

Secretary awards a contract on a net-cost basis under subsection (a), the Secretary shall provide in the contract that the contractor may retain the proceeds from the sale of scrap and reusable items removed from the vessel dismantled under the contract.

(c) DEFINITIONS.—In this section:

(1) The term “net-cost basis”, with respect to a contract for the dismantling of a vessel, means that the amount to be paid to the contractor under the contract for dismantling and for removal and disposal of hazardous waste material is discounted by the offeror’s estimate of the value of scrap and reusable items that the contractor will remove from the vessel during performance of the contract.

(2) The term “scrap” means personal property that has no value except for its basic material content.

(3) The term “reusable item” means a demilitarized component or a removable portion of a vessel or equipment that the Secretary of the Navy has identified as excess to the needs of the Navy but which has potential resale value on the open market.

(Added Pub. L. 108–375, div. A, title X, §1011(a), Oct. 28, 2004, 118 Stat. 2038.)

§ 7306. Vessels stricken from Naval Vessel Register; captured vessels: conveyance by donation

(a) AUTHORITY TO MAKE TRANSFER.—The Secretary of the Navy may convey, by donation, all right, title, and interest to any vessel stricken from the Naval Vessel Register or any captured vessel, for use as a museum or memorial for public display in the United States, to—

- (1) any State, the District of Columbia, any Commonwealth or possession of the United States, or any municipal corporation or political subdivision thereof; or
- (2) any nonprofit entity.

(b) LIMITATIONS ON LIABILITY AND RESPONSIBILITY.—(1) The United States and all departments and agencies thereof, and their officers and employees, shall not be liable at law or in equity for any injury or damage to any person or property occurring on a vessel donated under this section.

(2) Notwithstanding any other law, the Department of Defense, and the officers and employees of the Department of Defense, shall have no responsibility or obligation to make, engage in, or provide funding for, any improvement, upgrade, modification, maintenance, preservation, or repair to a vessel donated under this section.

(c) TRANSFERS TO BE AT NO COST TO DEPARTMENT OF DEFENSE.—Any transfer of a vessel under this section, the maintenance and preservation of that vessel as a museum or memorial, and the ultimate disposal of that vessel, including demilitarization of Munitions List items at the end of the useful life of the vessel as a museum or memorial, shall be made at no cost to the Department of Defense.

(d) APPLICATION OF ENVIRONMENTAL LAWS.—Nothing in this section shall affect the applicability of Federal, State, interstate, and local environmental laws and regulations, including the Toxic Substances Control Act (15 U.S.C. 2601 et

seq.) and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), to the Department of Defense or to a donee.

(e) DEFINITIONS.—In this section:

(1) The term “nonprofit entity” means any entity qualifying as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986.

(2) The term “Munitions List” means the United States Munitions List created and controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(3) The term “donee” means any entity receiving a vessel pursuant to subsection (a).

(Added Pub. L. 103–160, div. A, title VIII, §824(b), Nov. 30, 1993, 107 Stat. 1709; amended Pub. L. 106–65, div. A, title X, §1011, Oct. 5, 1999, 113 Stat. 739; Pub. L. 107–217, §3(b)(29), Aug. 21, 2002, 116 Stat. 1297; Pub. L. 113–66, div. A, title X, §1022(a)–(e)(1), Dec. 26, 2013, 127 Stat. 845, 846; Pub. L. 114–92, div. A, title X, §1074(b), Nov. 25, 2015, 129 Stat. 996.)

REFERENCES IN TEXT

The Toxic Substances Control Act, referred to in subsec. (d), is Pub. L. 94–469, Oct. 11, 1976, 90 Stat. 2003, which is classified generally to chapter 53 (§2601 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 15 and Tables.

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, referred to in subsec. (d), is Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, which is classified principally to chapter 103 (§9601 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of Title 42 and Tables.

Section 501(c)(3) of the Internal Revenue Code of 1986, referred to in subsec. (e)(1), is classified to section 501(c)(3) of Title 26, Internal Revenue Code.

PRIOR PROVISIONS

A prior section 7306, acts Aug. 10, 1956, ch. 1041, 70A Stat. 452; Nov. 8, 1965, Pub. L. 89–348, §1(10), 79 Stat. 1311; Nov. 2, 1966, Pub. L. 89–718, §42, 80 Stat. 1120; Nov. 29, 1989, Pub. L. 101–189, div. A, title XVI, §1616, 103 Stat. 1602, related to use of vessels stricken from the Naval Vessel Register for experimental purposes, prior to repeal by Pub. L. 103–160, §824(b). See section 7306a of this title.

AMENDMENTS

2015—Subsecs. (d) to (f). Pub. L. 114–92 redesignated subsecs. (e) and (f) as (d) and (e), respectively, and struck out former subsec. (d) which related to congressional notice-and-wait period.

2013—Pub. L. 113–66, §1022(e)(1), 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 section catchline.

