

107TH CONGRESS  
1ST SESSION

# H. R. 1970

To amend title 10, United States Code, to authorize Army arsenals to undertake to fulfill orders or contracts for articles or services in advance of the receipt of payment under certain circumstances.

---

## IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2001

Mr. McNULTY (for himself, Mr. EVANS, Mr. LEACH, and Mr. SWEENEY) introduced the following bill; which was referred to the Committee on Armed Services

---

## A BILL

To amend title 10, United States Code, to authorize Army arsenals to undertake to fulfill orders or contracts for articles or services in advance of the receipt of payment under certain circumstances.

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

3 **SECTION 1. PERFORMANCE OF ORDERS FOR ARTICLES OR**  
4 **SERVICES BY ARMY ARSENALS BEFORE RE-**  
5 **CEIPT OF PAYMENT.**

6 (a) AUTHORITY.—(1) Chapter 433 of title 10, United  
7 States Code, is amended by inserting after section 4541  
8 the following new section:

1 **“§ 4541a. Army arsenals: performance before receipt**  
2 **of payment**

3 “(a) AUTHORITY.—Regulations under section  
4 2208(h) of this title shall authorize the Army arsenals to  
5 undertake, with working-capital funds, to fulfill orders or  
6 contracts of customers referred to in subsection (b) for  
7 articles or services in advance of the receipt of payment  
8 for the articles or services.

9 “(b) TRANSACTIONS TO WHICH APPLICABLE.—The  
10 authority provided in subsection (a) applies with respect  
11 to an order or contract for articles or services that is  
12 placed or entered into, respectively, with an arsenal by a  
13 customer that—

14 “(1) is—

15 “(A) a department or agency of the United  
16 States;

17 “(B) a person using the articles or services  
18 in fulfillment of a contract of a department or  
19 agency of the United States; or

20 “(C) a person supplying the articles or  
21 services to a foreign government under sections  
22 22, 23, and 24 of the Arms Export Control Act  
23 (22 U.S.C. 2762, 2763, 2764); and

24 “(2) is eligible under any other provision of law  
25 to obtain the articles or services from the arsenal.”.

1       (2) The table of sections at the beginning of such  
2 chapter is amended by inserting after the item relating  
3 to section 4541 the following new item:

“4541a. Army arsenals: performance before receipt of payment.”.

4       (b) REGULATIONS.—The Secretary of Defense shall  
5 prescribe the regulations to carry out section 4541a of  
6 title 10, United States Code (as added by subsection (a)),  
7 not later than 60 days after the date of the enactment  
8 of this Act.

○