

year, the Commandant of the Coast Guard may enter into a contract 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.)

**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.”

SUBCHAPTER III—DEFINITIONS

§ 581. Definitions

In this chapter:

(1) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” means the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(2) **CHIEF ACQUISITION OFFICER.**—The term “Chief Acquisition Officer” means the officer appointed under section 56 of this title.

(3) **COMMANDANT.**—The term “Commandant” means the Commandant of the Coast Guard.

(4) **LEVEL 1 ACQUISITION.**—The term “Level 1 acquisition” means—

(A) an acquisition by the Coast Guard—

(i) the estimated life-cycle costs of which exceed \$1,000,000,000; or

(ii) the estimated total acquisition costs of which exceed \$300,000,000; or

(B) any acquisition that the Chief Acquisition Officer of the Coast Guard determines to have a special interest—

(i) due to—

(I) the experimental or technically immature nature of the asset;

(II) the technological complexity of the asset;

(III) the commitment of resources; or

(IV) the nature of the capability or set of capabilities to be achieved; or

(ii) because such acquisition is a joint acquisition.

(5) **LEVEL 2 ACQUISITION.**—The term “Level 2 acquisition” means an acquisition by the Coast Guard—

(A) the estimated life-cycle costs of which are equal to or less than \$1,000,000,000, but greater than \$300,000,000; or

(B) the estimated total acquisition costs of which are equal to or less than \$300,000,000,¹ but greater than \$100,000,000.

(6) **LIFE-CYCLE COST.**—The term “life-cycle cost” means all costs for development, procurement, construction, and operations and support for a particular capability or asset, without regard to funding source or management control.

(7) **PROJECT OR PROGRAM MANAGER DEFINED.**—The term “project or program manager” means an individual designated—

(A) to develop, produce, and deploy a new asset to meet identified operational requirements; and

(B) to manage cost, schedule, and performance of the acquisition, project, or program.

(8) **SAFETY CONCERN.**—The term “safety concern” means any hazard associated with a ca-

¹ So in original.

pability or asset or a subsystem of a capability or asset that is likely to cause serious bodily injury or death to a typical Coast Guard user in testing, maintaining, repairing, or operating the capability, asset, or subsystem or any hazard associated with the capability, asset, or subsystem that is likely to cause major damage to the capability, asset, or subsystem during the course of its normal operation by a typical Coast Guard user.

(9) DEVELOPMENTAL TEST AND EVALUATION.—The term “developmental test and evaluation” means—

(A) the testing of a capability or asset and the subsystems of the capability or asset to determine whether they meet all contractual performance requirements, including technical performance requirements, supportability requirements, and interoperability requirements and related specifications; and

(B) the evaluation of the results of such testing.

(10) OPERATIONAL TEST AND EVALUATION.—The term “operational test and evaluation” means—

(A) the testing of a capability or asset and the subsystems of the capability or asset, under conditions similar to those in which the capability or asset and subsystems will actually be deployed, for the purpose of determining the effectiveness and suitability of the capability or asset and subsystems for use by typical Coast Guard users to conduct those missions for which the capability or asset and subsystems are intended to be used; and

(B) the evaluation of the results of such testing.

(Added Pub. L. 111–281, title IV, § 402(a), Oct. 15, 2010, 124 Stat. 2948.)

