Comp. 309; and Executive Order 12656, 53 FR 226, 3 CFR, 1988 Comp. 585.

SOURCE: 49 FR 30414, July 30, 1984, unless otherwise noted. Redesignated at 54 FR 601, Jan. 9, 1989.

#### Subpart A—Purpose

##### § 700.1 Purpose of this regulation.

(a) Title I of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061, *et seq.*) (Defense Production Act),

## **§ 700.2**

authorizes the President: to require the priority performance of contracts and orders necessary or appropriate to promote the national defense over other contracts or orders; to allocate materials, services, and facilities as necessary or appropriate to promote the national defense; and to require the allocation of, or the priority performance under contracts or orders relating to, supplies of materials, equipment, and services in order to assure domestic energy supplies for national defense needs.

(b) Section 18 of the Selective Service Act of 1948 (50 U.S.C. app. 468) (Selective Service Act) authorizes the President to place an order with a supplier for any articles or materials required for the exclusive use of the U.S. armed forces whenever the President determines that in the interest of national security, prompt delivery of the articles and materials is required. The supplier must give precedence to the order so as to deliver the articles or materials in a required time period. 10 U.S.C. 2538, and 50 U.S.C. 82, provide similar authority specifically for Department of Defense procurement, but only in time of war or when war is imminent.

(c) Section 602(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195a(b)) provides that the terms “national defense” and “defense” as used in the Defense Production Act includes “emergency preparedness activities” conducted pursuant to Title VI of the Stafford Act. The definition of “national defense” in section 702(14) of the Defense Production Act provides that this term includes “emergency preparedness activities” conducted pursuant to Title VI of the Stafford Act and “critical infrastructure protection and restoration.”

(d) The Defense Priorities and Allocations System (DPAS) regulation implements the priorities and allocations authority of the Defense Production Act and as this authority pertains to Title VI of the Stafford Act, and the priorities authority of the Selective Service Act and related statutes, all with respect to industrial resources. The DPAS ensures the timely availability of industrial resources for ap-

## **15 CFR Ch. VII (1–1–11 Edition)**

proved programs and provides an operating system to support rapid industrial response to a national emergency.

(e) To aid in understanding and using the DPAS, an overview of its major provisions is incorporated into this regulation as subpart B—Overview. The full text of the DPAS is found in subparts D through L.

[49 FR 30414, July 30, 1984. Redesignated at 54 FR 601, Jan. 9, 1989, as amended at 63 FR 31921, June 11, 1998; 71 FR 39527, July 13, 2006]

### **Subpart B—Overview**

#### **§ 700.2 Introduction.**

(a) Certain national defense and energy programs (including emergency preparedness activities) are approved for priorities and allocations support. For example, military aircraft production, ammunition, and certain programs which maximize domestic energy supplies are “approved programs.” A complete list of currently approved programs is provided at Schedule I to this part.

(b) The Department of Commerce administers the DPAS to ensure the timely delivery of industrial items to meet approved program requirements.

(c) Commerce has delegated authorities to place priority ratings on contracts or orders necessary or appropriate to promote the national defense to the government agencies that issue such contracts or orders. Schedule I includes a list of agencies delegated this authority.

[49 FR 30414, July 30, 1984. Redesignated at 54 FR 601, Jan. 9, 1989, as amended at 63 FR 31921, June 11, 1998; 71 FR 39527, July 13, 2006]

#### **§ 700.3 Priority ratings and rated orders.**

(a) Rated orders are identified by a priority rating consisting of the rating—either DX or DO—and a program identification symbol. Rated orders take preference over all unrated orders as necessary to meet required delivery dates. Among rated orders, DX rated orders take preference over DO rated orders. Program identification symbols