

threats to the national security of the United States and the projected emergency requirements of the armed forces; and

(9) to encourage facility use contracting where feasible.

(Added Pub. L. 106-398, §1 [[div. A], title III, §344(a)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-67; amended Pub. L. 109-163, div. A, title III, §323(c), Jan. 6, 2006, 119 Stat. 3194.)

AMENDMENTS

2006—Pars. (1), (8). Pub. L. 109-163 inserted “, storage, maintenance, renovation, and demilitarization” after “manufacturing”.

§ 4553. Armament Retooling and Manufacturing Support Initiative

(a) **AUTHORITY FOR INITIATIVE.**—The Secretary may carry out a program to be known as the “Armament Retooling and Manufacturing Support Initiative”.

(b) **PURPOSES.**—The purposes of the ARMS Initiative are as follows:

(1) To encourage commercial firms, to the maximum extent practicable, to use eligible facilities for commercial purposes.

(2) To increase the opportunities for small businesses (including socially and economically disadvantaged small business concerns and new small businesses) to use eligible facilities for those purposes.

(3) To maintain in the United States a work force having the skills necessary to meet industrial emergency planned requirements for national security purposes.

(4) To demonstrate innovative business practices, to support Department of Defense acquisition reform, and to serve as both a model and a laboratory for future defense conversion initiatives of the Department of Defense.

(5) To the maximum extent practicable, to allow the operation of eligible facilities to be rapidly responsive to the forces of free market competition.

(6) To reduce or eliminate the cost of Government ownership of eligible facilities, including the costs of operations and maintenance, the costs of environmental remediation, and other costs.

(7) To reduce the cost of products of the Department of Defense produced at eligible facilities.

(8) To leverage private investment at eligible facilities through long-term facility use contracts, property management contracts, leases, or other agreements that support and advance the policies and purposes of this chapter, for the following activities:

(A) Recapitalization of plant and equipment.

(B) Environmental remediation.

(C) Promotion of commercial business ventures.

(D) Other activities approved by the Secretary.

(9) To foster cooperation between the Department of the Army, property managers, commercial interests, and State and local agencies in the implementation of sustainable development strategies and investment in eli-

gible facilities made available for purposes of the ARMS Initiative.

(10) To reduce or eliminate the cost of asset disposal that would be incurred if property at an eligible facility was declared excess to the needs of the Department of the Army.

(c) **AVAILABILITY OF FACILITIES.**—The Secretary may make any eligible facility available for the purposes of the ARMS Initiative.

(d) **CONSIDERATION FOR LEASES.**—Section 1302 of title 40 shall not apply to uses of property or facilities in accordance with the ARMS Initiative.

(e) **PROGRAM SUPPORT.**—(1) Funds appropriated for purposes of the ARMS Initiative may be used for administrative support and management.

(2) A full annual accounting of such expenses for each fiscal year shall be provided to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on Armed Services and the Committee on Appropriations of the House of Representatives not later than March 30 of the following fiscal year.

(Added Pub. L. 106-398, §1 [[div. A], title III, §344(a)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-68; amended Pub. L. 108-178, §4(b)(5), Dec. 15, 2003, 117 Stat. 2641; Pub. L. 109-163, div. A, title III, §323(d), Jan. 6, 2006, 119 Stat. 3194.)

AMENDMENTS

2006—Subsec. (b)(3). Pub. L. 109-163 struck out “in manufacturing processes that are” after “having the skills”.

2003—Subsec. (d). Pub. L. 108-178 substituted “Section 1302 of title 40” for “Section 321 of the Act of June 30, 1932 (40 U.S.C. 303b),”.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-178 effective Aug. 21, 2002, see section 5 of Pub. L. 108-178, set out as a note under section 5334 of Title 5, Government Organization and Employees.

§ 4554. Property management contracts and leases

(a) **IN GENERAL.**—In the case of each eligible facility that is made available for the ARMS Initiative, the Secretary—

(1) shall make full use of facility use contracts, leases, and other such commercial contractual instruments as may be appropriate;

(2) shall evaluate, on the basis of efficiency, cost, emergency mobilization requirements, and the goals and purposes of the ARMS Initiative, the procurement of services from the property manager, including maintenance, operation, modification, infrastructure, environmental restoration and remediation, and disposal of ammunition manufacturing assets, and other services; and

(3) may, in carrying out paragraphs (1) and (2)—

(A) enter into contracts, and provide for subcontracts, for terms up to 25 years, as the Secretary considers appropriate and consistent with the needs of the Department of the Army and the goals and purposes of the ARMS Initiative; and

(B) use procedures that are authorized to be used under section 2304(c)(5) of this title