Sec.
7309. Construction of vessels in foreign shipyards: prohibition.

7310. Overhaul, repair, etc. of vessels in foreign shipyards: restrictions.

7311. Repair or maintenance of naval vessels: handling of hazardous waste.

7312. Service craft stricken from Naval Vessel Register; obsolete boats: use of proceeds from exchange or sale.

7313. Ship overhaul work: availability of appropriations for unusual cost overruns and for changes in scope of work.

7314. Overhaul of naval vessels: competition between public and private shipyards.

7315. Preservation of Navy shipbuilding capability.
 7316. Support for transfers of decommissioned vessels and shipboard equipment.

7317. Status of Government rights in the designs of vessels, boats, and craft, and components thereof.

7318. Warranty requirements for shipbuilding contracts.

7319. Requirements for availability of funds relating to advanced naval nuclear fuel systems based on low-enriched uranium.

AMENDMENTS

Pub. L. 115–91, div. C, title XXXI, \$3115(b)(2), Dec. 12, 2017, 131 Stat. 1887, added item 7319.

2016—Pub. L. 114–328, div. A, title X, \$1022(a)(2), (b), Dec. 23, 2016, 130 Stat. 2388, added item 7318, effective on the later of the date of enactment of the National Defense Authorization for Fiscal Year 2018 or Sept. 30, 2017

Pub. L. 114–328, div. A, title I, 121(a)(2), Dec. 23, 2016, 130 Stat. 2030, added item 7301.

2013—Pub. L. 113-66, div. A, title X, §1022(e)(2), Dec. 26, 2013, 127 Stat. 846, substituted "Vessels stricken from Naval Vessel Register; captured vessels: conveyance by donation" for "Vessels stricken from Naval Vessel Register; captured vessels: transfer by gift or otherwise" in item 7306.

2011—Pub. L. 112-81, div. A, title X, §1061(27)(B), Dec. 31, 2011, 125 Stat. 1584, struck out item 7296 "Combatant surface vessels: notice before reduction in number; preservation of surge capability".

Pub. L. 111-350, §5(b)(51), Jan. 4, 2011, 124 Stat. 3846, substituted "chapter 65 of title 41" for "Walsh-Healey Act" in item 7299.

2009—Pub. L. 111–84, div. A, title X, §1073(a)(30), Oct. 28, 2009, 123 Stat. 2474, inserted period after "thereof" in item 7317.

2008—Pub. L. 110-417, [div. A], title VIII, §825(b), Oct. 14, 2008, 122 Stat. 4534, added item 7317.

2004—Pub. L. 108–375, div. A, title X, \$1011(b), 1012(a)(2), Oct. 28, 2004, 118 Stat. 2039, 2040, added items 7305a and 7312.

2003—Pub. L. 108–136, div. A, title X, §§ 1013(b), 1015(b), Nov. 24, 2003, 117 Stat. 1591, 1592, added items 7306b and 7316

2002—Pub. L. 107–314, div. A, title X, \$1021(b)(2), Dec. 2, 2002, 116 Stat. 2639, added item 7296.

1999—Pub. L. 106–65, div. A, title X, §1016(b), Oct. 5, 1999, 113 Stat. 744, added item 7300.

1997—Pub. L. 105–85, div. A, title X, \$1027(a)(2), Nov. 18, 1997, 111 Stat. 1879, added item 7315.

1996—Pub. L. 104–106, div. A, title VIII, §815(b), Feb. 10, 1996, 110 Stat. 396, added item 7299.

1994—Pub. L. 103–355, title II, 2001(j)(3)(A), title III, 88023(b), 3024(b), Oct. 13, 1994, 108 Stat. 3303, 3333, 3334, struck out items 7299 "Contracts: application of Public Contracts Act", 7302 "Construction on Pacific Coast", and 7312 "Repair or maintenance of naval vessels: progress payments under certain contracts".

1993—Pub. L. 103–160, div. A, title VIII, §828(a)(7), (c)(7), Nov. 30, 1993, 107 Stat. 1713, 1714, struck out items 7296 "Appropriations: available for other purposes", 7298 "Conversion of combatants and auxiliaries", and 7301 "Bids on construction: estimates required", sub-

stituted "Examination of vessels; striking of vessels" for "Examination by board: unfit vessel stricken" in item 7304, "Vessels stricken from Naval Vessel Register: sale" for "Sale of vessel stricken from Naval Vessel Register" in item 7305, and "Vessels stricken from Naval Vessel Register; captured vessels: transfer by gift or otherwise" for "Use for experimental purposes" in item 7306, added item 7306a, substituted "Disposals to foreign nations" for "Restriction on disposal" in item 7307, "Chief of Naval Operations: certification required for disposal of combatant vessels" for "Transfer or gift of obsolete, condemned, or captured vessels" in item 7308, "Construction of vessels in foreign shipyards: prohibition" for "Restrictions on construction or repair of vessels in foreign shipyards: restrictions" for "Policy in constructing combatant vessels" in item 7310.

1989—Pub. L. 101–189, div. A, title XVI, §1622(a), Nov.