CHAPTER 17—ADMINISTRATION

Sec.		Sec.	
631.	Delegation of powers by the Secretary.	652.	Removing restrictions.
632.	Functions and powers vested in the Commandant.	653.	Employment of draftsmen and engineers.
633.	Regulations.	654.	Public and commercial vessels and other watercraft; sale of fuel, supplies, and services.
634.	Officers holding certain offices.	655.	Arms and ammunition; immunity from taxation.
635.	Oaths required for boards.	656.	Use of certain appropriated funds.
636.	Administration of oaths.	657.	Dependent school children.
637.	Stopping vessels; indemnity for firing at or into vessel.	658.	Confidential investigative expenses.
638.	Coast Guard ensigns and pennants.	659.	Assistance to film producers.
639.	Penalty for unauthorized use of words “Coast Guard”.	660.	Transportation to and from certain places of employment.
640.	Coast Guard band recordings for commercial sale.	661.	Authorization of personnel end strengths.
641.	Disposal of certain material.	662.	Requirement for prior authorization of appropriations.
642.	Deposit of damage payments.	663.	Capital investment plan.
643.	Rewards for apprehension of persons interfering with aids to navigation.	664.	User fees.
644.	Payment for the apprehension of stragglers.	665.	Restriction on construction of vessels in foreign shipyards.
645.	Confidentiality of medical quality assurance records; qualified immunity for participants.	666.	Local hire.
646.	Admiralty claims against the United States.	667.	Vessel construction bonding requirements.
647.	Claims for damage to property of the United States.	668.	Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care.
648.	Accounting for industrial work.	669.	Telephone installation and charges.
649.	Supplies and equipment from stock.	670.	Procurement authority for family housing.
650.	Coast Guard Supply Fund.	671.	Air Station Cape Cod Improvements.
651.	Annual report.	672.	Long-term lease of special purpose facilities.
		672a.	Long-term lease authority for lighthouse property.
		673.	Designation, powers, and accountability of deputy disbursing officials.
		674.	Small boat station rescue capability.
		675.	Small boat station closures.
		676.	Search and rescue center standards.
		677.	Turnkey selection procedures.
		678.	Aircraft accident investigations.
			AMENDMENTS
			2012—Pub. L. 112–213, title II, §§ 212(b)(2), 213(c)(1), 214(b), 217(9), Dec. 20, 2012, 126 Stat. 1552, 1553, 1555, 1558, added items 656, 663, 669, 674, and 678 and struck out former items 656 “Use of moneys appropriated for acquisition, construction, and improvement; for research, development, test, and evaluation; and for the alteration of bridges over the navigable waters”, 663 “Submission of plans to Congress”, 669 “Telephone Installation and Charges”, and 674 “Small boat station capability”.
			2010—Pub. L. 111–281, title IX, § 903(b)(2), Oct. 15, 2010, 124 Stat. 3011, inserted period at end of item 677.
			2006—Pub. L. 109–241, title IX, § 901(b), July 11, 2006, 120 Stat. 564, amended Pub. L. 108–293, § 212(b), effective Aug. 9, 2004. See 2004 Amendment note below.
			Pub. L. 109–241, title II, § 205(b), July 11, 2006, 120 Stat. 521, added item 677.
			2004—Pub. L. 108–293, title II, § 212(b), Aug. 9, 2004, 118 Stat. 1037, as amended by Pub. L. 109–241, title IX, § 901(b), July 11, 2006, 120 Stat. 564, substituted “Long-term lease of special purpose facilities” for “Long-term lease authority for navigation and communications systems sites” in item 672.
			Pub. L. 108–293, title II, § 205(e)(2), Aug. 9, 2004, 118 Stat. 1033, substituted “indemnity” for “immunity” in item 637.
			2002—Pub. L. 107–296, title XVII, § 1704(f)(2), Nov. 25, 2002, 116 Stat. 2316, which directed the redesignation of item 673 “Small boat station rescue capability” as item 673a, could not be executed because of prior amendment by Pub. L. 107–295, § 405(c), see below.
			Pub. L. 107–295, title IV, §§ 405(c), 417(b), Nov. 25, 2002, 116 Stat. 2116, 2123, added items 672a and 674 to 676, and struck out item 673 “Small boat station rescue capability” and former item 674 “Small boat station closures”.
			1996—Pub. L. 104–324, title III, § 309(b), Oct. 19, 1996, 110 Stat. 3919, added item 673 “Small boat station rescue capability” and item 674.
			Pub. L. 104–201, div. A, title X, § 1009(a)(2)(B), Sept. 23, 1996, 110 Stat. 2634, added item 673 “Designation, powers, and accountability of deputy disbursing officials”.