

Subsecs. (h), (i). Pub. L. 109-163, §321(b)(2), redesignated subsecs. (g) and (h) as (h) and (i), respectively. Former subsec. (i) redesignated (j).

Subsec. (j). Pub. L. 109-163, §321(b)(2), redesignated subsec. (i) as (j). Former subsec. (j) redesignated (k).

Pub. L. 109-163, §321(a), substituted “September 30, 2009.” for “September 30, 2009, and arrangements entered into under such subsection shall terminate not later than that date.”

Subsec. (k). Pub. L. 109-163, §321(b)(2), redesignated subsec. (j) as (k).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

#### CHAPTER 764—ARMAMENTS INDUSTRIAL BASE

Sec.	
7551.	Definitions.
7552.	Policy.
7553.	Armament Retooling and Manufacturing Support Initiative.
7554.	Property management contracts and leases.
7555.	ARMS Initiative loan guarantee program.

#### Editorial Notes

##### AMENDMENTS

2018—Pub. L. 115-232, div. A, title VIII, §808(e)(4), (f)(1), Aug. 13, 2018, 132 Stat. 1839, redesignated chapter 434 of this title as this chapter and items 4551 to 4555 as 7551 to 7555, respectively.

#### § 7551. Definitions

In this chapter:

(1) The term “ARMS Initiative” means the Armament Retooling and Manufacturing Support Initiative authorized by this chapter.

(2) The term “eligible facility” means a Government-owned, contractor-operated ammunition manufacturing facility, or a Government-owned, contractor-operated depot for the storage, maintenance, renovation, or demilitarization of ammunition, of the Department of the Army that is in an active, inactive, layaway, or caretaker status.

(3) The term “property manager” includes any person or entity managing an eligible facility made available under the ARMS Initiative through a property management contract.

(4) The term “property management contract” includes facility use contracts, site management contracts, leases, and other agreements entered into under the authority of this chapter.

(5) The term “Secretary” means the Secretary of the Army.

(Added Pub. L. 106-398, §1 [[div. A], title III, §344(a)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-67, §4551; amended Pub. L. 109-163, div. A, title III, §323(a), Jan. 6, 2006, 119 Stat. 3193; renumbered §7551, Pub. L. 115-232, div. A, title VIII, §808(d), Aug. 13, 2018, 132 Stat. 1839.)

#### Editorial Notes

##### AMENDMENTS

2018—Pub. L. 115-232 renumbered section 4551 of this title as this section.

2006—Par. (2). Pub. L. 109-163, §323(a), inserted “, or a Government-owned, contractor-operated depot for the storage, maintenance, renovation, or demilitarization of ammunition,” after “manufacturing facility”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

##### GUIDANCE REGARDING USE OF ORGANIC INDUSTRIAL BASE

Pub. L. 115-91, div. A, title III, §323, Dec. 12, 2017, 131 Stat. 1353, provided that: “Not later than 90 days after the date of the enactment of this Act [Dec. 12, 2017], the Secretary of the Army shall establish clear and prescriptive guidance on the process for conducting make-or-buy analyses for Army requirements, including the use of the organic industrial base.”

##### INCLUSION OF CERTAIN INDUSTRIAL PLANTS IN THE ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE

Pub. L. 114-328, div. A, title III, §323, Dec. 23, 2016, 130 Stat. 2076, as amended by Pub. L. 115-232, div. A, title VIII, §809(b)(8), Aug. 13, 2018, 132 Stat. 1841, provided that: “During the five-year period beginning on the date of the enactment of this Act [Dec. 23, 2016], the Secretary of Defense may treat a Government-owned, contractor-operated industrial plant of the Department of Defense as an eligible facility under section 7551(2) of title 10, United States Code.”

##### CONSIDERATION OF ARMY ARSENALS’ CAPABILITIES TO FULFILL MANUFACTURING REQUIREMENTS

Pub. L. 113-66, div. A, title III, §323, Dec. 26, 2013, 127 Stat. 733, provided that:

“(a) CONSIDERATION OF CAPABILITY OF ARSENALS.—When undertaking a make-or-buy analysis, a program executive officer or program manager of a military service or Defense Agency shall consider the capability of arsenals owned by the United States to fulfill a manufacturing requirement.

“(b) NOTIFICATION OF SOLICITATIONS.—Not later than 180 days after the date of the enactment of this Act [Dec. 26, 2013], the Secretary of Defense shall establish and begin implementation of a system for ensuring that the arsenals owned by the United States are notified of any solicitation that fulfills a manufacturing requirement for which there is no or limited domestic commercial source and which may be appropriate for manufacturing within an arsenal owned by the United States.”

#### § 7552. Policy

It is the policy of the United States—

(1) to encourage, to the maximum extent practicable, commercial firms to use Government-owned, contractor-operated ammunition manufacturing, storage, maintenance, renovation, and demilitarization facilities of the Department of the Army;

(2) to use such facilities for supporting programs, projects, policies, and initiatives that promote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

(3) to increase the manufacture of products inside the United States;

(4) to support policies and programs that provide manufacturers with incentives to as-

sist the United States in making more efficient and economical use of eligible facilities for commercial purposes;

(5) to provide, as appropriate, small businesses (including socially and economically disadvantaged small business concerns and new small businesses) with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

(8) to achieve, with respect to armaments manufacturing, storage, maintenance, renovation, and demilitarization capacity, an optimum level of readiness of the national technology and industrial base within the United States that is consistent with the projected 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, § 4552; amended Pub. L. 109-163, div. A, title III, § 323(c), Jan. 6, 2006, 119 Stat. 3194; renumbered § 7552, Pub. L. 115-232, div. A, title VIII, § 808(d), Aug. 13, 2018, 132 Stat. 1839.)

#### Editorial Notes

##### AMENDMENTS

2018—Pub. L. 115-232 renumbered section 4552 of this title as this section.

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

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

#### § 7553. 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 in-

dustrial 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 eligible 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, § 4553; 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; renumbered § 7553, Pub. L. 115-232, div. A, title VIII, § 808(d), Aug. 13, 2018, 132 Stat. 1839.)