1999—Pub. L. 101–189, div. A, title XVI, §1622(a), Nov. 29, 1989, 103 Stat. 1604, redesignated item 7313 "Overhaul of naval vessels: competition between public and private shipwards" as 7314

vate shipyards" as 7314. 1988—Pub. L. 100-456, div. A, title XII, §§1224(b)(2), 1225(a)(2), Sept. 29, 1988, 102 Stat. 2054, 2055, substituted "Restrictions on construction or repair" for "Restriction on construction" in item 7309 and added item 7313 "Overhaul of naval vessels: competition between public and private shipyards".

Pub. L. 100-370, \$1(n)(2), July 19, 1988, 102 Stat. 850, added item 7313 "Ship overhaul work: availability of appropriations for unusual cost overruns and for changes in scope of work".

1987- Pub. L. 100–180, div. A, title XI, 1102(a)(2), Dec. 4, 1987, 101 Stat. 1145, added item 7312.

1986—Pub. L. 99-661, div. A, title XII, §1202(b), Nov. 14, 1986, 100 Stat. 3968, added item 7311.

1985—Pub. L. 99-145, title XIII, \$1303(a)(24)(B), Nov. 8, 1985, 99 Stat. 740, struck out "naval" before "vessels" in item 7309.

1982—Pub. L. 97–295, §1(48)(B), Oct. 12, 1982, 96 Stat. 1298 added item 7299a.

1298, added item 7299a. Pub. L. 97–295, 149(B), Oct. 12, 1982, 96 Stat. 1299, added item 7310.

Pub. L. 97–252, title XI, §1127(b), Sept. 8, 1982, 96 Stat. 759, added item 7309.

1981—Pub. L. 97-86, title IX, §911(b)(2), Dec. 1, 1981, 95 Stat. 1122, struck out item 7300 "Contracts for construction: profit limitation".

§ 7291. Classification

The President may establish, and from time to time modify, as the needs of the service require, a classification of naval vessels.

(Aug. 10, 1956, ch. 1041, 70A Stat. 448.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
7291	34 U.S.C. 451 (as applicable to classification of vessels).	Mar. 3, 1901, ch. 852 (last par. as applicable to classification of ves- sels), 31 Stat. 1133.

POLICY OF THE UNITED STATES ON MINIMUM NUMBER OF BATTLE FORCE SHIPS

Pub. L. 115-91, div. A, title X, §1025, Dec. 12, 2017, 131 Stat. 1549, provided that:

"(a) POLICY.—It shall be the policy of the United States to have available, as soon as practicable, not fewer than 355 battle force ships, comprised of the optimal mix of platforms, with funding subject to the availability of appropriations or other funds.
"(b) BATTLE FORCE SHIPS DEFINED.—In this section,

"(b) BATTLE FORCE SHIPS DEFINED.—In this section, the term 'battle force ship' has the meaning given the term in Secretary of the Navy Instruction 5030.8C."

METERING OF NAVY PIERS TO ACCURATELY MEASURE ENERGY CONSUMPTION

Pub. L. 112–81, div. B, title XXVIII, \$2828, Dec. 31, 2011, 125 Stat. 1694, provided that:

"(a) METERING REQUIRED.—The Secretary of the Navy shall meter Navy piers so that the energy consumption of naval vessels while in port can be accurately measured and captured and steps taken to improve the efficient use of energy by naval vessels while in port.

(b) PROGRESS REPORTS.—In each of the Department of Defense energy management reports submitted to Congress during fiscal years 2012 through 2017 under section 2925(a) of title 10, United States Code, the Secretary of the Navy shall include information on the progress being made to implement the metering of Navy piers, including information on any reductions in energy consumption achieved through the use of such metering.

ADVANCE PROCUREMENT FUNDING

Pub. L. 111-84, div. A, title I, §124(a), Oct. 28, 2009, 123 Stat. 2214, provided that:

"(a) ADVANCE PROCUREMENT.—With respect to a naval vessel for which amounts are authorized to be appropriated or otherwise made available for fiscal year 2010 or any fiscal year thereafter for advance procurement in shipbuilding and conversion, Navy, the Secretary of the Navy may enter into a contract, in advance of a contract for construction of any vessel, for any of the following:

"(1) Components, parts, or materiel.

"(2) Production planning and other related support services that reduce the overall procurement lead time of such vessel.'

PROCUREMENT PROGRAMS FOR FUTURE NAVAL SURFACE COMBATANTS

Pub. L. 111–84, div. A, title I, 125, Oct. 28, 2009, 123 Stat. 2214, related to procurement programs for future naval surface combatants, prior to repeal by Pub. L. 113-66, div. A, title I, §122, Dec. 26, 2013, 127 Stat. 693.

ASSESSMENTS REQUIRED PRIOR TO START OF CONSTRUC-TION ON FIRST SHIP OF A SHIPBUILDING PROGRAM

Pub. L. 110-181, div. A, title I, §124, Jan. 28, 2008, 122 Stat. 28, provided that:

"(a) IN GENERAL.—Concurrent with approving the start of construction of the first ship for any major shipbuilding program, the Secretary of the Navy

"(1) submit a report to the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] on the results of any production readi-

ness review; and "(2) certify to the congressional defense committees that the findings of any such review support

commencement of construction.
"(b) REPORT.—The report required by subsection (a)(1) shall include, at a minimum, an assessment of each of the following:

"(1) The maturity of the ship's design, as measured by stability of the ship contract specifications and the degree of completion of detail design and production design drawings.

