and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

ANNUAL REPORT ON COAST GUARD CAPABILITIES AND READINESS TO FULFILL NATIONAL DEFENSE RESPON-SIBILITIES

Pub. L. 107–295, title IV, § 426, Nov. 25, 2002, 116 Stat. 2126, provided that: "Not later than February 15 each year, the Secretary of the department in which the Coast Guard is operating shall submit 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, prepared in conjunction with the Commandant of the Coast Guard, setting forth the capabilities and readiness of the Coast Guard to fulfill its national defense responsibilities."

§ 3. Relationship to Navy Department

Upon the declaration of war if Congress so directs in the declaration or when the President directs, the Coast Guard shall operate as a service in the Navy, and shall so continue until the President, by Executive order, transfers the Coast Guard back to the Department of Homeland Security. While operating as a service in the Navy, the Coast Guard shall be subject to the orders of the Secretary of the Navy who may order changes in Coast Guard operations to render them uniform, to the extent he deems advisable, with Navy operations.

(Aug. 4, 1949, ch. 393, 63 Stat. 496; Pub. L. 94–546, $\S1(2)$, Oct. 18, 1976, 90 Stat. 2519; Pub. L. 107–296, title XVII, $\S1704(a)$, Nov. 25, 2002, 116 Stat. 2314; Pub. L. 109–241, title II, $\S211$, July 11, 2006, 120 Stat. 523.)

HISTORICAL AND REVISION NOTES

Based on title 14, U.S.C., 1946 ed., 1 (Jan. 28, 1915, ch. 20, 1, 38 Stat. 800; July 11, 1941, ch. 290, 5, 6(a), 55 Stat. 585.

Said section has been divided. The provisions relating to when the Coast Guard operates as a service in the Navy are in this section. The provisions relating to the establishment of the Coast Guard are placed in section 1 of this title. The provisions relating to appropriations are placed in section 4 of this title.

Changes were made in phraseology. 81st Congress, House Report No. 557.

AMENDMENTS

 $2006\mathrm{-Pub}.$ L. $109\mathrm{-}241$ inserted "if Congress so directs in the declaration" after "Upon the declaration of war".

2002—Pub. L. 107-296 substituted "Department of Homeland Security" for "Department of Transportation".

1976—Pub. L. 94-546 substituted "Executive" for "executive" and "Department of Transportation" for "Treasury Department".

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–296 effective on the date of transfer of the Coast Guard to the Department of Homeland Security, see section 1704(g) of Pub. L. 107–296, set out as a note under section 101 of Title 10, Armed Forces.

§ 4. Operation as a service in the Navy

Whenever the Coast Guard operates as a service in the Navy:

(a) applicable appropriations of the Navy Department shall be available for the expense of the Coast Guard;

- (b) applicable appropriations of the Coast Guard shall be available for transfer to the Navy Department:
- (c) precedence between commissioned officers of corresponding grades in the Coast Guard and the Navy shall be determined by the date of rank stated by their commissions in those grades;
- (d) personnel of the Coast Guard shall be eligible to receive gratuities, medals, and other insignia of honor on the same basis as personnel in the naval service or serving in any capacity with the Navy; and
- (e) the Secretary may place on furlough any officer of the Coast Guard and officers on furlough shall receive one half of the pay to which they would be entitled if on leave of absence, but officers of the Coast Guard Reserve shall not be so placed on furlough.

(Aug. 4, 1949, ch. 393, 63 Stat. 497; May 5, 1950, ch. 169, §14(u), 64 Stat. 148; Pub. L. 89–444, §1(1), June 9, 1966, 80 Stat. 195.)

HISTORICAL AND REVISION NOTES

Subsections (a) and (b) are based on title 14, U.S.C., 1946 ed., $\S 1$ (Jan. 28, 1915, ch. 20, $\S 1$, 38 Stat. 800; July 11, 1941, ch. 290, $\S \S 5$, 6(a), 55 Stat. 585).

Said section has been divided. The provisions relating to appropriations are in this section. The provisions relating to establishment of the Coast Guard are placed in section 1 of this title. The provisions relating to when the Coast Guard operates as a service in the Navy are placed in section 3 of this title.

The substantive changes relating to the availability of appropriations when the Coast Guard is transferred to the Navy were suggested by the Bureau of the Budget (July 11, 1941, ch. 290, §6 (a), 55 Stat. 585).

Subsection (c) is based on title 14, U.S.C., 1946 ed., §7 (Aug. 29, 1916, ch. 417, 39 Stat. 600).

Subsection (d) is derived from title 34, U.S.C., 1946 ed., §§ 355 to 356b (Feb. 4, 1919, ch. 14, §§ 2–5, 40 Stat. 1056; Aug. 7, 1942, ch. 551, §1, 56 Stat. 743).

Said sections authorized medals for presentation "...to any person who, while serving in any capacity with the Navy of the United States . ."; inasmuch as this language includes the Coast Guard when it is operating under the Navy, this subsection entails no change in existing law.

Subsection (e) is based on title 34, U.S.C., 1946 ed., §228 (R.S. 1442; Feb. 28, 1942, ch. 11, 59 Stat. 9).

Inasmuch as R.S. 1442 cited above applies to the Navy and Marine Corps as well as the Coast Guard it is not scheduled for repeal but is being amended by section 6 of this act to eliminate reference to the Coast Guard.

Subsection (f) is based on title 14, U.S.C., 1946 ed., §3 (Aug. 29, 1916, ch. 417, 39 Stat. 600).

Said section has been divided. The provisions concerning applicability of Navy laws to Coast Guard personnel are placed in this section. The provisions of the provisos of title 14, U.S.C., 1946 ed., §3 are placed in section 571 of this title.

Changes were made in phraseology. 81st Congress, House Report No. 557.

AMENDMENTS

1966—Pub. L. 89-444 made technical changes in subsecs. (d) and (e) by inserting "and" at end of subsec. (d) and substituting a period for "; and" at end of subsec. (e).

1950—Act May 5, 1950, repealed subsec. (f) which provided that personnel of the Coast Guard should be subject to the laws for the government of the Navy.

EFFECTIVE DATE OF 1950 AMENDMENT

Section 5 of act May 5, 1950, provided that the amendment made by that section is effective May 31, 1951.