

## REFERENCES IN TEXT

The Arms Export Control Act, referred to in subsec. (b)(2)(B), is Pub. L. 90-629, Oct. 22, 1968, 82 Stat. 1320, as amended, which is classified principally to chapter 39 (§2751 et seq.) of Title 22, Foreign Relations and Inter-course. For complete classification of this Act to the Code, see Short Title note set out under section 2751 of Title 22 and Tables.

The Atomic Energy Act of 1954, referred to in subsec. (c)(2), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 921, and amended, which is classified generally to chapter 23 (§2011 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 42 and Tables.

## AMENDMENTS

2006—Subsec. (b)(4). Pub. L. 109-163 struck out “of which the United States is a member” before “under this subchapter”.

1994—Subsec. (b)(4). Pub. L. 103-337 inserted “and the United Nations Organization or any regional international organization of which the United States is a member” after “subsidiary bodies”.

1991—Subsec. (c). Pub. L. 102-25 substituted “subchapter” for “chapter” in introductory provisions.

1989—Subsec. (a). Pub. L. 101-189, §§931(e)(1), 938(a), substituted “equal value” for “identical or substantially identical nature” and “this subchapter” for “this chapter”.

Subsec. (b)(2)(B), (4). Pub. L. 101-189, §931(e)(1), substituted “this subchapter” for “this chapter”.

Subsec. (c). Pub. L. 101-189, §938(b), added subsec. (c). 1986—Subsec. (b)(1), (3). Pub. L. 99-661 inserted “or other foreign country” after “country”.

1985—Pub. L. 99-145 renumbered section 2324 of this title as this section.

1981—Subsec. (b)(2)(B). Pub. L. 97-22 substituted “this chapter” for “this Act”.

## EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-337 applicable with regard to any acquisition or transfer of logistic support, supplies, and services under authority of this subchapter that is initiated after Oct. 5, 1994, see section 1317(j) of Pub. L. 103-337, set out as a note under section 2341 of this title.

**§ 2345. Liquidation of accrued credits and liabilities**

(a) Credits and liabilities of the United States accrued as a result of acquisitions and transfers of logistic support, supplies, and services under the authority of this subchapter shall be liquidated not less often than once every 12 months by direct payment to the entity supplying such support, supplies, or services by the entity receiving such support, supplies, or services.

(b) Payment-in-kind or exchange entitlements accrued as a result of acquisitions and transfers of logistic support, supplies, and services under authority of this subchapter shall be satisfied within 12 months after the date of the delivery of the logistic support, supplies, or services.

(Added Pub. L. 96-323, §2(a), Aug. 4, 1980, 94 Stat. 1018, §2325; renumbered §2345, Pub. L. 99-145, title XIII, §1304(a)(1), Nov. 8, 1985, 99 Stat. 741; amended Pub. L. 99-661, div. A, title XI, §1104(c), Nov. 14, 1986, 100 Stat. 3965; Pub. L. 101-189, div. A, title IX, §931(e)(1), Nov. 29, 1989, 103 Stat. 1535; Pub. L. 103-337, div. A, title XIII, §1317(e), Oct. 5, 1994, 108 Stat. 2900.)

## AMENDMENTS

1994—Subsec. (a). Pub. L. 103-337 substituted “12 months” for “three months”.

1989—Subsecs. (a), (b). Pub. L. 101-189 substituted “this subchapter” for “this chapter”.

1986—Pub. L. 99-661 designated existing provisions as subsec. (a) and added subsec. (b).

1985—Pub. L. 99-145 renumbered section 2325 of this title as this section.

## EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-337 applicable with regard to any acquisition or transfer of logistic support, supplies, and services under authority of this subchapter that is initiated after Oct. 5, 1994, see section 1317(j) of Pub. L. 103-337, set out as a note under section 2341 of this title.

**§ 2346. Crediting of receipts**

Any receipt of the United States as a result of an agreement entered into under this subchapter shall be credited, at the option of the Secretary of Defense, to (1) the appropriation, fund, or account used in incurring the obligation, or (2) an appropriate appropriation, fund, or account currently available for the purposes for which the expenditures were made.

(Added Pub. L. 96-323, §2(a), Aug. 4, 1980, 94 Stat. 1018, §2326; renumbered §2346, Pub. L. 99-145, title XIII, §1304(a)(1), Nov. 8, 1985, 99 Stat. 741; amended Pub. L. 101-189, div. A, title IX, §931(e)(1), Nov. 29, 1989, 103 Stat. 1535; Pub. L. 103-337, div. A, title XIII, §1317(f), Oct. 5, 1994, 108 Stat. 2900.)

