

contracts may be awarded without regard to subsection (a) and this subsection.

(4) Bidder qualification under subsection (a) shall be determined on the basis of nationality of ownership, the burden of which shall be on the prospective bidder. Qualification under subsection (a)(1) shall require evidence of (A) performance of similar construction work in the United States or at a United States diplomatic or consular establishment abroad, and (B) either (i) ownership in excess of fifty percent by United States citizens or permanent residents, or (ii) incorporation in the United States for more than three years and employment of United States citizens or permanent residents in more than half of the corporation's permanent full-time professional and managerial positions in the United States.

(5) Qualification under this section shall be established on the basis of determinations at the time bids are requested.

**(c) Contracts for construction, etc., in United States**

Contracts for construction, alteration, or repair in the United States for or on behalf of any foreign mission (as defined in section 202(a)(4)<sup>1</sup> of title II of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4302(a)(4)) may, pursuant to the authority of that title [22 U.S.C. 4301 et seq.], only be awarded to or performed by bidders qualifying under subsection (a) (1) or (2) or by nationals of the country for which the contract is being performed who are granted the right of entry into the United States for that purpose.

**(d) Discretionary determinations by Secretary of State**

Determinations under this section shall be committed to the discretion of the Secretary of State.

**(e) Termination of requirements**

This section shall cease to be effective when the Secretary of State determines that there are internationally-agree-upon<sup>2</sup> rules in effect on bidding for construction contracts.

(May 7, 1926, ch. 250, § 11, as added Pub. L. 98-164, title I, § 136, Nov. 22, 1983, 97 Stat. 1029; amended Pub. L. 107-228, div. A, title II, § 206(a), Sept. 30, 2002, 116 Stat. 1364.)

REFERENCES IN TEXT

Title II of the State Department Basic Authorities Act of 1956, referred to in subsec. (c), is title II of act Aug. 1, 1956, ch. 841, as added Aug. 24, 1982, Pub. L. 97-241, title II, § 202(b), 96 Stat. 283, known as the Foreign Missions Act, which is classified principally to chapter 53 (§ 4301 et seq.) of this title. Section 202(a)(4) of title II was redesignated section 202(a)(3), and former section 202(a)(5) was redesignated section 202(a)(4), by Pub. L. 103-236, title I, § 162(o)(1), Apr. 30, 1994, 108 Stat. 409. For complete classification of title II to the Code, see Short Title note set out under section 4301 of this title and Tables.

AMENDMENTS

2002—Subsec. (b)(4)(A). Pub. L. 107-228 inserted “or at a United States diplomatic or consular establishment abroad” after “United States”.

<sup>1</sup> See References in Text note below.

<sup>2</sup> So in original. Probably should be “internationally-agreed-upon”.

**§ 303. Repealed. Pub. L. 114-323, title VII, § 715(a)(1), Dec. 16, 2016, 130 Stat. 1946**

Section, act May 7, 1926, ch. 250, § 12, as added Pub. L. 105-277, div. G, subdiv. B, title XXII, § 2215, Oct. 21, 1998, 112 Stat. 2681-814, required Secretary of State to submit annual report on overseas surplus properties.

**§ 304. Annual report on embassy construction costs**

**(a) In general**

Not later than 180 days after December 16, 2016, and annually thereafter, the Secretary shall submit to the appropriate congressional committees a comprehensive report regarding all ongoing embassy construction projects and major embassy security upgrade projects.

**(b) Contents**

Each report required under subsection (a) shall include the following with respect to each ongoing embassy construction projects and major embassy security upgrade projects:

- (1) The initial cost estimate.
- (2) The amount expended on the project to date.
- (3) The projected timeline for completing the project.
- (4) Any cost overruns incurred by the project.

**(c) Initial report**

The first report required under subsection (a) shall include an annex regarding all embassy construction projects and major embassy security upgrade projects completed during the 10-year period ending on December 16, 2016, including, for each such project, the following:

- (1) The initial cost estimate.
- (2) The amount actually expended on the project.
- (3) Any additional time required to complete the project beyond the initial timeline.
- (4) Any cost overruns incurred by the project.

(Pub. L. 114-323, title I, § 118, Dec. 16, 2016, 130 Stat. 1912.)

CODIFICATION

Section was enacted as part of the Department of State Authorities Act, Fiscal Year 2017, and not as part of the Foreign Service Buildings Act, 1926, which comprises this chapter.

DEFINITIONS

For definitions of “Secretary” and “appropriate congressional committees” as used in this section, see section 2 of Pub. L. 114-323, set out as a note under section 2651 of this title.

**CHAPTER 9—FOREIGN WARS, WAR MATERIALS, AND NEUTRALITY**

**SUBCHAPTER I—WAR MATERIALS**

- Sec.
401. Illegal exportation of war materials.
  - 402 to 405. Repealed.
  406. Interference with foreign trade.
  407. Repealed.
  408. Use of land and naval forces to prevent exportation.
  - 408a. “United States” defined.
  - 409 to 420. Repealed or Omitted.

