

Act (41 U.S.C. 414) and related implementing regulations and directives.

(Added Pub. L. 111-281, title IV, §402(a), Oct. 15, 2010, 124 Stat. 2948, §576; renumbered §1136, Pub. L. 115-282, title I, §108(b), Dec. 4, 2018, 132 Stat. 4208.)

Editorial Notes

REFERENCES IN TEXT

Section 16 of the Office of Federal Procurement Policy Act, referred to in par. (2), is section 16 of Pub. L. 93-400, which was classified to section 414 of former Title 41, Public Contracts, and was repealed and reenacted as section 1702 of Title 41, Public Contracts, by Pub. L. 111-350, §§3, 7(b), Jan. 4, 2011, 124 Stat. 3677, 3855.

AMENDMENTS

2018—Pub. L. 115-282 renumbered section 576 of this title as this section.

§ 1137. Contracting for major acquisitions programs

(a) IN GENERAL.—In carrying out authorities provided to the Secretary to design, construct, accept, or otherwise acquire assets and systems under section 501(d), the Secretary, acting through the Commandant or the head of an integrated program office established for a major acquisition program, may enter into contracts for a major acquisition program and 3 Polar Security Cutters in addition to those approved as part of a major acquisition program on November 1, 2019.

(b) AUTHORIZED METHODS.—Contracts entered into under subsection (a)—

- (1) may be block buy contracts;
- (2) may be incrementally funded;
- (3) may include combined purchases, also known as economic order quantity purchases, of—
 - (A) materials and components; and
 - (B) long lead time materials; and

(4) as provided in section 3501 of title 10, may be multiyear contracts.

(c) SUBJECT TO APPROPRIATIONS.—Any contract entered into under subsection (a) shall provide that any obligation of the United States to make a payment under the contract is subject to the availability of amounts specifically provided in advance for that purpose in subsequent appropriations Acts.

(Added Pub. L. 115-282, title III, §311(b), Dec. 4, 2018, 132 Stat. 4249; amended Pub. L. 116-283, div. G, title LVXXXI [LXXXI], §8111(b), Jan. 1, 2021, 134 Stat. 4639; Pub. L. 117-81, div. A, title XVII, §1702(d)(2), Dec. 27, 2021, 135 Stat. 2156.)

Editorial Notes

AMENDMENTS

2021—Subsec. (a). Pub. L. 116-283 inserted “and 3 Polar Security Cutters in addition to those approved as part of a major acquisition program on November 1, 2019” before period at end.

Subsec. (b)(4). Pub. L. 117-81 substituted “section 3501” for “section 2306b”.

Statutory Notes and Related Subsidiaries

INTERNAL REGULATIONS AND POLICY

Pub. L. 115-282, title III, §311(e), Dec. 4, 2018, 132 Stat. 4249, provided that: “Not later than 180 days after the

date of enactment of this Act [Dec. 4, 2018], the Secretary of the department in which the Coast Guard is operating shall establish the internal regulations and policies necessary to exercise the authorities provided under this section [enacting this section, amending section 501 of this title, enacting provisions set out as a note under section 1133 of this title, amending provisions formerly set out as a note under former section 573 of this title, and repealing provisions set out as notes under former sections 87 and 577 of this title], including the amendments made in this section.”

SUBCHAPTER III—PROCUREMENT

Editorial Notes

AMENDMENTS

2018—Pub. L. 115-282, title I, §108(c)(4), Dec. 4, 2018, 132 Stat. 4210, inserted subchapter III designation and heading.

Statutory Notes and Related Subsidiaries

PROHIBITION ON MAJOR ACQUISITION CONTRACTS WITH ENTITIES ASSOCIATED WITH CHINESE COMMUNIST PARTY

Pub. L. 117-263, div. K, title CXII, §11267, Dec. 23, 2022, 136 Stat. 4063, provided that:

“(a) IN GENERAL.—The Commandant [of the Coast Guard] may not award any major acquisition contract until the Commandant receives a certification from the party that it has not, during the 10-year period preceding the planned date of award, directly or indirectly held an economic interest in an entity that is—

“(1) owned or controlled by the People’s Republic of China; and

“(2) part of the defense industry of the Chinese Communist Party.

“(b) INAPPLICABILITY TO TAIWAN.—Subsection (a) shall not apply with respect to an economic interest in an entity owned or controlled by Taiwan.”

§ 1151. Restriction on construction of vessels in foreign shipyards

(a) Except as provided in subsection (b), no Coast Guard vessel, and no major component of the hull or superstructure of a Coast Guard vessel, may be constructed in a foreign shipyard.

(b) The President may authorize exceptions to the prohibition in subsection (a) when the President determines that it is in the national security interest of the United States to do so. The President shall transmit notice to Congress of any such determination, and no contract may be made pursuant to the exception authorized until the end of the 30-day period beginning on the date the notice of such determination is received by Congress.

(Added Pub. L. 100-448, §26(a), Sept. 28, 1988, 102 Stat. 1847, §665; renumbered §1151, Pub. L. 115-282, title I, §108(b), Dec. 4, 2018, 132 Stat. 4208.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115-282 renumbered section 665 of this title as this section.

