

TITLE 10 - ARMED FORCES**Subtitle A - General Military Law****PART IV - SERVICE, SUPPLY, AND PROCUREMENT****CHAPTER 148 - NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE,
DEFENSE REINVESTMENT, AND DEFENSE CONVERSION****SUBCHAPTER V - MISCELLANEOUS TECHNOLOGY BASE POLICIES AND
PROGRAMS****§ 2538. Industrial mobilization: orders; priorities; possession of manufacturing plants; violations**

(a) **Ordering Authority.**— In time of war or when war is imminent, the President, through the head of any department, may order from any person or organized manufacturing industry necessary products or materials of the type usually produced or capable of being produced by that person or industry.

(b) **Compliance With Order Required.**— A person or industry with whom an order is placed under subsection (a), or the responsible head thereof, shall comply with that order and give it precedence over all orders not placed under that subsection.

(c) **Seizure of Manufacturing Plants Upon Noncompliance.**— In time of war or when war is imminent, the President, through the head of any department, may take immediate possession of any plant that is equipped to manufacture, or that in the opinion of the head of that department is capable of being readily transformed into a plant for manufacturing, arms or ammunition, parts thereof, or necessary supplies for the armed forces if the person or industry owning or operating the plant, or the responsible head thereof, refuses—

(1) to give precedence to the order as prescribed in subsection (b);

(2) to manufacture the kind, quantity, or quality of arms or ammunition, parts thereof, or necessary supplies, as ordered by the head of such department; or

(3) to furnish them at a reasonable price as determined by the head of such department.

(d) **Use of Seized Plant.**— The President, through the head of any department, may manufacture products that are needed in time of war or when war is imminent, in any plant that is seized under subsection (c).

(e) **Compensation Required.**— Each person or industry from whom products or materials are ordered under subsection (a) is entitled to fair and just compensation. Each person or industry whose plant is seized under subsection (c) is entitled to a fair and just rental.

(f) **Criminal Penalty.**— Whoever fails to comply with this section shall be imprisoned for not more than three years and fined under title 18.

(Added Pub. L. 103–160, div. A, title VIII, § 822(a)(1), Nov. 30, 1993, 107 Stat. 1704; amended Pub. L. 103–337, div. A, title VIII, § 811, Oct. 5, 1994, 108 Stat. 2815.)

Prior Provisions

Provisions similar to those in this section were contained in sections 4501 and 9501 of this title, prior to repeal by Pub. L. 103–160, § 822(a)(2).

Amendments

1994—Subsec. (a). Pub. L. 103–337, § 811(1), substituted “head of any department” for “Secretary of Defense”.

Subsec. (c). Pub. L. 103–337, § 811, substituted “through the head of any department” for “through the Secretary of Defense” and “opinion of the head of that department” for “opinion of the Secretary of Defense” in introductory provisions and “head of such department” for “Secretary” in pars. (2) and (3).

Subsec. (d). Pub. L. 103–337, § 811(1), substituted “head of any department” for “Secretary of Defense”.