(h) 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.

#### AMENDMENTS

2014—Subsecs. (e) to (h). Pub. L. 113–281 added subsec. (e) and redesignated former subsecs. (e) to (g) as (f) to (h), respectively.

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).

#### LIMITATION

Pub. L. 113–281, title III, §311(c), Dec. 18, 2014, 128 Stat. 3048, provided that: "The Secretary of the Department in which the Coast Guard is operating may not accept in-kind transportation, travel, or subsistence under section 664(e) of title 14, United States Code, or section 2110(d)(4) of title 46, United States Code, as amended by this section, until the Commandant of the Coast Guard—

"(1) amends the Standards of Ethical Conduct for members and employees of the Coast Guard to include regulations governing the acceptance of in-kind reimbursements; and

"(2) notifies the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the amendments made under paragraph (1)."

# § 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,  $\S26(a)$ , 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 unem-

ployment (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 the bond in excess of 20 percent of the value of the base contract quantity excluding options, would not prevent a responsible bidder or offeror from competing for award of the contract.

(Added Pub. L. 101–595, title III,  $\S306(a)$ , Nov. 16, 1990, 104 Stat. 2985.)

## § 668. Contracts for medical care for retirees, dependents, and survivors: alternative delivery of health care

- (a) The Secretary may contract for the delivery of health care to which covered beneficiaries are entitled under chapter 55 of title 10. The Secretary may enter into a contract under this section with any of the following:
  - (1) Health maintenance organizations.
  - (2) Preferred provider organizations.
  - (3) Individual providers, individual medical facilities, or insurers.
  - (4) Consortiums of these providers, facilities, or insurers.
- (b) A contract entered into under this section may provide for the delivery of—
  - (1) selected health care services;