## AMENDMENTS

1994—Pub. L. 103-337 substituted “shall be credited, at the option of the Secretary of Defense, to (1) the appropriation, fund, or account used in incurring the obligation, or (2) an appropriate appropriation, fund, or account currently available for the purposes for which the expenditures were made” for “shall be credited to applicable appropriations, accounts, and funds of the Department of Defense”.

1989—Pub. L. 101-189 substituted “this subchapter” for “this chapter”.

1985—Pub. L. 99-145 renumbered section 2326 of this title as this section.

## EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-337 applicable with regard to any acquisition or transfer of logistic support, supplies, and services under authority of this subchapter that is initiated after Oct. 5, 1994, see section 1317(j) of Pub. L. 103-337, set out as a note under section 2341 of this title.

**§ 2347. Limitation on amounts that may be obligated or accrued by the United States**

(a)(1) Except during a period of active hostilities involving the armed forces, the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with other member countries of the North Atlantic Treaty Organization, subsidiary bodies of the North Atlantic Treaty Organization, or from the United Nations Organization or any regional international organization of which the United States is a member may not exceed \$200,000,000 in any fiscal year, and of such amount not more than \$50,000,000 in liabilities may be accrued for the acquisition of supplies.

(2) Except during a period of active hostilities involving the armed forces, the total amount of reimbursable liabilities that the United States

may accrue under this subchapter (before the computation of offsetting balances) with a country which is not a member of the North Atlantic Treaty Organization, but with which the United States has one or more acquisition or cross-servicing agreements, may not exceed \$60,000,000 in any fiscal year, and of such amount not more than \$20,000,000 in liabilities may be accrued for the acquisition of supplies. The \$60,000,000 limitation specified in this paragraph is in addition to the limitation specified in paragraph (1).

(b)(1) Except during a period of active hostilities involving the armed forces, the total amount of reimbursable credits that the United States may accrue under this subchapter (before the computation of offsetting balances) with other member countries of the North Atlantic Treaty Organization, subsidiary bodies of the North Atlantic Treaty Organization, or from the United Nations Organization or any regional international organization of which the United States is a member may not exceed \$150,000,000 in any fiscal year.

(2) Except during a period of active hostilities involving the armed forces, the total amount of reimbursable credits that the United States may accrue under this subchapter (before the computation of offsetting balances) with a country which is not a member of the North Atlantic Treaty Organization, but with which the United States has one or more acquisition or cross-servicing agreements may not exceed \$75,000,000 in any fiscal year. Such limitation specified in this paragraph is in addition to the limitation specified in paragraph (1).

(c) When the armed forces are involved in a contingency operation or in a non-combat operation (including an operation in support of the provision of humanitarian or foreign disaster assistance or in support of peacekeeping operations under chapter VI or VII of the Charter of the United Nations), the restrictions in subsections (a) and (b) are waived for the purposes and duration of that operation.

(d) The amount of any sale, purchase, or exchange of petroleum, oils, or lubricants by the United States under this subchapter in any fiscal year shall be excluded in any computation for the purposes of subsection (a) or (b) of the amount of reimbursable liabilities or reimbursable credits that the United States accrues under this subchapter in that fiscal year.

(Added Pub. L. 96-323, §2(a), Aug. 4, 1980, 94 Stat. 1018, §2327; renumbered §2347, Pub. L. 99-145, title XIII, §1304(a)(1), Nov. 8, 1985, 99 Stat. 741; amended Pub. L. 99-661, div. A, title XI, §1104(d), Nov. 14, 1986, 100 Stat. 3965; Pub. L. 100-456, div. A, title X, §1001, Sept. 29, 1988, 102 Stat. 2037; Pub. L. 101-189, div. A, title IX, §931(e)(1), Nov. 29, 1989, 103 Stat. 1535; Pub. L. 102-484, div. A, title XIII, §1312(b), Oct. 23, 1992, 106 Stat. 2547; Pub. L. 103-35, title II, §202(a)(10), May 31, 1993, 107 Stat. 101; Pub. L. 103-337, div. A, title XIII, §1317(g), Oct. 5, 1994, 108 Stat. 2901; Pub. L. 109-364, div. A, title XII, §1221(a), Oct. 17, 2006, 120 Stat. 2423.)

#### AMENDMENTS

2006—Subsec. (a)(1), (2). Pub. L. 109-364, §1221(a)(1), struck out “(other than petroleum, oils, and lubricants)” after “supplies”.

Subsec. (d). Pub. L. 109-364, §1221(a)(2), added subsec. (d).

1994—Subsec. (a)(1). Pub. L. 103-337, §1317(g)(1), substituted “Organization, subsidiary” for “Organization and subsidiary”, inserted “, or from the United Nations Organization or any regional international organization of which the United States is a member” after “Treaty Organization”, and substituted “\$200,000,000” for “\$150,000,000” and “\$50,000,000” for “\$25,000,000”.

