

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7299a	10:7291 (note).	June 11, 1965, Pub. L. 89-37, §§ 302, 303, 79 Stat. 128.

In subsection (a), the words “combatant vessels” are substituted for “warships” for consistency in title 10 and because of 1:3. The words “for which appropriations are authorized by this Act and hereafter” are omitted as unnecessary.

AMENDMENTS

1992—Subsec. (a). Pub. L. 102-484, § 1016(a), (b)(1), redesignated subsec. (b) as (a) and struck out former subsec. (a) which read as follows: “The distribution of assignments and contracts for the construction of combatant vessels and escort vessels is subject to the Act of March 27, 1934 (ch. 95, 48 Stat. 503), requiring that the first and each succeeding alternate vessel be constructed in a Navy yard. However, the President may direct that a vessel be constructed in a Navy or private yard if the requirement of this subsection is inconsistent with the public interest.”

Subsec. (b). Pub. L. 102-484, § 1016(b)(1), redesignated subsec. (c) as (b). Former subsec. (b) redesignated (a).

Subsecs. (c), (d). Pub. L. 102-484, § 1016(b), redesignated subsec. (d) as (c) and substituted “subsection (a)” for “subsection (b)” in par. (2). Former subsec. (c) redesignated (b).

1990—Subsec. (d)(3). Pub. L. 101-510 substituted “apply in the case of voyage repairs.” for “apply—

“(A) in the case of voyage repairs; or

“(B) in the case of a vessel that is assigned to the Naval Reserve force and homeported on the West Coast of the United States.”

1987—Subsec. (d). Pub. L. 100-180 amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows:

“(1) Notwithstanding subsections (b) and (c), the Secretary may award a contract for short-term work for the overhaul, repair, or maintenance of a naval vessel only to a contractor that is able to perform the work at the homeport of the vessel, if the Secretary determines that adequate competition is available among firms able to perform the work at the homeport of the vessel.

“(2) In this subsection, the term ‘short-term work’ means work that will be for a period of six months or less.”

1986—Subsecs. (c), (d). Pub. L. 99-661 added subsecs. (c) and (d).

DELEGATION OF AUTHORITY

For delegation of authority of President under subsec. (a) of this section, see section 2 of Ex. Ord. No. 12765, June 11, 1991, 56 F.R. 27401, set out as a note under section 113 of this title.

§ 7300. Contracts for nuclear ships: sales of naval shipyard articles and services to private shipyards

The conditions set forth in section 2208(j)(1)(B) of this title and subsections (a)(1) and (c)(1)(A) of section 2563 of this title shall not apply to a sale by a naval shipyard of articles or services to a private shipyard that is made at the request of the private shipyard in order to facilitate the private shipyard’s fulfillment of a Department of Defense contract with respect to a nuclear ship. This section does not authorize a naval shipyard to construct a nuclear ship for the private shipyard, to perform a majority of the work called for in a contract with a private entity, or to provide articles or services not requested by the private shipyard.

(Added Pub. L. 106-65, div. A, title X, § 1016(a), Oct. 5, 1999, 113 Stat. 744; amended Pub. L. 106-398, § 1 [[div. A], title X, § 1033(c)(3)], Oct. 30, 2000, 114 Stat. 1654, 1654A-261.)

PRIOR PROVISIONS

A prior section 7300, act Aug. 10, 1956, ch. 1041, 70A Stat. 450, related to profit limitations on contracts for construction of naval vessels, prior to repeal by Pub. L. 97-86, title IX, § 911(b)(1), Dec. 1, 1981, 95 Stat. 1122.

AMENDMENTS

2000—Pub. L. 106-398 substituted “section 2563” for “section 2553”.

[§ 7301. Repealed. Pub. L. 103-160, div. A, title VIII, § 824(a)(7), Nov. 30, 1993, 107 Stat. 1707]

Section, act Aug. 10, 1956, ch. 1041, 70A Stat. 450, related to estimates required for bids on construction of naval vessels.

