

**§ 40510. Liability**

(a) **LIABILITY OF CORPORATION.**—The corporation is liable for the acts of its officers and agents acting within the scope of their authority.

(b) **IMMUNITY OF INDIVIDUALS.**—A member or private individual is not liable for the obligations of the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40510(a) .....	36:801.	Aug. 14, 1958, Pub. L. 85–642, §§9(a) (1st sentence words after last comma), 11, 72 Stat. 599, 600.
40510(b) .....	36:799(a) (1st sentence words after last comma).	

**§ 40511. Distribution of assets on dissolution or final liquidation**

On dissolution or final liquidation of the corporation, any assets remaining after the discharge of all liabilities shall be distributed as provided by the board of directors, but in compliance with the bylaws.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40511 .....	36:805.	Aug. 14, 1958, Pub. L. 85–642, §15, 72 Stat. 600.

The word “satisfaction” is omitted as included in “discharge”, and the word “obligations” is omitted as included in “liabilities”. The words “outstanding” and “all Federal and State laws applicable thereto” are omitted as unnecessary.

**CHAPTER 407—CORPORATION FOR THE PROMOTION OF RIFLE PRACTICE AND FIREARMS SAFETY**

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**Editorial Notes**

AMENDMENTS

2016—Pub. L. 114–328, div. A, title X, §1096(c), Dec. 23, 2016, 130 Stat. 2441, added item 40728B.  
2006—Pub. L. 109–364, div. A, title III, §354(b), Oct. 17, 2006, 120 Stat. 2162, added item 40728A.

SUBCHAPTER I—CORPORATION

**§ 40701. Organization**

(a) **FEDERAL CHARTER.**—Corporation for the Promotion of Rifle Practice and Firearms Safety (in this chapter, the “corporation”) is a federally chartered corporation.

(b) **NON-GOVERNMENTAL STATUS.**—The corporation is a private corporation, not a department, agency, or instrumentality of the United States Government. An officer or employee of the corporation is not an officer or employee of the Government.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40701(a) .....	36:5501(a) (less “private, nonprofit”).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1611(a) (less “nonprofit”), (b)(1), 110 Stat. 515, 516.
40701(b) .....	36:5501(a) (related to private), (b)(1).	

Subsection (a) is substituted for the source provision for consistency in the revised title.

In subsection (b), the words “is not” are substituted for “shall not be considered to be” for clarity and to eliminate unnecessary words.

**Statutory Notes and Related Subsidiaries**

CONTINUATION OF ELIGIBILITY FOR CERTAIN CIVIL SERVICE BENEFITS FOR FORMER FEDERAL EMPLOYEES OF CIVILIAN MARKSMANSHIP PROGRAM

Pub. L. 104–106, div. A, title XVI, §1622, Feb. 10, 1996, 110 Stat. 521 [former 36 U.S.C. 5522], provided that:

“(a) **CONTINUATION OF ELIGIBILITY.**—Notwithstanding any other provision of law, a Federal employee who is employed by the Department of Defense to support the Civilian Marksmanship Program as of the day before the date of the transfer of the Program to the Corporation and is offered employment by the Corporation as part of the transition described in section 1612(d) [former 36 U.S.C. 5502(d)] may, if the employee becomes employed by the Corporation, continue to be eligible during continuous employment with the Corporation for the Federal health, retirement, and similar benefits (including life insurance) for which the employee would have been eligible had the employee continued to be employed by the Department of Defense. The employer’s contribution for such benefits shall be paid by the Corporation.

“(b) **REGULATIONS.**—The Director of the Office of Personnel Management shall prescribe regulations to carry out subsection (a).”

**§ 40702. Governing body**

(a) **BOARD OF DIRECTORS.**—(1) The board of directors is the governing body of the corporation.

The board of directors may adopt bylaws, policies, and procedures for the corporation and may take any other action that it considers necessary for the management and operation of the corporation.

(2) The board shall have at least 9 directors.

(3) The term of office of a director is 2 years. A director may be reappointed.

(4) A vacancy on the board of directors shall be filled by a majority vote of the remaining directors.

(b) DIRECTOR OF CIVILIAN MARKSMANSHIP.—(1) The board of directors shall appoint the Director of Civilian Marksmanship.