Subsec. (a)(2). Pub. L. 103-337, §1317(g)(2), substituted “\$60,000,000” for “\$10,000,000” in two places and “\$20,000,000” for “\$2,500,000”.

Subsec. (b)(1). Pub. L. 103-337, §1317(g)(3), substituted “Organization, subsidiary” for “Organization and subsidiary”, inserted “, or from the United Nations Organization or any regional international organization of which the United States is a member” after “Treaty Organization”, and substituted “\$150,000,000” for “\$100,000,000”.

Subsec. (b)(2). Pub. L. 103-337, §1317(g)(4), substituted “\$75,000,000” for “\$10,000,000”.

Subsec. (c). Pub. L. 103-337, §1317(g)(5), added subsec. (c).

1993—Subsec. (b)(2). Pub. L. 103-35 made technical amendment to directory language of Pub. L. 102-484, §1312(b)(4)(B). See 1992 Amendment note below.

1992—Subsec. (a)(1). Pub. L. 102-484, §1312(b)(1), substituted “armed forces” for “North Atlantic Treaty Organization” and inserted “with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization” after “(before the computation of offsetting balances)”.

Subsec. (a)(2). Pub. L. 102-484, §1312(b)(2), substituted “involving the armed forces, the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with” for “in the military region affecting” and struck out “the total amount of reimbursable liabilities that the United States may accrue under this subchapter (before the computation of offsetting balances) with such country” after “cross-servicing agreements.”.

Subsec. (b)(1). Pub. L. 102-484, §1312(b)(3), substituted “armed forces” for “North Atlantic Treaty Organization” and inserted “with other member countries of the North Atlantic Treaty Organization and subsidiary bodies of the North Atlantic Treaty Organization” after “(before the computation of offsetting balances)”.

Subsec. (b)(2). Pub. L. 102-484, §1312(b)(4)(A), substituted “involving the armed forces” for “in the military region affecting a country referred to in paragraph (1)”.

Pub. L. 102-484, §1312(b)(4)(B), as amended by Pub. L. 103-35, substituted “(before the computation of offsetting balances) with a country which is not a member of the North Atlantic Treaty Organization, but with which the United States has one or more acquisition or cross-servicing agreements” for “from such country (before computation of offsetting balances)”.

1989—Pub. L. 101-189 substituted “this subchapter” for “this chapter” wherever appearing.

1988—Subsec. (a)(1). Pub. L. 100-456 substituted “\$150,000,000” for “\$100,000,000”.

1986—Subsec. (a). Pub. L. 99-661, §1104(d)(1), designated existing provisions as par. (1) and added par. (2).

Subsec. (b). Pub. L. 99-661, §1104(d)(2), designated existing provisions as par. (1) and added par. (2).

1985—Pub. L. 99-145 renumbered section 2327 of this title as this section.

#### EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-364, div. A, title XII, §1221(b), Oct. 17, 2006, 120 Stat. 2423, provided that: “The amendments made by subsection (a) [amending this section] shall take effect beginning with fiscal year 2007.”

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-337 applicable with regard to any acquisition or transfer of logistic support, sup-

plies, and services under authority of this subchapter that is initiated after Oct. 5, 1994, see section 1317(j) of Pub. L. 103-337, set out as a note under section 2341 of this title.

#### EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-35 applicable as if included in the enactment of Pub. L. 102-484, see section 202(b) of Pub. L. 103-35, set out as a note under section 155 of this title.

#### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-484 effective Oct. 23, 1992, and applicable to acquisitions of logistics support, supplies, and services under this chapter that are initiated on or after Oct. 23, 1992, see section 1312(c) of Pub. L. 102-484, set out as a note under section 2341 of this title.

### § 2348. Inventories of supplies not to be increased

Inventories of supplies for elements of the armed forces may not be increased for the purpose of transferring supplies under the authority of this subchapter.

(Added Pub. L. 96-323, § 2(a), Aug. 4, 1980, 94 Stat. 1018, § 2328; amended Pub. L. 97-22, § 11(a)(8), July 10, 1981, 95 Stat. 138; renumbered § 2348, Pub. L. 99-145, title XIII, § 1304(a)(1), Nov. 8, 1985, 99 Stat. 741; Pub. L. 99-661, div. A, title XI, § 1104(e), Nov. 14, 1986, 100 Stat. 3965; Pub. L. 101-189, div. A, title IX, § 931(e)(1), Nov. 29, 1989, 103 Stat. 1535.)

#### AMENDMENTS

1989—Pub. L. 101-189 substituted “this subchapter” for “this chapter”.