"(2) The maturity of developmental command and control systems, weapon and sensor systems, and hull, mechanical and electrical systems.

"(3) The readiness of the shipyard facilities and workforce to begin construction.

"(4) The Navy's estimated cost at completion and the adequacy of the budget to support the estimate. "(5) The Navy's estimated delivery date and de-

scription of any variance to the contract delivery date.

"(6) The extent to which adequate processes and metrics are in place to measure and manage program risks.

"(c) APPLICABILITY.—This section applies to each major shipbuilding program beginning after the date of the enactment of this Act [Jan. 28, 2008].

"(d) DEFINITIONS.—For the purposes of subsection (a): "(1) START OF CONSTRUCTION.—The term 'start of construction' means the beginning of fabrication of the hull and superstructure of the ship.

"(2) FIRST SHIP.—The term 'first ship' applies to a ship if-

"(A) the ship is the first ship to be constructed under that shipbuilding program; or

"(B) the shipyard at which the ship is to be constructed has not previously started construction on

a ship under that shipbuilding program. "(3) Major shipbuilding program' means a program for the construction of combatant and support vessels required for the naval vessel force, as reported within the annual naval vessel construction plan required by section 231 of title 10, United States Code.

"(4) PRODUCTION READINESS REVIEW.—The term 'production readiness review' means a formal examination of a program prior to the start of construction to determine if the design is ready for production, production engineering problems have been resolved, and the producer has accomplished adequate planning for the production phase."

POLICY RELATING TO MAJOR COMBATANT VESSELS OF THE STRIKE FORCES OF THE UNITED STATES NAVY

Pub. L. 110-181, div. A, title X, §1012, Jan. 28, 2008, 122 Stat. 303, as amended by Pub. L. 110-417, [div. A], title X, §1015, Oct. 14, 2008, 122 Stat. 4586; Pub. L. 112-239, div. A, title X, §1013, Jan. 2, 2013, 126 Stat. 1908; Pub. L. 113-66, div. A, title X, §1027, Dec. 26, 2013, 127 Stat. 849, provided that:

(a) REQUIREMENT TO REQUEST NUCLEAR VESSELS.—If a request is submitted to Congress in the budget for a fiscal year for construction of a new class of major combatant vessel for the strike forces of the United States, the request shall include a specific assessment of such a vessel with an integrated nuclear power system in the analysis of alternatives, unless the Secretary of the Navy notifies the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives] that, as a result of a cost-benefit analysis, it would not be practical for the Navy to design the class of ships with an integrated nuclear power system.

'(b) DEFINITIONS.—In this section:

"(1) Major combatant vessels of the strike FORCES OF THE UNITED STATES NAVY.—The term 'major combatant vessels of the strike forces of the United States Navy' means the following: "(A) Submarines.

"(B) Aircraft carriers.

"(C) Cruisers, battleships, or other large surface combatants whose primary mission includes protection of carrier strike groups, expeditionary strike groups, and vessels comprising a sea base.

"(D) Amphibious assault ships, including dock landing ships (LSD), amphibious transport-dock ships (LPD), helicopter assault ships (LHA/LHD), and amphibious command ships (LCC), if such vessels exceed 15,000 dead weight ton light ship displacement.

(2) INTEGRATED NUCLEAR POWER SYSTEM.—The term 'integrated nuclear power system' means a ship engineering system that uses a naval nuclear reactor as its energy source and generates sufficient electric energy to provide power to the ship's electrical loads,

including its combat systems and propulsion motors. "(3) BUDGET.—The term 'budget' means the budget that is submitted to Congress by the President under section 1105(a) of title 31, United States Code.'

[Pub. L. 113-66, div. A, title X, §1027(2)(B), Dec. 26, 2013, 127 Stat. 849, which directed insertion of "in the analysis of alternatives" after "nuclear power system" in subsec. (a) of section 1012 of Pub. L. 110–181 (as redesignated by section 1027(1) of Pub. L. 113-66), set out above, was executed by making the insertion after "nuclear power system" the first time appearing to reflect the probable intent of Congress.1

ALTERNATIVE TECHNOLOGIES FOR FUTURE SURFACE COMBATANTS

Pub. L. 109–364, div. A, title I, $\S128$, Oct. 17, 2006, 120 Stat. 2109, provided that:

- "(a) FINDINGS.—Congress makes the following findings:
- "(1) Securing and maintaining access to affordable and plentiful sources of energy is a vital national security interest for the United States.
- "(2) The Nation's dependence upon foreign oil is a threat to national security due to the inherently volatile nature of the global oil market and the political instability of some of the world's largest oil producing states.
- "(3) Given the recent increase in the cost of crude oil, which cannot realistically be expected to improve over the long term, other energy sources must be seriously considered.
- "(4) Alternate propulsion sources such as nuclear power offer many advantages over conventional power for major surface combatant ships of the Navy, including—
 - "(A) virtually unlimited high-speed endurance;
 - "(B) elimination of vulnerable refueling; and
- "(C) reduction in the requirement for replenish-
- ment vessels and the need to protect those vessels. "(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that the Navy should make greater use of alternative technologies, including expanded application of integrated power systems, fuel cells, and nuclear power, for propulsion of future major surface combatant ships.
- "(c) REQUIREMENT.—The Secretary of the Navy shall include integrated power systems, fuel cells, and nuclear power as propulsion alternatives to be evaluated within the analysis of alternatives for future major surface combatant ships."

