

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

§ 8633. Auxiliary vessels: extended lease authority

(a) AUTHORIZED CONTRACTS.—Subject to subsection (b), the Secretary of the Navy may enter into contracts with private United States shipyards for the construction of new surface vessels to be acquired on a long-term lease basis by the United States from the shipyard or other private person for any of the following:

- (1) The combat logistics force of the Navy.
- (2) The strategic sealift force of the Navy.
- (3) Other auxiliary support vessels for the Department of Defense.

(b) CONTRACTS REQUIRED TO BE AUTHORIZED BY LAW.—A contract may be entered into under subsection (a) with respect to a specific vessel only if the Secretary is specifically authorized by law to enter into such a contract with respect to that vessel. As part of a request to Congress for enactment of any such authorization by law, the Secretary of the Navy shall provide to Congress the Secretary's findings under subsection (g).

(c) TERM OF CONTRACT.—In this section, the term “long-term lease” means a lease, bareboat charter, or conditional sale agreement with respect to a vessel the term of which (including any option period) is for a period of 20 years or more.

(d) OPTION TO BUY.—A contract entered into under subsection (a) may include options for the United States to purchase one or more of the vessels covered by the contract at any time during, or at the end of, the contract period (including any option period) upon payment of an amount equal to the lesser of (1) the unamortized portion of the cost of the vessel plus amounts incurred in connection with the termination of the financing arrangements associated with the vessel, or (2) the fair market value of the vessel.

(e) DOMESTIC CONSTRUCTION.—The Secretary shall require in any contract entered into under this section that each vessel to which the contract applies—

- (1) shall have been constructed in a shipyard within the United States; and
- (2) upon delivery, shall be documented under the laws of the United States.

(f) VESSEL OPERATION.—(1) The Secretary may operate a vessel held by the Secretary under a long-term lease under this section through a contract with a United States corporation with experience in the operation of vessels for the United States. Any such contract shall be for a term as determined by the Secretary.

(2) The Secretary may provide a crew for any such vessel using civil service mariners only after an evaluation taking into account—

- (A) the fully burdened cost of a civil service crew over the expected useful life of the vessel;

(B) the effect on the private sector manpower pool; and

(C) the operational requirements of the Department of the Navy.

(g) CONTINGENT WAIVER OF OTHER PROVISIONS OF LAW.—(1) The Secretary may waive the applicability of subsection (b)(2) of section 3672 and section 3675 of this title to a contract authorized by law as provided in subsection (b) if the Secretary makes the following findings with respect to that contract:

(A) The need for the vessels or services to be provided under the contract is expected to remain substantially unchanged during the contemplated contract or option period.

(B) There is a reasonable expectation that throughout the contemplated contract or option period the Secretary of the Navy (or, if the contract is for services to be provided to, and funded by, another military department, the Secretary of that military department) will request funding for the contract at the level required to avoid contract cancellation.

(C) The timeliness of consideration of the contract by Congress is such that such a waiver is in the interest of the United States.

(2) The Secretary shall submit a notice of any waiver under paragraph (1) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

(h) SOURCE OF FUNDS FOR TERMINATION LIABILITY.—If a contract entered into under this section is terminated, the costs of such termination may be paid from—

- (1) amounts originally made available for performance of the contract;
- (2) amounts currently available for operation and maintenance of the type of vessels or services concerned and not otherwise obligated; or
- (3) funds appropriated for those costs.

(Added Pub. L. 106-65, div. A, title X, §1014(a)(1), Oct. 5, 1999, 113 Stat. 741, §7233; renumbered §8633, Pub. L. 115-232, div. A, title VIII, §807(d)(1), Aug. 13, 2018, 132 Stat. 1836; Pub. L. 116-283, div. A, title XVIII, §1883(b)(2), Jan. 1, 2021, 134 Stat. 4294.)

Editorial Notes

PRIOR PROVISIONS

A prior section 8633, act Aug. 10, 1946, ch. 1041, 70A Stat. 532, provided for forfeiture of pay when dropped from rolls, prior to repeal by Pub. L. 87-649, §14c(55), Sept. 7, 1962, 76 Stat. 502, effective Nov. 1, 1962. See section 803 of Title 37, Pay and Allowances of the Uniformed Services.

AMENDMENTS

2021—Subsec. (g)(1). Pub. L. 116-283 substituted “subsection (b)(2) of section 3672 and section 3675” for “subsections (e)(2) and (f) of section 2401”.

2018—Pub. L. 115-232 renumbered section 7233 of this title as this section.

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EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation

and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

EFFECTIVE DATE

Pub. L. 106-65, div. A, title X, §1014(c), Oct. 5, 1999, 113 Stat. 742, provided that: “Section 7233 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1999.”