(2) The Director is responsible for—

(A) the daily operation of the corporation; and

(B) the duties of the corporation under subchapter II of this chapter.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1335.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
40702(a)(1) ..	36:5501(c)(2).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1611(c)(1)–(4), (d), 110 Stat. 516.
40702(a)(2) ..	36:5501(c)(1).	
40702(a)(3) ..	36:5501(c)(3).	
40702(a)(4) ..	36:5501(c)(4).	
40702(b)(1) ..	36:5501(d)(1).	
40702(b)(2) ..	36:5501(d)(2).	

In subsection (a)(1), the words “The board of directors is the governing body of the corporation” are added for consistency in the revised title.

In subsection (a)(3), the words “The term of office of a director is 2 years” are substituted for “Each member of the Board of Directors shall serve for a term of two years”, and the words “A director may be reappointed” are substituted for “Members of the Board of Directors are eligible for reappointment”, for consistency in the revised title and to eliminate unnecessary words.

In subsection (b)(1), the words “an individual to serve as” are omitted as unnecessary.

In subsection (b)(2), before clause (A), the words “is responsible for” are substituted for “shall be responsible for the performance of” to eliminate unnecessary words. In clause (B), the words “duties of the corporation under subchapter II of this chapter” are substituted for “functions described in section 5502” because subchapter II of this chapter restates 36:5502–5504 and 5507 and all of these sections provide for duties of the corporation that are the responsibility of the Director of Civilian Marksmanship.

Statutory Notes and Related Subsidiaries

INITIAL BOARD OF DIRECTORS

Pub. L. 104–106, div. A, title XVI, §1611(c)(5), Feb. 10, 1996, 110 Stat. 516 [former 36 U.S.C. 5501(c)(5)], provided that: “The Secretary of the Army shall appoint the initial Board of Directors. Four of the members of the initial Board of Directors, to be designated by the Secretary at the time of appointment, shall (notwithstanding paragraph (3)) [now 36 U.S.C. 40702(a)(3)] serve for a term of one year.”

§ 40703. Powers

The corporation may—

(1) adopt, use, and alter a corporate seal, which shall be judicially noticed;

(2) make contracts;

(3) acquire, own, lease, encumber, and transfer property as necessary or convenient to carry out the activities of the corporation;

(4) incur and pay obligations;

(5) charge fees to cover the corporation’s costs in carrying out the Civilian Marksmanship Program; and

(6) do any other act necessary and proper to carry out the activities of the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1336.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
40703(1) .....	36:5508(b).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1618(a)(1), (2), (b)–(e), 110 Stat. 520.
40703(2) .....	36:5508(c) (less “leases”).	
40703(3) .....	36:5508(a)(1), (c) (related to leases).	
40703(4) .....	36:5508(d).	
40703(5) .....	36:5508(a)(2).	
40703(6) .....	36:5508(e).	

In clause (2), the words “make contracts” are substituted for “enter into contracts” for consistency in the revised title. The words “agreements, or other transactions” are omitted as included in “contracts”.

Clause (3) is substituted for “The Corporation may solicit, accept, hold, use, and dispose of donations of money, property, and services received by gift, devise, bequest, or otherwise” in 36:5508(a)(1) and “enter into . . . leases” in 36:5508(c) for consistency in the revised title.

Clause (4) is substituted for “determine the character of, and necessity for, its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid and may incur, allow, and pay such obligations and expenditures” to eliminate unnecessary words.

In clause (5), the words “charge fees to cover the corporation’s costs” are substituted for “impose, collect, and retain such fees as are reasonably necessary to cover the direct and indirect costs of the Corporation” to eliminate unnecessary words.

Clause (6) is substituted for “take such other actions as are necessary or appropriate to carry out the authority provided in this section” for consistency in the revised title.

§ 40704. Restrictions

(a) PROFIT.—The corporation may not operate for profit.

(b) USE OF AMOUNTS COLLECTED.—Amounts collected under section 40703(3) and (5) of this title, including proceeds from the sale of firearms, ammunition, repair parts, and other supplies, may be used only to support the Civilian Marksmanship Program.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1336.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
40704(a) .....	36:5501(a) (related to nonprofit).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §§1611(a) (related to nonprofit), 1618(a)(3), 110 Stat. 515, 520.
40704(b) .....	36:5508(a)(3).	

In subsection (b), the words “ammunition, repair parts, and other supplies” are substituted for “ammunition, targets, and other supplies and appliances” for consistency in the revised title.

§ 40705. Duty to maintain tax-exempt status

The corporation shall be operated in a manner and for purposes that qualify the corporation for