

119TH CONGRESS
2D SESSION

H. R. 10046

To authorize the Secretary of Defense to eliminate any internal Department of Defense depreciated costs or cancel any internal Department debts associated with depots and arsenal from accounts of a military department or the Department that are associated with certain capital expenditures that no longer generate revenue due to mission changes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 2026

Mr. CLOUD introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To authorize the Secretary of Defense to eliminate any internal Department of Defense depreciated costs or cancel any internal Department debts associated with depots and arsenal from accounts of a military department or the Department that are associated with certain capital expenditures that no longer generate revenue due to mission changes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Defense Expenditure
3 Planning for Optimizing Throughput and Sustainment
4 Act” or the “DEPOTS Act”.

5 **SEC. 2. CAPITAL EXPENDITURE WRITE-OFFS FOR DEPART-**
6 **MENT OF DEFENSE DEPOTS AND ARSENALS.**

7 (a) WRITE-OFFS.—

8 (1) IN GENERAL.—With respect to any depot or
9 arsenal of the Department of Defense, the Secretary
10 of Defense may write-off or eliminate any internal
11 Department accounting charges, such as remaining
12 depreciation or internal debt from an account of a
13 military department or the Department associated
14 with capital assets that do not generate revenue due
15 to mission realignments directed by the Federal Gov-
16 ernment.

17 (2) RECOVERY OF OUTLAYS.—Write-offs under
18 paragraph (1) shall be done in a manner than en-
19 sures any previous cash outlay from a revolving fund
20 is recovered.

21 (3) APPLICATION OF AUTHORITY.—The author-
22 ity under paragraph (1) applies only to financial bal-
23 ances within the accounts of a military department
24 or the Department of Defense, not to payments
25 owed to commercial contractors.

1 (b) DELEGATION.—The Secretary may delegate the
2 authority under subsection (a) to the Secretary of a mili-
3 tary department.

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