

Guard shall be deposited in the general fund of the Treasury as proprietary receipts of the department in which the Coast Guard is operating and ascribed to Coast Guard activities.

(c) In addition to the collection of fees and charges established under this section, the Secretary may recover from the person liable for the fee or charge the costs of collecting delinquent payments of the fee or charge, and enforcement costs associated with delinquent payments of the fees and charges.

(d)(1) The Secretary may employ any Federal, State, or local agency or instrumentality, or any private enterprise or business, to collect a fee or charge established under this section.

(2) A private enterprise or business employed by the Secretary to collect fees or charges—

(A) shall be subject to reasonable terms and conditions agreed to by the Secretary and the enterprise or business;

(B) shall provide appropriate accounting to the Secretary; and

(C) may not institute litigation as part of that collection.

(e) The Secretary shall account for the agency's costs of collecting a fee or charge as a reimbursable expense, subject to the availability of appropriations, and the costs shall be credited to the account from which expended.

(f) Before January 1 of each year, the Secretary shall submit a report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate that includes—

(1) a verification of each activity for which a fee or charge is collected under any law stating—

(A) the amount collected in the prior fiscal year; and

(B) that the amount spent on that activity in that fiscal year is not less than the amount collected; and

(2) the amount expected to be collected under any law in the current fiscal year for each activity for which a fee or charge is expected to be collected.

(g) In this section the term “costs of collecting a fee or charge” includes the reasonable administrative, accounting, personnel, contract, equipment, supply, training, and travel expenses of calculating, assessing, collecting, enforcing, reviewing, adjusting, and reporting on a fee or charge.

(Added Pub. L. 99-509, title V, § 5102(a)(3), Oct. 21, 1986, 100 Stat. 1926; amended Pub. L. 101-225, title II, § 211, Dec. 12, 1989, 103 Stat. 1914; Pub. L. 107-295, title IV, § 408(a)(3), Nov. 25, 2002, 116 Stat. 2117; Pub. L. 108-293, title II, § 206, Aug. 9, 2004, 118 Stat. 1033.)

#### AMENDMENTS

2004—Subsecs. (c) to (g). Pub. L. 108-293 added subsecs. (c) to (e) and (g) and redesignated former subsec. (c) as (f).

2002—Subsec. (c). Pub. L. 107-295 substituted “Transportation and Infrastructure” for “Merchant Marine and Fisheries” in introductory provisions.

1989—Subsec. (c). Pub. L. 101-225 inserted “under any law” after first reference to “collected” in pars. (1) and (2).

### § 665. 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.)

### § 666. Local hire

(a) Notwithstanding any other law, each contract awarded by the Coast Guard for construction or services to be performed in whole or in part in a State that has an unemployment rate in excess of the national average rate of unemployment (as determined by the Secretary of Labor) shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in that State, individuals who are local residents and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills. The Secretary of the department in which the Coast Guard is operating may waive the requirements of this subsection in the interest of national security or economic efficiency.

(b) LOCAL RESIDENT DEFINED.—As used in this section, “local resident” means a resident of, or an individual who commutes daily to, a State described in subsection (a).

(Added Pub. L. 101-225, title II, § 206(a), Dec. 12, 1989, 103 Stat. 1912; amended Pub. L. 107-296, title XVII, § 1704(a), Nov. 25, 2002, 116 Stat. 2314; Pub. L. 112-213, title II, § 217(10), Dec. 20, 2012, 126 Stat. 1558.)

#### AMENDMENTS

2012—Subsec. (a). Pub. L. 112-213 substituted “of the department in which the Coast Guard is operating” for “of Homeland Security”.

2002—Subsec. (a). Pub. L. 107-296 substituted “of Homeland Security” for “of Transportation”.

#### 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.

### § 667. Vessel construction bonding requirements

The Secretary or the Commandant may require bid, payment, performance, payment and performance, or completion bonds or other financial instruments from contractors for construction, alteration, repair, or maintenance of Coast Guard vessels if—

(1) the bond is required by law; or

(2) the Secretary or Commandant determines after investigation that the amount of