[§ 7302. Repealed. Pub. L. 103-355, title III, § 3024(a), Oct. 13, 1994, 108 Stat. 3334]

Section, act Aug. 10, 1956, ch. 1041, 70A Stat. 451, directed Department of the Navy to construct on U.S. Pacific Coast such vessels as President determined necessary to maintain shipyard facilities there adequate to meet requirements of national defense.

§ 7303. Model Basin; investigation of hull designs

(a) An office or agency in the Department of the Navy designated by the Secretary of the Navy shall conduct at the David W. Taylor Model Basin, Carderock, Maryland, investigations to determine the most suitable shapes and forms for United States vessels and aircraft and investigations of other problems of their design.

(b) The Secretary of the Navy may authorize experiments to be made at the Model Basin for private persons. The costs of experiments made for private persons shall be paid by those persons under regulations prescribed by the Secretary. The results of private experiments are confidential and may not be divulged without the consent of the persons for whom they are made. However, the data obtained from such experiments may be used by the Secretary for governmental purposes, subject to the patent laws of the United States.

(Aug. 10, 1956, ch. 1041, 70A Stat. 451; Pub. L. 89-718, § 41, Nov. 2, 1966, 80 Stat. 1120.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7303	5 U.S.C. 430a.	May 6, 1936, ch. 333, 49 Stat. 1263; June 20, 1940, ch. 400, § 1(a), (b), 54 Stat. 492.

In subsection (a) the authority to purchase a site and construct the model basin is omitted as executed. The words “David W. Taylor Model Basin, Carderock, Maryland” are inserted to designate the model basin established under this authority. The words “investigations to determine” are substituted for the words “work of investigating and determining.” The phrase “vessels, including aircraft” is changed to read “vessels and aircraft”, and the words “their design” are substituted for “ship design”.

AMENDMENTS

1966—Subsec. (a). Pub. L. 89-718 substituted “An office or agency of the Department of the Navy des-

ignated by the Secretary of the Navy” for “The Bureau of Ships”.

§ 7304. Examination of vessels; striking of vessels from Naval Vessel Register

(a) **BOARDS OF OFFICERS TO EXAMINE NAVAL VESSELS.**—The Secretary of the Navy shall designate boards of naval officers to examine naval vessels, including unfinished vessels, for the purpose of making a recommendation to the Secretary as to which vessels, if any, should be stricken from the Naval Vessel Register. Each vessel shall be examined at least once every three years if practicable.

(b) **ACTIONS BY BOARD.**—A board designated under subsection (a) shall submit to the Secretary in writing its recommendations as to which vessels, if any, among those it examined should be stricken from the Naval Vessel Register.

(c) **ACTION BY SECRETARY.**—If the Secretary concurs with a recommendation by a board that a vessel should be stricken from the Naval Vessel Register, the Secretary shall strike the name of that vessel from the Naval Vessel Register.

(Added Pub. L. 103-160, div. A, title VIII, § 824(b), Nov. 30, 1993, 107 Stat. 1708.)

PRIOR PROVISIONS

A prior section 7304, act Aug. 10, 1956, ch. 1041, 70A Stat. 451, related to examination of vessels by board and striking of unfit vessels from Naval Vessel Register, prior to repeal by Pub. L. 103-160, § 824(b).

§ 7305. Vessels stricken from Naval Vessel Register: sale

(a) **APPRAISAL OF VESSELS STRICKEN FROM NAVAL VESSEL REGISTER.**—The Secretary of the Navy shall appraise each vessel stricken from the Naval Vessel Register under section 7304 of this title.

(b) **AUTHORITY TO SELL VESSEL.**—If the Secretary considers that the sale of the vessel is in the national interest, the Secretary may sell the vessel. Any such sale shall be in accordance with regulations prescribed by the Secretary for the purposes of this section.

(c) **PROCEDURES FOR SALE.**—(1) A vessel stricken from the Naval Vessel Register and not subject to disposal under any other law may be sold under this section.