1986—Pub. L. 99-661 struck out “to military forces of any North Atlantic Treaty Organization country or any North Atlantic Treaty Organization subsidiary body” after “chapter”.

1985—Pub. L. 99-145 renumbered section 2328 of this title as this section.

1981—Pub. L. 97-22 substituted “this chapter” for “this Act”.

### § 2349. Overseas Workload Program

(a) IN GENERAL.—A firm of any member nation of the North Atlantic Treaty Organization or of any major non-NATO ally shall be eligible to bid on any contract for the maintenance, repair, or overhaul of equipment of the Department of Defense located outside the United States to be awarded under competitive procedures as part of the program of the Department of Defense known as the Overseas Workload Program.

(b) SITE OF PERFORMANCE.—A contract awarded to a firm described in subsection (a) may be performed in the theater in which the equipment is normally located or in the country in which the firm is located.

(c) EXCEPTIONS.—The Secretary of a military department may restrict the geographic region in which a contract referred to in subsection (a) may be performed if the Secretary determines that performance of the contract outside that specific region—

(1) could adversely affect the military preparedness of the armed forces; or

(2) would violate the terms of an international agreement to which the United States is a party.

(d) DEFINITION.—In this section, the term “major non-NATO ally” has the meaning given that term in section 2350a(i)(2) of this title.

(Added Pub. L. 103-160, div. A, title XIV, § 1431(a)(1), Nov. 30, 1993, 107 Stat. 1832; amended Pub. L. 108-375, div. A, title X, § 1084(d)(18), Oct. 28, 2004, 118 Stat. 2062.)

#### PRIOR PROVISIONS

A prior section 2349, added Pub. L. 96-323, § 2(a), Aug. 4, 1980, 94 Stat. 1018, § 2330; renumbered § 2349, Pub. L. 99-145, title XIII, § 1304(a)(3), Nov. 8, 1985, 99 Stat. 741; Pub. L. 101-189, div. A, title IX, § 931(e)(1), Nov. 29, 1989, 103 Stat. 1535, directed Secretary of Defense to submit a report to Congress annually relating to agreements under this chapter, prior to repeal by Pub. L. 101-510, § 1301(11).

Provisions similar to those in this section were contained in Pub. L. 101-510, div. A, title XIV, § 1465, Nov. 5, 1990, 104 Stat. 1700, as amended, which was set out as a note under section 2341 of this title, prior to repeal by Pub. L. 103-160, § 1431(b)(1). Other prior similar provisions, formerly set out under section 2341 of this title, were contained in the following authorization or appropriation acts:

Pub. L. 102-396, title IX, § 9130, Oct. 6, 1992, 106 Stat. 1935, as amended by Pub. L. 103-160, div. A, title XIV, § 1431(b)(2), Nov. 30, 1993, 107 Stat. 1833.

Pub. L. 102-172, title VIII, § 8122, Nov. 26, 1991, 105 Stat. 1205.

Pub. L. 101-511, title VIII, § 8003, Nov. 5, 1990, 104 Stat. 1873.

Pub. L. 100-180, div. A, title X, § 1021, Dec. 4, 1987, 101 Stat. 1143.

#### AMENDMENTS

2004—Subsec. (d). Pub. L. 108-375 substituted “section 2350a(i)(2)” for “section 2350a(i)(3)”.

### § 2349a. Annual report on non-NATO agreements

(a) REPORT.—The Secretary of Defense shall submit to Congress, not later than January 15 of each of 1996, 1997, 1998, 1999, and 2000, a report covering non-NATO cross-servicing and acquisition actions in effect during the preceding fiscal year.

(b) MATTERS TO BE INCLUDED.—Each such report shall set forth in detail the following with respect to the preceding fiscal year:

(1) The total dollar amounts involved.

(2) A description of any services and equipment provided or received through those actions.

(3) A description of any equipment provided through those actions that is not returned.

(4) The volume of credits and liabilities accrued and liquidated.

(c) NON-NATO AGREEMENTS.—For purposes of this section, a non-NATO cross-servicing and acquisition agreement is a cross-servicing and acquisition agreement under this subchapter that involves countries or organizations other than North Atlantic Treaty Organization countries or subsidiary bodies.

(Added Pub. L. 103-337, div. A, title XIII, § 1317(i)(1), Oct. 5, 1994, 108 Stat. 2902.)

#### EFFECTIVE DATE

Section applicable with regard to any acquisition or transfer of logistic support, supplies, and services under authority of this subchapter that is initiated after Oct. 5, 1994, see section 1317(j) of Pub. L. 103-337, set out as an Effective Date of 1994 Amendment note under section 2341 of this title.

### § 2350. Definitions

In this subchapter: