SEC. 1013. AUTHORITY FOR USE OF AMOUNTS RECOVERED FOR DAMAGE TO GOVERNMENT PROPERTY.

(a) EXTENSION TO PERSONAL PROPERTY.—The first sentence of section 2782 of title 10, United States Code, is amended by striking "real property" both places it appears and inserting "Government property".

(b) AVAILABILITY OF RECOVERED FUNDS.—The second sentence of such section is amended—

(1) by striking "In such amounts as are provided in advance in appropriation Acts, amounts" and inserting "Amounts";

(2) by inserting "merged with, and" before "available for use";

(3) by inserting "and for the same period" after "same purposes"; and

(4) by inserting a comma after "circumstances as".

(c) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended by striking "**real**" and inserting "**Government**".

(2) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of chapter 165 of such title is amended to read as follows:

"2782. Damage to Government property; disposition of amounts recovered.".

Section-by-Section Analysis

This proposal would amend section 2782 of title 10, United States Code, to allow funds collected for damage to all Government property controlled by the Department of Defense (DoD) to be deposited into and obligated from the account responsible for the repair or replacement of the damaged Government property. Section 2782 currently provides authority to deposit the amount recovered for damage to real property into the account available for the repair or replacement of the real property at the time of recovery; however, the collected funds cannot be spent except as appropriated by law. Subsequent to the enactment of section 2782, no appropriations act has included the necessary language to allow expenditure of the funds, and

thus the funds must continue to be held in the relevant account for six years and then returned to the General Treasury.

The proposed change would allow the military departments to expend funds collected for the repair or replacement of all government property instead of returning the funds to the General Treasury after six years. Over the past three years, $1.4 million was collected for damage sustained to Air Force property, all of which eventually will be deposited into the General Treasury under current law. If the proposed changes are adopted, they would provide installation commanders the flexibility of spending the funds to repair or replace damaged government property, rather than taking the necessary funds for such unanticipated repair or replacement out of their operating budgets.

Budget Implications: The proposed changes would have no negative Department of Defense budgetary impact. The proposed change would allow the military departments to access and spend the funds recovered for damage to government property without needing language from an appropriations act allowing the military departments to spend the funds. This would prevent installation commanders from having to take funds from their operating budgets to repair or replace unanticipated damage to government property.

AIR FORCE

FISCAL YEAR	COLLECTIONS ($)
FY 10*	$ 500,000
FY 09	$ 684, 744
FY 08	$ 534, 203
FY 07	$ 859, 441
FY 06	$ 711, 342
TOTAL (FY06-10)	$3,289,730
ANNUAL AVERAGE	**$ 657,946**

*The FY10 figure is a projection for the entire fiscal year based upon recovery activities over the past two years.

ARMY

FISCAL YEAR	COLLECTIONS ($)
FY 10*	$1,200,000
FY 09	$1,249,753
FY 08	$1,240,361
FY 07	$1,059,427
FY 06	$ 806,357
TOTAL (FY06-10)	$5,555,898
ANNUAL AVERAGE	**$1,111,179**

*The FY10 figure is a projection for the entire fiscal year based upon recovery activities over the past two years.

NAVY

FISCAL YEAR	**COLLECTIONS ($)**
FY 10*	$ 50,000
FY 09	$ 59,171
FY 08	$ 141,096
FY 07	$ 270,814
FY 06	$ 195,000
TOTAL (FY06-10)	$ 696,081
ANNUAL AVERAGE	**$ 132,216**

*The FY10 figure is a projection for the entire fiscal year based upon recovery activities over the past three years, which are characterized by declining recovery dollars.

Five Year Projected Property Damage Collections FY11-15

Fiscal Year	**Air Force**	**Navy**	**Army**	**DOD**
2011	$ 657,946	$ 50,000	$1,111,179	$1,819,125
2012	$ 657,946	$ 50,000	$1,111,179	$1,819,125
2013	$ 657,946	$ 50,000	$1,111,179	$1,819,125
2014	$ 657,946	$ 50,000	$1,111,179	$1,819,125
2015	$ 657,946	$ 50,000	$1,111,179	$1,819,125
Total	$3,289,730	$ 250,000	$5,555,898	**$9,095,625**

Changes to Existing Law: This proposal would make the following changes to 10 U.S.C. 2782:

§ 2782. Damage to ~~real~~ Government property: disposition of amounts recovered

Except as provided in section 2775 of this title, amounts recovered for damage caused to ~~real~~ Government property under the jurisdiction of the Secretary of a military department or, with respect to the Defense Agencies, under the jurisdiction of the Secretary of Defense shall be credited to the account available for the repair or replacement of the ~~real~~ Government property at the time of recovery. ~~In such amounts as are provided in advance in appropriation Acts, a~~Amounts so credited shall be merged with, and available for use for the same purposes and for the same period and under the same circumstances as, other funds in the account.