PILOT PROGRAM FOR FLEXIBLE FUNDING OF CRUISER CONVERSIONS AND OVERHAULS

Pub. L. 108–136, div. A, title I, §126, Nov. 24, 2003, 117 Stat. 1410, authorized the Secretary of the Navy to carry out a pilot program for flexible funding of cruiser conversions and overhauls, prior to repeal by Pub. L. 108–287, title VIII, §8099 [part], Aug. 5, 2004, 118 Stat. 994, and Pub. L. 108–375, div. A, title I, §122, Oct. 28, 2004, 118 Stat. 1828.

VESSEL SCRAPPING PILOT PROGRAM

Pub. L. 105–262, title VIII, §8124, Oct. 17, 1998, 112 Stat. 2333, authorized the Secretary of the Navy to carry out a competitively awarded vessel scrapping pilot program during fiscal years 1999 and 2000 using funds made available in Pub. L. 105–262 under the heading "Operation and Maintenance, Navy" (112 Stat. 2282).

CONSIDERATION OF VESSEL LOCATION FOR AWARD OF LAYBERTH CONTRACTS FOR SEALIFT VESSELS

Pub. L. 102-484, div. A, title III, §375, Oct. 23, 1992, 106 Stat. 2385, provided that:

- "(a) Consideration of Vessel Location in the Award of Layberth Contracts.—As a factor in the evaluation of bids and proposals for the award of contracts to layberth sealift vessels of the Department of the Navy, the Secretary of the Navy shall include the location of the vessels, including whether the vessels should be layberthed at locations where—
 - "(1) members of the Armed Forces are likely to be loaded onto the vessels; and
- "(2) layberthing the vessels maximizes the ability of the vessels to meet mobility and training needs of the Department of Defense.
- "(b) ESTABLISHMENT OF LOCATION AS A MAJOR CRITERION.—In the evaluation of bids and proposals referred to in subsection (a), the Secretary of the Navy shall give the same level of consideration to the location of the vessels as the Secretary gives to other major factors established by the Secretary.
- "(c) APPLICABILITY.—Subsection (a) shall apply to any solicitation for bids or proposals issued after the end of the 120-day period beginning on the date of the enactment of this Act [Oct. 23, 1992]."

REVITALIZATION OF UNITED STATES SHIPBUILDING INDUSTRY

Pub. L. 102-484, div. A, title X, §1031, Oct. 23, 1992, 106 Stat. 2489, provided that:

- "(a) IN GENERAL.—The Secretary of Defense shall require that all sealift ships built under the fast sealift program established in section 1424 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1683) [set out below] shall be constructed and designed to commercial specifications.
- "(b) Interagency Working Group To Formulate a Program To Preserve Shipyard Industrial Base.—(1) Not later than March 1, 1993, the President shall establish an interagency working group for the sole purpose of developing and implementing a comprehensive plan to enable and ensure that domestic shipyards can compete effectively in the international shipbuilding market.
- "(2) The working group shall include representatives from all appropriate agencies, including the Department of Defense, the Department of State, the Department of Commerce, the Department of Transportation, the Department of Labor, the Office of the United States Trade Representative, and the Maritime Administration
- "(3) The President shall submit to Congress the comprehensive plan developed by the working group not later than October 1, 1993.
- "(c) REPORT ON SHIP DUMPING PRACTICES.—The Secretary of Transportation shall prepare a report on the countries that provide subsidies for the construction or repair of vessels in foreign shipyards or that engage in ship dumping practices.
- "(d) REPORT ON DEFENSE CONTRACTS.—The Secretary of Defense shall prepare a report on—
 - "(1) the amount of Department of Defense contracts that were awarded to companies physically located or headquartered in the countries identified in the Secretary of Transportation's report under subsection (d) for the most recent year for which data is available; and
- "(2) the effect on defense programs of a prohibition of awarding contracts to companies physically located or headquartered in the countries identified in the Secretary of Transportation's report under subsection (d).
- "(e) REPORT ON ADEQUACY OF UNITED STATES SHIP-BUILDING INDUSTRY.—The Secretary of Defense shall prepare a report on—
 - "(1) the adequacy of United States shipbuilding industry to meet military requirements, including sealift, during the period of 1994 through 1999; and
 - "(2) the causes of any inadequacy identified and actions that could be taken to correct such inadequacies
- "(f) SUBMISSION OF REPORTS.—The reports under subsections (c), (d), and (e) shall be submitted to Congress with the President's budget for fiscal year 1994.
- "(g) PENALTY FOR FAILURE TO COMPLY.—(1) Except as provided in paragraph (2), if the President fails to submit to Congress a comprehensive plan as required by subsection (b) by October 1, 1993, no funds appropriated to the Department of Defense for fiscal year 1994 may be used to enter into a contract for the construction, repair, or purchase of any product or service with any company that has headquarters in any country that continues to provide a subsidy to a foreign shipyard for the construction or repair of vessels or that engages in ship dumping practices.
 - "(2) Paragraph (1) shall not apply if the President—"(A) notifies Congress that he is unable to submit the plan by the time required under subsection (c); and
 - "(B) includes with the notice a brief explanation of the reasons for the delay and a statement that the plan will be submitted by April 15, 1994.
 - "(h) DEFINITIONS.—For purposes of subsection (c):
 - "(1) The term 'foreign shipyard' includes a ship construction or repair facility located in a foreign coun-

