

(3) TRANSFER BETWEEN MILITARY DEPARTMENTS.—The Secretary of Defense shall provide that property described in paragraph (2) is available for transfer, without reimbursement, to other military departments within the Department of Defense.

(4) ALTERNATIVE DISPOSITION BY ADMINISTRATOR OF GENERAL SERVICES.—If property is not transferred pursuant to paragraph (3), the Secretary of the military department with the property under its control shall request the Administrator to transfer or dispose of the property in accordance with this subtitle or other applicable law.

(5) PROCEEDS.—

(A) DEPOSIT IN SPECIAL ACCOUNT.—For a transfer or disposition of property pursuant to paragraph (4), the Administrator shall deposit any proceeds (less expenses of the transfer or disposition as provided in subsection (a)) in a special account in the Treasury.

(B) AVAILABILITY OF AMOUNT DEPOSITED.—To the extent provided in an appropriation law, an amount deposited in a special account under subparagraph (A) is available for facility maintenance and repair or environmental restoration as follows:

(i) In the case of property located at a military installation that is closed, the amount is available for facility maintenance and repair or environmental restoration by the military department that had jurisdiction over the property before the closure of the military installation.

(ii) In the case of property located at any other military installation—

(I) 50 percent of the amount is available for facility maintenance and repair or environmental restoration at the military installation where the property was located before it was disposed of or transferred; and

(II) 50 percent of the amount is available for facility maintenance and repair and for environmental restoration by the military department that had jurisdiction over the property before it was disposed of or transferred.

(6) REPORT.—As part of the annual request for authorizations of appropriations to the Committees on Armed Services of the Senate and the House of Representatives, the Secretary of Defense shall include an accounting of each transfer and disposal made in accordance with this subsection during the fiscal year preceding the fiscal year in which the request is made. The accounting shall include a detailed explanation of each transfer and disposal and of the use of the proceeds received from it by the Department of Defense.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1105; Pub. L. 108–447, div. H, title IV, § 408, Dec. 8, 2004, 118 Stat. 3258; Pub. L. 109–13, div. A, title VI, § 6068, May 11, 2005, 119 Stat. 299; Pub. L. 109–163, div. A, title X, § 1056(a)(5)(B), Jan. 6, 2006, 119 Stat. 3439.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
572(a)	40:485(b).	June 30, 1949, ch. 288, title II, § 204(b), as added Aug. 31, 1954, ch. 1178, § 1(b), 68 Stat. 1051; Pub. L. 86–215, Sept. 1, 1959, 73 Stat. 446; Pub. L. 100–612, § 6, Nov. 5, 1988, 102 Stat. 3181; Pub. L. 101–510, div. B, title XXVIII, § 2805(2), Nov. 5, 1990, 104 Stat. 1786; Pub. L. 107–107, § 2812, Dec. 28, 2001, 115 Stat. 1307.
572(b)	40:485(h).	June 30, 1949, ch. 288, title II, § 204(h), as added Pub. L. 101–510, div. B, title XXVIII, § 2805(3), Nov. 5, 1990, 104 Stat. 1786; Pub. L. 104–106, div. A, title XV, § 1502(f)(7), div. B, title XXVIII, § 2818(b), Feb. 10, 1996, 110 Stat. 510, 555; Pub. L. 106–65, title X, § 1067(18), Oct. 5, 1999, 113 Stat. 775; Pub. L. 107–107, § 2812, Dec. 28, 2001, 115 Stat. 1307.

In subsection (b)(4), the words “section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g))” are omitted because 50 App.:1622(g) has been repealed.

REFERENCES IN TEXT

Section 2687(e)(1) of title 10, referred to in subsec. (b)(1)(A), was redesignated as section 2687(g)(1) by Pub. L. 112–239, div. B, title XXVII, § 2712(a)(1), Jan. 2, 2013, 126 Stat. 2144.

AMENDMENTS

2006—Subsec. (b)(1)(B). Pub. L. 109–163 substituted “section 101(a)(17) of title 10” for “section 2667(h)(2) of title 10”.

2005—Subsec. (a)(2)(A)(ii). Pub. L. 109–13 made technical correction to directory language of Pub. L. 108–447, § 408. See 2004 Amendment note below.

2004—Subsec. (a)(2)(A)(ii). Pub. L. 108–447, § 408, as amended by Pub. L. 109–13, inserted “, highest and best use of property studies, utilization of property studies, deed compliance inspection, and the expenses incurred in a relocation” before period at end.

§ 573. Personal property

The Administrator of General Services may retain from the proceeds of sales of personal property the Administrator conducts amounts necessary to recover, to the extent practicable, costs the Administrator (or the Administrator’s agent) incurs in conducting the sales. The Administrator shall deposit amounts retained into the Acquisition Services Fund established under section 321(a) of this title. From the amounts deposited, the Administrator may pay direct costs and reasonably related indirect costs incurred in conducting sales of personal property. At least once each year, amounts retained that are not needed to pay the direct and indirect costs shall be transferred from the Acquisition Services Fund to the general fund or another appropriate account in the Treasury.

(Pub. L. 107–217, Aug. 21, 2002, 116 Stat. 1107; Pub. L. 109–313, § 3(h)(4), Oct. 6, 2006, 120 Stat. 1736.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
573	40:485(i).	June 30, 1949, ch. 288, title II, § 204(i), as added Pub. L. 103–123, title IV, § 7, Oct. 28, 1993, 107 Stat. 1247.

