

stores: operation” for “Commissary stores: private operation” in item 2482 and added item 2490a.

1993—Pub. L. 103-160, div. A, title XI, §1182(a)(8)(B), Nov. 30, 1993, 107 Stat. 1771, struck out item 2490a “Non-appropriated fund instrumentalities: financial management and use of nonappropriated funds”.

1992—Pub. L. 102-484, div. A, title III, §§362(b), 364(b)(1), Oct. 23, 1992, 106 Stat. 2380, 2382, substituted “limitations” for “limitation” in item 2487 and added item 2490a.

1990—Pub. L. 101-510, div. A, title III, §324(b)(2), Nov. 5, 1990, 104 Stat. 1531, amended item 2485 generally, substituting “Donation of unusable food: commissary stores and other activities” for “Commissary stores: donation of unmarketable food”.

1988—Pub. L. 100-370, §1(j)(2), July 19, 1988, 102 Stat. 848, added item 2490.

1987—Pub. L. 100-180, div. A, title III, §§311(a)(2), 313(a)(3), Dec. 4, 1987, 101 Stat. 1073, 1074, inserted “and pricing” in item 2486 and added item 2489.

1986—Pub. L. 99-661, div. A, title III, §313(c), Nov. 14, 1986, 100 Stat. 3853, added items 2486, 2487, and 2488.

1985—Pub. L. 99-145, title XIV, §1460(b), Nov. 8, 1985, 99 Stat. 765, added item 2485.

1984—Pub. L. 98-525, title XIV, §1401(i)(2), Oct. 19, 1984, 98 Stat. 2620, added item 2484.

Pub. L. 98-407, title VIII, §810(b), Aug. 28, 1984, 98 Stat. 1523, added item 2483.

#### SUBCHAPTER I—DEFENSE COMMISSARY AND EXCHANGE SYSTEMS

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2481.	Defense commissary and exchange systems: existence and purpose.
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#### AMENDMENTS

2006—Pub. L. 109-364, div. A, title X, §1071(a)(18), Oct. 17, 2006, 120 Stat. 2399, inserted period at end of item 2481.

2004—Pub. L. 108-375, div. A, title VI, §651(a)(3), Oct. 28, 2004, 118 Stat. 1964, added subchapter heading and items 2481 to 2485.

#### § 2481. Defense commissary and exchange systems: existence and purpose

(a) SEPARATE SYSTEMS.—The Secretary of Defense shall operate, in the manner provided by this chapter and other provisions of law, a world-wide system of commissary stores and a separate world-wide system of exchange stores. The stores of each system may sell, at reduced prices, food and other merchandise to members of the uniformed services on active duty, members of the uniformed services entitled to retired pay, dependents of such members, and persons authorized to use the system under chapter 54 of this title.

(b) PURPOSE OF SYSTEMS.—The defense commissary system and the exchange system are intended to enhance the quality of life of members of the uniformed services, retired members, and dependents of such members, and to support military readiness, recruitment, and retention.

(c) OVERSIGHT.—(1) The Secretary of Defense shall designate a senior official of the Department of Defense to oversee the operation of both the defense commissary system and the exchange system.

(2) The Secretary of Defense shall establish an executive governing body to provide advice to the senior official designated under paragraph (1) regarding the operation of the defense commissary and exchange systems and to ensure the complementary operation of the systems.

(d) REDUCED PRICES DEFINED.—In this section, the term “reduced prices” means prices for food and other merchandise determined using the price setting process specified in section 2484 of this title.

(Added Pub. L. 108-375, div. A, title VI, §651(a)(3), Oct. 28, 2004, 118 Stat. 1965.)

#### PRIOR PROVISIONS

A prior section 2481, added Pub. L. 108-136, div. A, title VI, §652(a), Nov. 24, 2003, 117 Stat. 1522, related to the existence of defense commissary system and exchange stores system, prior to repeal by Pub. L. 108-375, div. A, title VI, §651(a)(1), Oct. 28, 2004, 118 Stat. 1964.

Another prior section 2481 was renumbered section 2686 of this title.

#### PLAN TO OBTAIN BUDGET-NEUTRALITY FOR THE DEFENSE COMMISSARY SYSTEM AND THE MILITARY EXCHANGE SYSTEM

Pub. L. 114-92, div. A, title VI, §651, Nov. 25, 2015, 129 Stat. 854, provided that:

“(a) IN GENERAL.—Not later than March 1, 2016, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth a comprehensive plan to achieve by October 1, 2018, budget-neutrality in the delivery of commissary and exchange benefits while meeting the benchmarks set forth in subsection (c). In preparing the report, the Secretary shall consider the report required by section 634 of the Carl Levin and Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291; 128 Stat. 3406) and any other previous reports, studies, and surveys of matters appropriate to the report.

“(b) REPORT ELEMENTS.—The report required by subsection (a) shall include the following:

“(1) A description of any modifications to the commissary and exchange benefit systems the Secretary considers appropriate to obtain budget-neutrality in the delivery of commissary and exchange benefits, including the following:

“(A) The establishment of common business processes, practices, and systems to exploit synergies between the operations of defense commissaries and exchanges and to optimize the operations of the resale system and the benefits provided by the commissaries and exchanges.

“(B) The privatization of the defense commissary system and the military exchange system, in whole or in part.

“(C) Engagement of major commercial grocery retailers or other private sector entities to determine their willingness to provide eligible beneficiaries with discount savings on grocery products and certain household goods.

“(D) The closure of commissaries in locations in close proximity to other commissaries or in locations where commercial alternatives, through major grocery retailers, may be available.

“(2) An analysis of different pricing constructs to improve or enhance the delivery of commissary and exchange benefits.

“(3) A description of the impact of any modifications described pursuant to paragraph (1) on Morale, Welfare and Recreation (MWR) quality-of-life programs.

“(4) Such recommendations for legislative action as the Secretary considers appropriate to achieve by October 1, 2018, budget-neutrality in the delivery of commissary and exchange benefits while meeting the benchmarks set forth in subsection (c).