try that is directly or indirectly owned, controlled, managed, or financed by a foreign shipyard that receives or benefits from a subsidy.

(2) The term 'subsidy' includes any of the follow-

ing: $\label{eq:continuous} \text{``(A) Officially supported export credits and devel-}$ opment assistance.

"(B) Direct official operating support to the commercial shipbuilding and repair industry, or to a related entity that favors the operation of shipbuilding and repair, including-

(i) grants:

"(ii) loans and loan guarantees other than those available on the commercial market;

'(iii) forgiveness of debt;

"(iv) equity infusions on terms inconsistent with commercially reasonable investment prac-

"(v) preferential provision of goods and services; and

"(vi) public sector ownership of commercial shipyards on terms inconsistent with commercially reasonable investment practices.

(C) Direct official support for investment in the commercial shipbuilding and repair industry, or to a related entity that favors the operation of shipbuilding and repair, including the kinds of support listed in clauses (i) through (v) of subparagraph (B), and any restructuring support, except public support for social purposes directly and effectively linked to shipyard closures.

(D) Assistance in the form of grants, preferential loans, preferential tax treatment, or otherwise, that benefits or is directly related to shipbuilding and repair for purposes of research and development that is not equally open to domestic and foreign enterprises

(E) Tax policies and practices that favor the shipbuilding and repair industry, directly or indirectly, such as tax credits, deductions, exemptions and preferences, including accelerated depreciation. if the benefits are not generally available to persons or firms not engaged in shipbuilding or repair.

"(F) Any official regulation or practice that authorizes or encourages persons or firms engaged in shipbuilding or repair to enter into anticompetitive arrangements.

(G) Any indirect support directly related, in law or in fact, to shipbuilding and repair at national yards, including any public assistance favoring shipowners with an indirect effect on shipbuilding or repair activities, and any assistance provided to suppliers of significant inputs to shipbuilding, which results in benefits to domestic shipbuilders. "(H) Any export subsidy identified in the Illus-

trative List of Export Subsidies in the Annex to the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade or any other export subsidy that may be prohibited as a result of the Uruguay Round of trade negotiations.

'(3) The term 'vessel' means any self-propelled, seagoing vessel-

(A) of not less than 100 gross tons, as measured under the International Convention of Tonnage Measurement of Ships, 1969; and

"(B) not exempt from entry under section 441 of the Tariff Act of 1930 (19 U.S.C. 1431).'

FAST SEALIFT PROGRAM

Pub. L. 102-484, div. A, title X, §1021, Oct. 23, 1992, 106

Stat. 2485, provided that:
"(a) Acquisition and Conversion of U.S. Built Ves-SELS.—Notwithstanding any other provision of law, the Secretary of the Navy may use funds available for the Fast Sealift Program-

"(1) to acquire vessels for the program from among available vessels built in United States shipyards;

"(2) to convert in United States shipyards vessels built in United States shipyards.

"(b) Acquisition of Five Foreign-Built Vessels.— Notwithstanding any other provision of law, funds available for the Fast Sealift Program may be used for the acquisition of five vessels built in foreign shipyards and for conversion of those vessels in United States shipyards if the Secretary of the Navy determines that acquisition of those vessels is necessary to expedite the availability of vessels for sealift.'

Pub. L. 101-510, div. A, title XIV, §1424, Nov. 5, 1990, 104 Stat. 1683, as amended by Pub. L. 102-190, div. A, title X, §1015, Dec. 5, 1991, 105 Stat. 1458; Pub. L. 102-484, div. A, title X, §1022, Oct. 23, 1992, 106 Stat. 2485; Pub. L. 103-337, div. A, title I, §125, Oct. 5, 1994, 108 Stat. 2683, provided that:

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of the Navy shall establish a program for the construction and operation, or conversion and operation, of cargo vessels that incorporate features essential for military use of the vessels.

"(b) PROGRAM REQUIREMENTS.—The program under this section shall be carried out as follows:

(1) The Secretary of the Navy shall establish the design requirements for vessels to be constructed or converted under the program.

"(2) In establishing the design requirements for vessels to be constructed or converted under the program, the Secretary shall use commercial design standards and shall consult with the Administrator of the Maritime Administration.