- Sec.  
421. Contracts by Government agencies for defense articles, services, etc., for foreign governments in interests of United States.  
422. Retention for United States of defense articles procured for foreign governments.  
423. Omitted.

## SUBCHAPTER II—NEUTRALITY

441. Proclamation of state of war between foreign states.  
442, 443. Repealed.  
444. American Red Cross vessels.  
445. Travel on vessels of belligerent states.  
446. Repealed.  
447. Financial transactions.  
448. Solicitation and collection of funds and contributions.  
449. American republics.  
450. Restrictions on use of American ports.  
451. Submarines and armed merchant vessels.  
452. Repealed.  
453. Regulations.  
454. Unlawful use of the American flag by vessel of foreign state.  
455. General penalty provision.  
456. Definitions.  
457. Appropriations.

## SUBCHAPTER III—PREVENTION OF OFFENSES AGAINST NEUTRALITY

461. Enforcement by courts; employment of land or naval forces.  
462. Compelling foreign vessels to depart.  
463. Bonds from armed vessels on clearing.  
464. Detention by collectors of customs.  
465. Detention of vessels.

## PROCLAMATIONS RESPECTING WAR AND NEUTRALITY

See notes preceding section 1 of Title 50, War and National Defense.

## SUBCHAPTER I—WAR MATERIALS

**§ 401. Illegal exportation of war materials****(a) Seizure and forfeiture of materials and carriers**

Whenever an attempt is made to export or ship from or take out of the United States any arms or munitions of war or other articles in violation of law, or whenever it is known or there shall be probable cause to believe that any arms or munitions of war or other articles are intended to be or are being or have been exported or removed from the United States in violation of law, the Secretary of the Treasury, or any person duly authorized for the purpose by the President, may seize and detain such arms or munitions of war or other articles and may seize and detain any vessel, vehicle, or aircraft containing the same or which has been or is being used in exporting or attempting to export such arms or munitions of war or other articles. The Secretary of Commerce may seize and detain any commodity (other than arms or munitions of war) or technology which is intended to be or is being exported in violation of laws governing such exports and may seize and detain any vessel, vehicle, or aircraft containing the same or which has been used or is being used in exporting or attempting to export such articles. All arms or munitions of war and other articles, vessels, vehicles, and aircraft seized pursuant to this subsection shall be forfeited.

**(b) Applicability of laws relating to seizure, forfeiture, and condemnation**

All provisions of law relating to seizure, summary and judicial forfeiture and condemnation

for violation of the customs laws, the disposition of the property forfeited or condemned or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions hereof. However, with respect to seizures and forfeitures of property under this section by the Secretary of Commerce, such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs law may be performed by such officers as are designated by the Secretary of Commerce or, upon the request of the Secretary of Commerce, by any other agency that has authority to manage and dispose of seized property. Awards of compensation to informers under this section may be paid only out of funds specifically appropriated therefor.

**(c) Disposition of forfeited materials**

Arms and munitions of war forfeited under subsection (b) of this section shall be delivered to the Secretary of Defense for such use or disposition as he may deem in the public interest, or, in the event that the Secretary of Defense refuses to accept such arms and munitions of war, they shall be sold or otherwise disposed of as prescribed under existing law in the case of forfeitures for violation of the customs laws.

(June 15, 1917, ch. 30, title VI, §1, 40 Stat. 223; June 17, 1930, ch. 497, title IV, §523, 46 Stat. 740; Aug. 13, 1953, ch. 434, §1, 67 Stat. 577; Pub. L. 105-119, title II, §211(a), Nov. 26, 1997, 111 Stat. 2487.)

## AMENDMENTS

1997—Subsec. (a). Pub. L. 105-119, which directed the amendment of section 401 of title 22, United States Code, by inserting “The Secretary of Commerce may seize and detain any commodity (other than arms or munitions of war) or technology which is intended to be or is being exported in violation of laws governing such exports and may seize and detain any vessel, vehicle, or aircraft containing the same or which has been used or is being used in exporting or attempting to export such articles.” after first sentence in subsec. (a), was executed by making the insertion in section 1(a) of act June 15, 1917, ch. 30, which is classified to this section, to reflect the probable intent of Congress.

Subsec. (b). Pub. L. 105-119, which directed the amendment of section 401 of title 22, United States Code, by inserting “However, with respect to seizures and forfeitures of property under this section by the Secretary of Commerce, such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs law may be performed by such officers as are designated by the Secretary of Commerce or, upon the request of the Secretary of Commerce, by any other agency that has authority to manage and dispose of seized property.” after “and not inconsistent with the provisions hereof.” in subsec. (b), was executed by making the insertion in section 1(b) of act June 15, 1917, ch. 30, which is classified to this section, to reflect the probable intent of Congress.

1953—Act Aug. 13, 1953, provided not only seizure and forfeiture of articles or merchandise which are being, or are intended to be illegally exported, and the vehicle, vessel, or aircraft in which exportation is intended to accomplish, but also for the seizure and forfeiture of