

(b) ANNUAL PAYMENTS BY THE SECRETARY.—

(1) IN GENERAL.—An Operating Agreement under this chapter shall require, subject to the availability of appropriations, that the Secretary make payment to the Contractor in accordance with section 53206.

(2) OPERATING AGREEMENT IS AN OBLIGATION OF THE UNITED STATES GOVERNMENT.—An Operating Agreement under this chapter constitutes a contractual obligation of the United States Government to pay the amounts provided for in the Operating Agreement to the extent of actual appropriations.

(c) DOCUMENTATION REQUIREMENT.—Each vessel covered by an Operating Agreement (including an Agreement terminated under section 53204(c)(2)) shall remain documented under chapter 121 of this title, until the date the Operating Agreement would terminate according to its own terms.

(d) NATIONAL SECURITY REQUIREMENTS.—

(1) IN GENERAL.—A Contractor with respect to an Operating Agreement (including an Agreement terminated under section 53204(c)(2)) shall continue to be bound by the provisions of section 53207 until the date the Operating Agreement would terminate according to its terms.

(2) CONTINGENCY AGREEMENT WITH OPERATING AGENCY.—All terms and conditions of a Contingency Agreement entered into under section 53207 shall remain in effect until a date the Operating Agreement would terminate according to its terms, except that the terms of such Contingency Agreement may be modified by the mutual consent of the Contractor, and the Operating Agency.

(e) TRANSFER OF OPERATING AGREEMENTS.—Operating Agreements shall not be transferrable by the Contractor.

(f) REPLACEMENT VESSEL.—A Contractor may replace a vessel under an Operating Agreement with another vessel that is eligible to be included in the Fleet under section 53202(b), if the Secretary and the Operating Agency jointly determine that the replacement vessel meets national security requirements and approve the replacement.

(Added Pub. L. 116-92, div. C, title XXXV, § 3521(a), Dec. 20, 2019, 133 Stat. 1994.)

§ 53206. Payments

(a) ANNUAL PAYMENT.—

(1) IN GENERAL.—The Secretary, subject to availability of appropriations and other provisions of this section, shall pay to the Contractor for an operating agreement, for each vessel that is covered by the operating agreement, an amount equal to \$5,000,000 for each fiscal year 2021 through 2035.

(2) TIMING.—This amount shall be paid in equal monthly installments at the end of each month. The amount shall not be reduced except as provided by this section or section 51307(b).

(b) CERTIFICATION REQUIRED FOR PAYMENT.—As a condition of receiving payment under this section for a fiscal year for a vessel, the Contractor for the vessel shall certify that the vessel has

been and will be operated in accordance with section 53205(a)(1) for 365 days in each fiscal year. Up to thirty (30) days during which the vessel is drydocked, surveyed, inspected, or repaired shall be considered days of operation for purposes of this subsection.

(c) GENERAL LIMITATIONS.—The Secretary shall not make any payment under this chapter for a vessel with respect to any days for which the vessel is—

(1) not operated or maintained in accordance with an Operating Agreement under this chapter; or

(2) more than 40 years of age.

(d) REDUCTIONS IN PAYMENTS.—With respect to payments under this chapter for a vessel covered by an Operating Agreement, the Secretary shall make a pro rata reduction for each day less than 365 in a fiscal year that the vessel is not operated in accordance with section 53205(a)(1), with days during which the vessel is drydocked or undergoing survey, inspection or repair to be considered days on which the vessel is operated as provided in subsection (b).

(Added Pub. L. 116-92, div. C, title XXXV, § 3521(a), Dec. 20, 2019, 133 Stat. 1995; amended Pub. L. 117-263, div. C, title XXXV, § 3517(b)(2), Dec. 23, 2022, 136 Stat. 3074.)

Editorial Notes

AMENDMENTS

2022—Subsec. (a)(2). Pub. L. 117-263 inserted “or section 51307(b)” after “this section”.

§ 53207. National security requirements

(a) CONTINGENCY AGREEMENT REQUIRED.—The Secretary shall include in each Operating Agreement under this chapter a requirement that the Contractor enter into a Contingency Agreement with the Operating Agency. The Operating Agency shall negotiate and enter into a Contingency Agreement with each Contractor as promptly as practicable after the Contractor has entered into an Operating Agreement under this chapter.

(b) TERMS OF CONTINGENCY AGREEMENT.—

(1) IN GENERAL.—A Contingency Agreement under this section shall require that a Contractor for a vessel covered by an Operating Agreement under this chapter make the vessel, including all necessary resources to engage in Cable Services required by the Operating Agency, available upon request by the Operating Agency.

(2) TERMS.—

(A) IN GENERAL.—The basic terms of a Contingency Agreement shall be established (subject to subparagraph (B)) by the Operating Agency.

(B) ADDITIONAL TERMS.—The Operating Agency and a Contractor may agree to additional or modifying terms appropriate to the Contractor’s circumstances.

(c) DEFENSE MEASURES AGAINST UNAUTHORIZED SEIZURES.—(1) The Contingency Agreement shall require that any vessel operating under the direction of the Operating Agency operating in area that is designated by the Coast Guard as an area of high risk of piracy shall be equipped