'(3) Construction or conversion of the vessels shall be accomplished in private United States shipyards.

"(4) The vessels constructed or converted under the program shall incorporate propulsion systems whose main components (that is, the engines, reduction gears, and propellers) are manufactured in the United States.

"(5) The vessels constructed or converted under the program shall incorporate bridge and machinery control systems and interior communications equipment which-

"(A) are manufactured in the United States: and "(B) have more than half of their value, in terms of cost, added in the United States.

"(6) The Secretary of Defense may waive the requirement of paragraph (5) with respect to a system or equipment described in that paragraph if-

'(A) the system or equipment is not available; or "(B) the costs of compliance would be unreasonable compared to the costs of purchase from a foreign manufacturer.

"(c) Charter of Vessels Constructed .—(1) Except when the Secretary determines that having a vessel immediately available with a full or partial crew is in the national interest, the Secretary, in consultation with the Administrator of the Maritime Administration, shall charter each vessel constructed before October 1, 1995, under the program for commercial operation. Any such charter-

"(A) shall not permit the operation of the vessel other than in the foreign commerce of the United

"(B) may be made only with an individual or entity that is a citizen of the United States (which, in the case of a corporation, partnership, or association, shall be determined in the manner specified in section 2 of the Shipping Act, 1916 ([former] 46 U.S.C. App. 802)) [see 46 U.S.C. 50501]; and

(C) shall require that the vessel be documented (and remain documented) under the laws of the United States.

"(2) The Secretary may enter into a charter under paragraph (1) only through the use of competitive bidding procedures that ensure that the highest charter rates are obtained by the United States consistent with good business practice, except that the Secretary may operate the vessel (or contract to have the vessel operated) in direct support of United States military forces during a time of war or national emergency and at other times when the Administrator of the Maritime

Administration determines that that operation would not unfairly compete with another United States-flag vessel.

- "(3) If the Secretary determines that a vessel previously chartered under the program no longer has commercial utility, the Secretary may transfer the vessel to the National Defense Reserve Fleet.
- "(4) A contract for the charter of a vessel under paragraph (1) shall include a provision that the charter may be terminated for national security reasons without cost to the United States.
- "(d) REPORTS TO CONGRESS.—(1) Not later than six months after the date of the enactment of this Act [Nov. 5, 1990], the Secretary of the Navy shall submit to Congress a report describing the Secretary's plan for implementing the fast sealift program authorized by this section
- "(2) Not later than three years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the implementation of the plan described in the report submitted under paragraph (1). The report shall include a description of vessels built or under contract to be built pursuant to this section, the use of such vessels, and the operating experience and manning of such vessels.
- "(3) The reports under paragraphs (1) and (2) shall be prepared in consultation with the Administrator of the Maritime Administration.
- "(e) AVAILABILITY OF FUNDS.—Amounts appropriated to the Department of Defense for any fiscal year for acquisition of fast sealift vessels may be used for the program under this section."

FUNDING FOR SHIP PRODUCTION ENGINEERING

Pub. L. 101–189, div. A, title XVI, §1613, Nov. 29, 1989, 103 Stat. 1601, provided that:

"(a) CATEGORY FOR FUNDING.—Any request submitted to Congress for appropriations for ship production engineering necessary to support the procurement of any ship included (at the time the request is submitted) in the five-year shipbuilding and conversion plan of the Navy shall be set forth in the Shipbuilding and Conversion account of the Navy (rather than in research and development accounts).

"(b) APPLICABILITY.—Subsection (a) shall apply only with respect to appropriations for a fiscal year after fiscal year 1990."

DEPOT-LEVEL MAINTENANCE OF SHIPS

Pub. L. 101–189, div. A, title XVI, §1614(a), (b), Nov. 29, 1989, 103 Stat. 1601, directed Secretary of the Navy to require that, to the extent feasible and consistent with policies of the Navy regarding family separations, not less than one-half of the depot-level maintenance work for naval vessels that was scheduled as of Oct. 1, 1989, to be carried out in Japan during fiscal years 1990, 1991, and 1992, was to be carried out in shipyards in the United States. Similar provisions were contained in Pub. L. 100–456, div. A, title XII, §1226, Sept. 29, 1988, 102 Stat. 2055, which was repealed by Pub. L. 101–189, div. A, title XVI, §1614(c), Nov. 29, 1989, 103 Stat. 1601.

REPORTS ON EFFECTS OF NAVAL SHIPBUILDING PLANS ON MARITIME INDUSTRIES

Pub. L. 100–456, div. A, title XII, §1227, Sept. 29, 1988, 102 Stat. 2055, directed Secretary of Defense to submit to Congress in 1989, 1990, and 1991 a report on how, under the current Five-Year Defense Program of Department of Defense, programs for naval shipbuilding and conversion, for naval vessel repair, and for procurement of support equipment for naval vessels could be expected to affect private-sector shipbuilding and ship repair industries of United States in terms of effectiveness and preparedness of those industries for mobilization in their role in the sealift component of the conventional deterrent of the United States.