LONG-TERM LEASE OR CHARTER AUTHORITY FOR CERTAIN DOUBLE-HULL TANKERS AND OCEANOGRAPHIC VESSELS

Pub. L. 103-160, div. A, title I, §126, Nov. 30, 1993, 107 Stat. 1567, as amended by Pub. L. 104-106, div. D, title XLIII, §4321(i)(1)(A), Feb. 10, 1996, 110 Stat. 676, provided that:

“(a) AUTHORITY.—The Secretary of the Navy may enter into a long-term lease or charter for any double-hull tanker or oceanographic vessel constructed in a United States shipyard after the date of the enactment of this Act [Nov. 30, 1993] using assistance provided under the National Shipbuilding Initiative.

“(b) CONDITIONS ON OBLIGATION OF FUNDS.—Unless budget authority is specifically provided in an appropriations Act for the lease or charter of vessels pursuant to subsection (a), the Secretary may not enter into a contract for a lease or charter pursuant to that subsection unless the contract includes the following provisions:

“(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that lease or charter or that kind of vessel lease or charter.

“(2) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for that lease or charter, or that kind of lease or charter, for that fiscal year.

“(3) A statement that such a commitment given under paragraph (2) does not constitute an obligation of the United States.

“(c) INAPPLICABILITY OF CERTAIN LAWS.—A long-term lease or charter authorized by subsection (a) may be entered into without regard to the provisions of section 2401 [see 10 U.S.C. 3671 et seq.] or 2401a [see 10 U.S.C. 3678, 3681] of title 10, United States Code.

“(d) DEFINITION.—For purposes of subsection (a), the term ‘long-term lease or charter’ has the meaning given that term in subparagraph (A) of section 2401(d)(1) of title 10, United States Code [now 10 U.S.C. 3674(a)(1)(A)].”

§ 8634. Submarine safety programs: participation of NATO naval personnel

(a) ACCEPTANCE OF ASSIGNMENT OF FOREIGN NAVAL PERSONNEL.—In order to facilitate the development, standardization, and interoperability of submarine vessel safety and rescue systems and procedures, the Secretary of the Navy may conduct a program beginning on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2024 under which members of the naval service of any of the member nations of the North Atlantic Treaty Organization may be assigned to United States commands to work on such systems and procedures.

(b) RECIPROCITY NOT REQUIRED.—The authority under subsection (a) is not an exchange program. Reciprocal assignments of members of the Navy to the naval service of a foreign country is not a condition for the exercise of such authority.

(c) COSTS FOR FOREIGN PERSONNEL.—(1) The United States may not pay the following costs for a member of a foreign naval service sent to the United States under the program authorized by this section:

- (A) Salary.
- (B) Per diem.
- (C) Cost of living.
- (D) Travel costs.
- (E) Cost of language or other training.
- (F) Other costs.

(2) Paragraph (1) does not apply to the following costs, which may be paid by the United States:

(A) The cost of temporary duty directed by the Secretary of the Navy or an officer of the Navy authorized to do so.

(B) The cost of training programs conducted to familiarize, orient, or certify members of foreign naval services regarding unique aspects of their assignments.

(C) Costs incident to the use of the facilities of the Navy in the performance of assigned duties.

(d) RELATIONSHIP TO OTHER AUTHORITY.—The provisions of this section shall apply in the exercise of any authority of the Secretary of the Navy to enter into an agreement with the government of a foreign country, subject to the concurrence of the Secretary of State, to provide for the assignment of members of the naval service of the foreign country to a Navy submarine safety program. The Secretary of the Navy may prescribe regulations for the application of this section in the exercise of such authority.

(Added Pub. L. 108-375, div. A, title XII, §1223(a), Oct. 28, 2004, 118 Stat. 2089, §7234; renumbered §8634, Pub. L. 115-232, div. A, title VIII, §807(d)(1), Aug. 13, 2018, 132 Stat. 1836; amended Pub. L. 118-31, div. A, title XII, §1248, Dec. 22, 2023, 137 Stat. 464.)

Editorial Notes

REFERENCES IN TEXT

The date of the enactment of the National Defense Authorization Act for Fiscal Year 2024, referred to in subsec. (a), is the date of enactment of Pub. L. 118-31, which was approved Dec. 22, 2023.

PRIOR PROVISIONS

A prior section 8634, act Aug. 10, 1956, ch. 1041, 70A Stat. 532; Pub. L. 101-510, div. A, title III, §327(c), Nov. 5, 1990, 104 Stat. 1532, generally prohibited Air Force band from being paid for performance outside air base, prior to repeal by Pub. L. 110-181, div. A, title V, §590(b)(1), Jan. 28, 2008, 122 Stat. 138. See section 974 of this title.

AMENDMENTS

2023—Subsec. (a). Pub. L. 118-31, §1248(b), substituted “the Secretary of the Navy may conduct a program beginning on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year