AMENDMENTS

2006—Pub. L. 109-313 substituted “Acquisition Services Fund” for “General Supply Fund” in two places.

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-313 effective 60 days after Oct. 6, 2006, see section 6 of Pub. L. 109-313, set out as a note under section 5316 of Title 5, Government Organization and Employees.

§ 574. Other rules regarding proceeds

(a) CREDIT TO REIMBURSABLE FUND OR APPROPRIATION.—

(1) APPLICATION.—This subsection applies to property acquired with amounts—

(A) not appropriated from the general fund of the Treasury; or

(B) appropriated from the general fund of the Treasury but by law reimbursable from assessment, tax, or other revenue or receipts.

(2) IN GENERAL.—The net proceeds of a disposition or transfer of property described in paragraph (1) shall be—

(A) credited to the applicable reimbursable fund or appropriation; or

(B) paid to the federal agency that determined the property to be excess.

(3) CALCULATION OF NET PROCEEDS.—For purposes of this subsection, the net proceeds of a disposition or transfer of property are the proceeds less all expenses incurred for the disposition or transfer, including care and handling.

(4) ALTERNATIVE CREDIT TO MISCELLANEOUS RECEIPTS.—If the agency that determined the property to be excess decides that it is uneconomical or impractical to ascertain the amount of net proceeds, the proceeds shall be credited to miscellaneous receipts.

(b) SPECIAL ACCOUNT FOR REFUNDS OR PAYMENTS FOR BREACH.—

(1) DEPOSITS.—A federal agency that disposes of surplus property under this chapter may deposit, in a special account in the Treasury, amounts of the proceeds of the dispositions that the agency decides are necessary to permit—

(A) appropriate refunds to purchasers for dispositions that are rescinded or that do not become final; and

(B) payments for breach of warranty.

(2) WITHDRAWALS.—A federal agency that deposits proceeds in a special account under paragraph (1) may withdraw amounts to be refunded or paid from the account without regard to the origin of the amounts withdrawn.

(c) CREDIT TO COST OF CONTRACTOR’S WORK.—If a contract made by an executive agency, or a subcontract under that contract, authorizes the proceeds of a sale of property in the custody of a contractor or subcontractor to be credited to the price or cost of work covered by the contract or subcontract, then the proceeds of the sale shall be credited in accordance with the contract or subcontract.

(d) ACCEPTANCE OF PROPERTY INSTEAD OF CASH.—An executive agency entitled to receive cash under a contract for the lease, sale, or other disposition of surplus property may accept

property instead of cash if the President determines that the property is strategic or critical material. The property is valued at the prevailing market price when the cash payment becomes due.

(e) MANAGEMENT OF CREDIT, LEASES, AND PERMITS.—For a disposition of surplus property under this chapter, if credit has been extended, or if the disposition has been by lease or permit, the Administrator of General Services, in a manner and on terms the Administrator determines are in the best interest of the Federal Government—

(1) shall administer and manage the credit, lease, or permit, and any security for the credit, lease, or permit; and

(2) may enforce, adjust, and settle any right of the Government with respect to the credit, lease, or permit.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1107.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
574(a)	40:485(c).	June 30, 1949, ch. 288, title II, §204(c)-(g), formerly §204(b)-(f), 63 Stat. 389; redesignated §204(c)-(g), Aug. 31, 1954, ch. 1178, §1(a), 68 Stat. 1051; Pub. L. 96-41, §3(d), July 30, 1979, 93 Stat. 325.
574(b)	40:485(d).	
574(c)	40:485(e).	
574(d)	40:485(f).	
574(e)	40:485(g).	

In subsection (b)(1), the words “in the Treasury” are substituted for “with the Treasurer of the United States” because of section 1 of Reorganization Plan No. 26 of 1950 (eff. July 31, 1950, 64 Stat. 1280), restated as 31:321.

In subsection (e), the words “or by War Assets Administration (or its predecessor agencies) under the Surplus Property Act of 1944” are omitted because the War Assets Administration was abolished and its functions were transferred to the General Services Administration by section 105 of the Federal Property and Administrative Services Act of 1949 (ch. 288, 63 Stat. 381).

DELEGATION OF FUNCTIONS

Functions of President under subsec. (f) of section 485 of former Title 40, Public Buildings, Property, and Works (which was repealed and reenacted as subsec. (d) of this section by Pub. L. 107-217, §§1, 6(b), Aug. 21, 2002, 116 Stat. 1062, 1304), delegated to Secretary of Defense, see section 3 of Ex. Ord. No. 12626, Feb. 25, 1988, 53 F.R. 6114, set out as a note under section 98 of Title 50, War and National Defense.

SUBCHAPTER V—OPERATION OF BUILDINGS AND RELATED ACTIVITIES

§ 581. General authority of Administrator of General Services

[(a) Repealed. Pub. L. 107-296, title XVII, §1706(a)(1), Nov. 25, 2002, 116 Stat. 2316.]

(b) PERSONNEL AND EQUIPMENT.—The Administrator of General Services may—

(1) employ and pay personnel at per diem rates approved by the Administrator, not exceeding rates currently paid by private industry for similar services in the place where the services are performed; and

(2) purchase, repair, and clean uniforms for civilian employees of the General Services Ad-