§ 1152. Advance procurement funding

(a) IN GENERAL.—With respect to any Coast Guard vessel for which amounts are appropriated and any amounts otherwise made available for vessels for the Coast Guard in any fiscal year, the Commandant may enter into a con-

tract or place an order, in advance of a contract or order for construction of a vessel, for—

- (1) materials, parts, components, and labor for the vessel;
- (2) the advance construction of parts or components for the vessel;
- (3) protection and storage of materials, parts, or components for the vessel; and
- (4) production planning, design, and other related support services that reduce the overall procurement lead time of the vessel.

(b) USE OF MATERIALS, PARTS, AND COMPONENTS MANUFACTURED IN THE UNITED STATES.—In entering into contracts and placing orders under subsection (a), the Commandant may give priority to persons that manufacture materials, parts, and components in the United States.

(Added Pub. L. 112–213, title II, §211(a), Dec. 20, 2012, 126 Stat. 1551, §577; amended Pub. L. 115–232, div. C, title XXXV, §3531(c)(7), Aug. 13, 2018, 132 Stat. 2320; renumbered §1152, Pub. L. 115–282, title I, §108(b), Dec. 4, 2018, 132 Stat. 4208.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115–282 renumbered section 577 of this title as this section.

Subsec. (a). Pub. L. 115–232 substituted “Commandant” for “Commandant of the Coast Guard” in introductory provisions.

Statutory Notes and Related Subsidiaries

LONG LEAD TIME MATERIALS AND VESSEL PRODUCTION; IMMEDIATE AVAILABILITY OF FUNDING

Pub. L. 113–6, div. D, title V, §557, Mar. 26, 2013, 127 Stat. 377, provided that:

“(a) Notwithstanding Office of Management and Budget Circular A–11, funds made available in fiscal year 2013, or any fiscal year thereafter, under Department of Homeland Security, Coast Guard, ‘Acquisition, Construction, and Improvements’ for—

“(1) long lead time materials, components, and designs of a vessel of the Coast Guard shall be immediately available and allotted to make a contract award notwithstanding the availability of funds for production, outfitting, post-delivery activities, and spare or repair parts; and

“(2) production of a vessel of the Coast Guard shall be immediately available and allotted to make a contract award notwithstanding the availability of funds for outfitting, post-delivery activities, and spare or repair parts.

“(b) The Secretary of Homeland Security shall develop fiscal policy that prescribes Coast Guard budgetary policies, procedures and technical direction necessary to comply with subsection (a) of this section and consistent with the Department of Defense Financial Management Regulation (Volume 2A, Chapter 1 C. Procedures for Full Funding) to include the costs associated with outfitting and post-delivery activities; spare and repair parts; and long lead time materials. The requirement set forth in this section shall not preclude the immediate availability or allotment of funds for fiscal year 2013, pursuant to subsection (a).

“(c) In this section—

“(1) the term ‘long lead time items’ means components, parts, material, or effort which must be procured in advance of the production award in order to maintain the production schedule;

“(2) the term ‘outfitting’ means procurement or installation of onboard repair parts, other secondary items, equipment, and recreation items;

precommissioning crew support; general use consumables furnished to the shipbuilder; the fitting out activity to fill a vessel’s initial allowances; and contractor-furnished spares; and

“(3) the term ‘post-delivery activities’ means design, planning, Government-furnished material, and related labor for non-production and non-long lead time items contract activities and other work, including certifications, full operational capability activities and other equipment installation; spares, logistics, technical analysis, and support; correction of Government-responsible defects and deficiencies identified during builders trials, acceptance trials, and testing during the post-delivery period; costs of all work required to correct defects or deficiencies identified during the post-delivery period; and costs of all work required to correct trial card deficiencies on a vessel of a particular class, as well as on subsequent vessels of that class (whether or not delivered) until the corrective action for that cutter class is completed.”

§ 1153. Prohibition on overhaul, repair, and maintenance of Coast Guard vessels in foreign shipyards

A Coast Guard vessel the home port of which is in the United States or Guam may not be overhauled, repaired, or maintained in a shipyard outside the United States or Guam, other than in the case of voyage repairs.

(Added Pub. L. 104–324, title III, §311(a), Oct. 19, 1996, 110 Stat. 3920, §96; amended Pub. L. 111–281, title II, §218, Oct. 15, 2010, 124 Stat. 2918; renumbered §1153, Pub. L. 115–282, title I, §108(b), Dec. 4, 2018, 132 Stat. 4208.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115–282 renumbered section 96 of this title as this section.

2010—Pub. L. 111–281 substituted “in the United States or Guam” for “in a State of the United States” and inserted “or Guam” after “outside the United States”.

§ 1154. Procurement of buoy chain

(a) Except as provided in subsection (b), the Coast Guard may not procure buoy chain—

(1) that is not manufactured in the United States; or

(2) substantially all of the components of which are not produced or manufactured in the United States.

(b) The Coast Guard may procure buoy chain that is not manufactured in the United States if the Secretary determines that—

(1) the price of buoy chain manufactured in the United States is unreasonable; or

(2) emergency circumstances exist.

(Added Pub. L. 104–324, title XI, §1128(a), Oct. 19, 1996, 110 Stat. 3984, §97; renumbered §1154, Pub. L. 115–282, title I, §108(b), Dec. 4, 2018, 132 Stat. 4208.)

Editorial Notes

AMENDMENTS

2018—Pub. L. 115–282 renumbered section 97 of this title as this section.

§ 1155. Contract termination

(a) IN GENERAL.—