REPAIR OF VESSELS IN FOREIGN SHIPYARDS

Pub. L. 99–500, 101(c) [title IX, 9101], Oct. 18, 1986, 100 Stat. 1783–82, 1783–118, and Pub. L. 99–591, 101(c)

[title IX, §9101], Oct. 30, 1986, 100 Stat. 3341–82, 3341–118, provided that: "No naval vessel or any vessel owned and operated by the Department of Defense homeported in the United States may be overhauled, repaired, or maintained in a foreign owned and operated shipyard located outside of the United States, except for voyage repairs."

ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF COMBATANT VESSELS FOR UNITED STATES ALLIES

Pub. L. 99-145, title XIV, §1455, Nov. 8, 1985, 99 Stat. 761, provided that:

- (a) IN GENERAL.—The Secretary of the Navy shall take such steps as necessary—
 - "(1) to encourage United States shippards to construct combatant vessels for nations friendly to the United States, subject to the requirement to safeguard sensitive warship technology; and
 - "(2) to ensure that no effort is made by any element of the Department of the Navy to inhibit, delay, or halt the provision of any United States naval system to a nation allied with the United States if that system is approved for export to a foreign nation, unless approval of such system for export is withheld solely for the purpose of safeguarding sensitive warship technology:
 - "(3) if opportunities arise to construct combatant vessels (including diesel submarines) outside the United States in a shipyard of a friendly foreign nation, with some or all of the costs provided by United States funds...
 - "(A) to encourage United States firms to participate in such construction to the maximum extent possible, subject to the requirement to safeguard sensitive warship technology; and
 - "(B) to ensure, whenever practicable, that at least 51 percent of the dollar value of such construction is provided by United States firms.
- "(b) DEFINITION.—For the purposes of this section, the term 'sensitive warship technology' means technology relating to the design or construction of a combatant naval vessel that is determined by the Secretary of Defense to be vital to United States security."

SIX-HUNDRED-SHIP GOAL FOR NAVY; SENSE OF CONGRESS

Pub. L. 97-114, title VII, §791, Dec. 29, 1981, 95 Stat. 1593, provided that: "It is the sense of the Congress that—

"(1) A larger and stronger American Navy is needed as an essential ingredient of our Armed Forces, in order to fulfill its basic missions of (A) protecting the sea lanes to preserve the safety of the free world's commerce, (B) assuring continued access to raw materials essential to the well-being of the free world, (C) enhancing our capacity to project effective American forces into regions of the world where the vital interests of the United States must be protected, (D) engaging the Navy of the Soviet Union or any other potential adversary successfully, (E) continuing to serve as a viable leg of our strategic triad, and (F) providing visible evidence of American diplomatic, economic and military commitments throughout the world.

"(2) In order to conduct the numerous and growing missions of the modern American Navy, a goal of a naval inventory of approximately six hundred active ships of various types by the end of the century at the latest, is highly desirable, the exact figure to be flexible to accommodate new designs as the specific details of our naval missions evolve to meet various contingencies.

"(3) The Secretary of Defense comply with section 808 of Public Law 94-106, the Department of Defense Appropriation Authorization Act of 1976 [set out as a note under this section], in order that the Congress may more properly appropriate the funds necessary

to reach a six hundred-ship goal at least by the end of the present century."

CONSTRUCTION OF ADVANCED, VERSATILE, SURVIVABLE, AND COST-EFFECTIVE COMBATANT SHIPS; PLANS AND PROGRAMS; PRESIDENTIAL CONCLUSIONS AND RECOM-MENDATIONS TO ACCOMPANY SHIP AUTHORIZATION RE-QUESTS

Pub. L. 95–485, title VIII, §810(a), (b), Oct. 20, 1978, 92 Stat. 1623, which declared it the policy of the United States to construct more survivable, less costly, and more combat effective ships, and directed the President to include in any request for authorization of a ship his conclusions on the ship's possession of the above qualities and whether and why the ship should be nuclear powered, was repealed and reenacted as section 7310 of this title by Pub. L. 97–295, §§1(49)(A), 6(b), Oct. 12, 1982, 96 Stat. 1298, 1315.

CONVERSION, OVERHAUL, OR REPAIR WORK UNDER SERVICE LIFE EXTENSION PROGRAM OR DDG-2 DESTROYER MODERNIZATION PROGRAM; USE OF PUBLIC OR PRIVATE SHIPYARDS; ADDITIONAL PERSONNEL; LEAST-COST APPROACH STUDY; REPORT TO CONGRESS; ADVANCED PLANNING OR PURCHASING LONG LEAD ITEMS

Pub. L. 95–485, title VIII, §811, Oct. 20, 1978, 92 Stat. 1624, prohibited Secretary of the Navy, with certain exceptions, from taking any action with respect to the use of either public shipyards or private shipyards for conversion, overhaul, or repair work under Service Life Extension Program (SLEP) or under program for modernization of DDG-2 class guided missile destroyers, or for the employment of additional personnel for, or the transfer of additional personnel to, any public shipyard as a part of the necessary buildup of manpower for carrying out either such program, until a comprehensive least-cost approach study was conducted and a written report of such study was submitted after Oct. 20, 1978, to Congress.