(2) In such a case, the Secretary may—

(A) sell the vessel to the highest acceptable bidder, regardless of the appraised value of the vessel, after publicly advertising the sale of the vessel for a period of not less than 30 days; or

(B) subject to paragraph (3), sell the vessel by competitive negotiation to the acceptable offeror who submits the offer that is most advantageous to the United States (taking into account price and such other factors as the Secretary determines appropriate).

(3) Before entering into negotiations to sell a vessel under paragraph (2)(B), the Secretary shall publish notice of the intention to do so in the Commerce Business Daily sufficiently in advance of initiating the negotiations that all interested parties are given a reasonable opportunity to prepare and submit proposals. The

Secretary shall afford an opportunity to participate in the negotiations to all acceptable offerors submitting proposals that the Secretary considers as having the potential to be the most advantageous to the United States (taking into account price and such other factors as the Secretary determines appropriate).

(d) **APPLICABILITY.**—This section does not apply to a vessel the disposal of which is authorized by subtitle I of title 40 and division C (except sections 3302, 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, if it is to be disposed of under those provisions.

(Added Pub. L. 103-160, div. A, title VIII, § 824(b), Nov. 30, 1993, 107 Stat. 1708; amended Pub. L. 105-85, div. A, title X, § 1021, Nov. 18, 1997, 111 Stat. 1875; Pub. L. 107-217, § 3(b)(28), Aug. 21, 2002, 116 Stat. 1297; Pub. L. 108-136, div. A, title X, § 1045(a)(7), Nov. 24, 2003, 117 Stat. 1612; Pub. L. 111-350, § 5(b)(53), Jan. 4, 2011, 124 Stat. 3847.)

PRIOR PROVISIONS

A prior section 7305, acts Aug. 10, 1956, ch. 1041, 70A Stat. 451; Dec. 12, 1980, Pub. L. 96-513, title V, § 513(27), 94 Stat. 2933, related to sale of vessels stricken from Naval Vessel Register, prior to repeal by Pub. L. 103-160, § 824(b).

AMENDMENTS

2011—Subsec. (d). Pub. L. 111-350 substituted “division C (except sections 3302, 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, if it is to be disposed of under those provisions” for “title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), if it is to be disposed of under subtitle I of title 40 and such title III”.

2003—Subsec. (d). Pub. L. 108-136 inserted “such” before “title III”.

2002—Subsec. (d). Pub. L. 107-217 inserted “subtitle I of title 40 and title III of” before “the Federal Property and Administrative Services Act of 1949” and substituted “(41 U.S.C. 251 et seq.)” for “(40 U.S.C. 471 et seq.)” and “subtitle I of title 40 and title III” for “that Act”.

1997—Subsec. (c). Pub. L. 105-85 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows:

“(c) **PROCEDURES FOR SALE.**—(1) A vessel stricken from the Naval Vessel Register and not subject to disposal under any other law may be sold under this section. In such a case, the Secretary may sell the vessel to the highest acceptable bidder, regardless of the appraised value of the vessel, after the vessel is publicly advertised for sale for a period of not less than 30 days.

“(2) If the Secretary determines that the bid prices for a vessel received after advertising under paragraph (1) are not acceptable and that readvertising will serve no useful purpose, the Secretary may sell the vessel by negotiation to the highest acceptable bidder if—

“(A) each responsible bidder has been notified of intent to negotiate and has been given a reasonable opportunity to negotiate; and

“(B) the negotiated price is—

“(i) higher than the highest rejected price of any responsible bidder; or

“(ii) reasonable and in the national interest.”

EXECUTIVE ORDER NO. 11765

Ex. Ord. No. 11765, Jan. 21, 1974, 39 F.R. 2577, related to sale of vessels of the Navy stricken from Naval Vessel Register pursuant to section 7304 of this title regardless of their appraised value under authority of former subsec. (l) of this section.