

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.—

(1) NOTIFICATION.—Before terminating a procurement or acquisition contract with a total value of more than \$1,000,000, the Commandant of the Coast Guard shall notify each vendor under such contract and require the vendor to maintain all work product related to the contract until the earlier of—

(A) not less than 1 year after the date of the notification; or

(B) the date the Commandant notifies the vendor that maintenance of such work product is no longer required.

(b) WORK PRODUCT DEFINED.—In this section the term “work product”—

(1) means tangible and intangible items and information produced or possessed as a result of a contract referred to in subsection (a); and

(2) includes—

(A) any completed end items;

(B) any uncompleted end items; and

(C) any property in the contractor’s possession in which the United States Government has an interest.

(c) PENALTY.—A vendor that fails to maintain work product as required under subsection (a) is liable to the United States for a civil penalty of not more than \$25,000 for each day on which such work product is unavailable.

(d) REPORT.—

(1) IN GENERAL.—Except as provided in paragraph (2), not later than 45 days after the end of each fiscal year the Commandant of the Coast Guard shall provide to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report detailing—

(A) all Coast Guard contracts with a total value of more than \$1,000,000 that were terminated in the fiscal year;

(B) all vendors who were notified under subsection (a)(1) in the fiscal year, and the date of such notification;

(C) all criminal, administrative, and other investigations regarding any contract with a total value of more than \$1,000,000 that were initiated by the Coast Guard in the fiscal year;

(D) all criminal, administrative, and other investigations regarding contracts with a total value of more than \$1,000,000 that were completed by the Coast Guard in the fiscal year; and

(E) an estimate of costs incurred by the Coast Guard, including contract line items and termination costs, as a result of the requirements of this section.

(2) LIMITATION.—The Commandant is not required to provide a report under paragraph (1) for any fiscal year for which there is no responsive information as described in subparagraphs (A) through (E) of paragraph (1).

(Added Pub. L. 115–232, div. C, title XXXV, § 3523(a), Aug. 13, 2018, 132 Stat. 2315, § 657; renumbered § 1155, Pub. L. 115–282, title I, § 108(b), Dec. 4, 2018, 132 Stat. 4208.)

#### Editorial Notes

##### AMENDMENTS

2018—Pub. L. 115–282 renumbered section 657 of this title as this section.

#### § 1156. Limitation on unmanned aircraft systems

(a) IN GENERAL.—During any fiscal year for which funds are appropriated for the design or construction of an Offshore Patrol Cutter, the Commandant—

(1) may not award a contract for design of an unmanned aircraft system for use by the Coast Guard; and

(2) may lease, acquire, or acquire the services of an unmanned aircraft system only if such system—

(A) has been part of a program of record of, procured by, or used by a Federal entity (or funds for research, development, test, and evaluation have been received from a Federal entity with regard to such system) before the date on which the Commandant leases, acquires, or acquires the services of the system; and

(B) is leased, acquired, or utilized by the Commandant through an agreement with a Federal entity, unless such an agreement is not practicable or would be less cost-effective than an independent contract action by the Coast Guard.

(b) SMALL UNMANNED AIRCRAFT EXEMPTION.—Subsection (a)(2) does not apply to small unmanned aircraft.

(c) DEFINITIONS.—In this section, the terms “small unmanned aircraft” and “unmanned aircraft system” have the meanings given those terms in section 44801 of title 49.

(Added Pub. L. 115–282, title III, § 304(b), Dec. 4, 2018, 132 Stat. 4244; amended Pub. L. 117–263, div. K, title CXVIII, § 11803(b), Dec. 23, 2022, 136 Stat. 4163.)

#### Editorial Notes

##### AMENDMENTS

2022—Subsec. (c). Pub. L. 117–263 substituted “section 44801 of title 49” for “section 331 of the FAA Modernization and Reform Act of 2012 (49 U.S.C. 40101 note)”.

#### Statutory Notes and Related Subsidiaries

##### PROHIBITION ON OPERATION OR PROCUREMENT OF FOREIGN-MADE UNMANNED AIRCRAFT SYSTEMS

Pub. L. 116–283, div. G, title LVXXXIV [LXXXIV], § 8414, Jan. 1, 2021, 134 Stat. 4725, as amended by Pub. L. 117–263, div. K, title CXII, § 11255, Dec. 23, 2022, 136 Stat. 4055, provided that:

“(a) PROHIBITION ON AGENCY OPERATION OR PROCUREMENT.—The Commandant [of the Coast Guard] may not operate or enter into or renew a contract for the procurement of—

“(1) an unmanned aircraft system that—

“(A) is manufactured in a covered foreign country or by an entity domiciled in a covered foreign country;

“(B) uses flight controllers, radios, data transmission devices, cameras, or gimbals manufactured in a covered foreign country or by an entity domiciled in a covered foreign country;

“(C) uses a ground control system or operating software developed in a covered foreign country or by an entity domiciled in a covered foreign country; or

“(D) uses network connectivity or data storage located in or administered by an entity domiciled in a covered foreign country; or

“(2) a system manufactured in a covered foreign country or by an entity domiciled in a covered for-