

**Editorial Notes**

## AMENDMENTS

2018—Pub. L. 115-232 renumbered section 4553 of this title as this section.

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)”.

**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.

## 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.

**§ 7554. 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 3204(a)(5) of this title when the contractor or subcontractor is a source specified in law.

(b) CONSIDERATION FOR USE.—(1) To the extent provided in a contract entered into under this section for the use of property at an eligible facility that is accountable under the contract, the Secretary may accept consideration for such use that is, in whole or in part, in a form other than—

(A) rental payments; or

(B) revenue generated at the facility.

(2) Forms of consideration acceptable under paragraph (1) for a use of an eligible facility or any property at an eligible facility include the following:

(A) The improvement, maintenance, protection, repair, and restoration of the facility, the property, or any property within the

boundaries of the installation where the facility is located.

(B) Reductions in overhead costs.

(C) Reductions in product cost.

(D) The demilitarization and storage of conventional ammunition.

(3) The authority under paragraph (1) may be exercised without regard to section 3302(b) of title 31 and any other provision of law.

(Added Pub. L. 106-398, §1 [[div. A], title III, §344(a)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-69, §4554; amended Pub. L. 109-163, div. A, title III, §323(b), Jan. 6, 2006, 119 Stat. 3194; renumbered §7554, Pub. L. 115-232, div. A, title VIII, §808(d), Aug. 13, 2018, 132 Stat. 1839; Pub. L. 116-283, div. A, title XVIII, §1883(b)(2), Jan. 1, 2021, 134 Stat. 4294.)

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## AMENDMENTS

2021—Subsec. (a)(3)(B). Pub. L. 116-283 substituted “section 3204(a)(5)” for “section 2304(c)(5)”.

2018—Pub. L. 115-232 renumbered section 4554 of this title as this section.

2006—Subsec. (b)(2)(D). Pub. L. 109-163 added subpar. (D).

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

## 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.

## TEMPORARY AUTHORITY TO EXTEND CONTRACTS AND LEASES UNDER THE ARMS INITIATIVE

Pub. L. 114-92, div. A, title III, §343, Nov. 25, 2015, 129 Stat. 794, as amended by Pub. L. 115-232, div. A, title VIII, §809(b)(9), Aug. 13, 2018, 132 Stat. 1841; Pub. L. 117-81, div. A, title III, §374, Dec. 27, 2021, 135 Stat. 1667, provided that: “Contracts or subcontracts entered into pursuant to section 7554(a)(3)(A) of title 10, United States Code, on or before November 25, 2025, may include an option to extend the term of the contract or subcontract for an additional 25 years.”

**§ 7555. ARMS Initiative loan guarantee program**

(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary may carry out a loan guarantee program to encourage commercial firms to use eligible facilities under this chapter. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity to use an eligible facility under this chapter.

(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of