NAVAL SHIP NEW CONSTRUCTION AND CONVERSION PROGRAM; REPORTS TO CONGRESSIONAL COMMITTEES

Pub. L. 94–106, title VIII, §808, Oct. 7, 1975, 89 Stat. 539, directed Secretary of Defense to submit a five-year naval ship new construction and conversion program with President's budget for fiscal year beginning Oct. 1, 1976, and to report annually thereafter on changes in the program, prior to repeal by Pub. L. 101–510, div. A, title XIII, §1322(g), Nov. 5, 1990, 104 Stat. 1672.

NUCLEAR POWERED MAJOR COMBATANT VESSELS; CONSTRUCTION; DEFINITIONS; REPORT TO CONGRESS BY SECRETARY OF DEFENSE; LIMITATIONS ON AUTHORIZATION OR APPROPRIATION REQUESTS: REPORT TO CONGRESS BY PRESIDENT OF ALTERNATE PROGRAM

Pub. L. 93-365, title VIII, §§ 801-804, Aug. 5, 1974, 88 Stat. 408, 409, authorized construction of nuclear powered major combatant vessels for the strike forces of the United States Navy and an adequate industrial base for research, design, maintenance, etc., of these vessels, defined the term "major combatant vessels for the strike forces of the United States Navy", required the Secretary of Defense to report to Congress each calendar year on the application of nuclear propulsion to these vessels, and provided all requests for authorizations or appropriations for these vessels be for the construction of nuclear powered vessels unless the President advises Congress that such construction would not be in the national interest and includes for consideration by Congress an alternate program of nuclear powered ships, prior to repeal by Pub. L. 95-485, title VIII, §810(c), Oct. 20, 1978, 92 Stat. 1623.

Tonnage Balance for Construction of Ships; Repeal

Pub. L. 89–37, title III, §301, June 11, 1965, 79 Stat. 128, provided that: "Outstanding tonnage balances remaining in law for construction of Navy ships are hereby repealed."

CONSTRUCTION OF ALTERNATE VESSELS IN GOVERNMENT NAVY YARDS; PUBLIC INTERESTS

Pub. L. 89–37, title III, § 302, June 11, 1965, 79 Stat. 128, which provided that construction of warships and escort vessels follow alternate vessel Navy yard construction requirement of Act of Mar. 27, 1934, 48 Stat. 503, except in any year President finds it inconsistent with public interests, was repealed and restated as section 7299a(a) of this title by Pub. L. 97–295, §§ 1(48)(A), 6(b), Oct. 12, 1982, 96 Stat. 1298, 1314.

CONVERSION, ALTERATION, AND REPAIR PROJECTS; CONSIDERATIONS AND REQUIREMENTS

Pub. L. 89–37, title III, §303, June 11, 1965, 79 Stat. 128, which provided that assignment of naval ship conversion, alteration, and repair projects would be made on basis of economic and military considerations and would not be restricted by requirements that certain portions of such naval shipwork be assigned to particular types of shipyards or to particular geographical areas or by similar requirements, was repealed and restated as section 7299a(b) of this title by Pub. L. 97–295, §§1(48)(A), 6(b), Oct. 12, 1982, 96 Stat. 1298, 1314.

§ 7292. Naming

- (a) Not more than one vessel of the Navy may have the same name.
- (b) Each battleship shall be named for a State. However, if the names of all the States are in use, a battleship may be named for a city, place, or person.
- (c) The Secretary of the Navy may change the name of any vessel bought for the Navy.

(Aug. 10, 1956, ch. 1041, 70A Stat. 448; Pub. L. 112–239, div. A, title X, §1018(b), Jan. 2, 2013, 126 Stat. 1910; Pub. L. 113–291, div. A, title X, §1071(f)(27), Dec. 19, 2014, 128 Stat. 3511; Pub. L. 114–92, div. A, title X, §1074(a), Nov. 25, 2015, 129 Stat. 996.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
	34 U.S.C. 462. 34 U.S.C. 461.	R.S. 1532. May 4, 1898, ch. 234, 30 Stat. 390 (2d sentence under "Armor and Ar- mament"); May 13, 1908, ch. 166, 35 Stat. 159; June 29, 1949, ch. 278, 63 Stat. 300 (6th par.). R.S. 1533.

In subsection (a) the words "care shall be taken that" are omitted as surplusage.

In subsection (b) the words "first class" are omitted as obsolete.

In subsection (c) the words "by authority of law" are omitted as surplusage.

AMENDMENTS

2015—Subsec. (d). Pub. L. 114–92 struck out subsec. (d) which read as follows:

"(1) The Secretary of the Navy may not announce or implement any proposal to name a vessel of the Navy until 30 days after the date on which the Secretary submits to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth such proposal.

"(2) Each report under this subsection shall describe the justification for the proposal covered by such report in accordance with the standards referred to in section 1018(a) of the National Defense Authorization Act for Fiscal Year 2013."

2014—Subsec. (d)(2). Pub. L. 113–291 substituted ''section 1018(a)'' for ''section 1024(a)''.