Subsec. (a). Pub. L. 113–66, §1022(a), amended subsec. (a) generally. Prior to amendment, text read as follows: “Subject to section 113 of title 40, the Secretary of the Navy may transfer, by gift or otherwise, any vessel stricken from the Naval Vessel Register, or any captured vessel, to—

“(1) any State, Commonwealth, or possession of the United States or any municipal corporation or political subdivision thereof;

“(2) the District of Columbia; or

“(3) any not-for-profit or nonprofit entity.”

Subsec. (b). Pub. L. 113–66, §1022(b), amended subsec. (b) generally. Prior to amendment, text read as follows:

“An agreement for the transfer of a vessel under subsection (a) shall include a requirement that the transferee will maintain the vessel in a condition satisfactory to the Secretary.”

Subsec. (c). Pub. L. 113-66, §1022(c), in heading, substituted “Department of Defense” for “United States” and in text, inserted “, the maintenance and preservation of that vessel as a museum or memorial, and the ultimate disposal of that vessel, including demilitarization of Munitions List items at the end of the useful life of the vessel as a museum or memorial,” after “under this section” and substituted “the Department of Defense” for “the United States”.

Subsecs. (e), (f). Pub. L. 113-66, §1022(d), added subsecs. (e) and (f).

2002—Subsec. (a). Pub. L. 107-217 substituted “section 113 of title 40” for “subsections (c) and (d) of section 602 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474)”.

1999—Subsec. (d). Pub. L. 106-65 amended heading and text of subsec. (d) generally. Text read as follows:

“(1) No transfer under this section takes effect unless—

“(A) notice of the proposal to make the transfer is sent to Congress; and

“(B) 60 days of continuous session of Congress have expired following the date on which such notice is sent to Congress.

“(2) For purposes of paragraph (1)(B), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of such 60-day period.”

§ 7306a. Vessels stricken from Naval Vessel Register: use for experimental purposes

(a) AUTHORITY.—The Secretary of the Navy may use for experimental purposes any vessel stricken from the Naval Vessel Register.

(b) STRIPPING AND ENVIRONMENTAL REMEDIATION OF VESSEL.—(1) Before using a vessel for an experimental purpose pursuant to subsection (a), the Secretary shall carry out such stripping of the vessel as is practicable and such environmental remediation of the vessel as is required for the use of the vessel for experimental purposes.

(2) Material and equipment stripped from a vessel under paragraph (1) may be sold by the contractor or by a sales agent approved by the Secretary.

(3) Amounts received as proceeds from the stripping of a vessel pursuant to this subsection shall be credited to appropriations available for the procurement of services needed for such stripping and for environmental remediation required for the use of the vessel for experimental purposes. Amounts received in excess of amounts needed for reimbursement of those costs shall be deposited into the account from which the stripping and environmental remediation expenses were incurred and shall be available for stripping and environmental remediation of other vessels to be used for experimental purposes.

(c) USE FOR EXPERIMENTAL PURPOSES DEFINED.—In this section, the term “use for experimental purposes”, with respect to a vessel, includes use of the vessel in a Navy sink exercise or for target purposes.

(Added Pub. L. 103-160, div. A, title VIII, §824(b), Nov. 30, 1993, 107 Stat. 1709; amended Pub. L. 108-136, div. A, title X, §1012, Nov. 24, 2003, 117 Stat. 1589.)

PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 7306 of this title prior to repeal by Pub. L. 103-160.

AMENDMENTS

2003—Subsec. (b). Pub. L. 108-136, §1012(a)(1), inserted “and Environmental Remediation of” before “Vessel” in heading.

Subsec. (b)(1). Pub. L. 108-136, §1012(a)(2), inserted before period at end “and such environmental remediation of the vessel as is required for the use of the vessel for experimental purposes”.

Subsec. (b)(2). Pub. L. 108-136, §1012(b)(2), added par. (2). Former par. (2) redesignated (3).

Subsec. (b)(3). Pub. L. 108-136, §1012(b)(1), (3), redesignated par. (2) as (3) and substituted “services needed for such stripping and for environmental remediation required for the use of the vessel for experimental purposes. Amounts received in excess of amounts needed for reimbursement of those costs shall be deposited into the account from which the stripping and environmental remediation expenses were incurred and shall be available for stripping and environmental remediation of other vessels to be used for experimental purposes” for “scrapping services needed for such stripping. Amounts received which are in excess of amounts needed for procuring such services shall be deposited into the general fund of the Treasury”.

Subsec. (c). Pub. L. 108-136, §1012(c), added subsec. (c).

§ 7306b. Vessels stricken from Naval Vessel Register: transfer by gift or otherwise for use as artificial reefs

(a) AUTHORITY TO MAKE TRANSFER.—The Secretary of the Navy may transfer, by gift or otherwise, any vessel stricken from the Naval Vessel Register to any State, Commonwealth, or possession of the United States, or any municipal corporation or political subdivision thereof, for use as provided in subsection (b).

(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—An agreement for the transfer of a vessel under subsection (a) shall require that—

(1) the recipient use, site, construct, monitor, and manage the vessel only as an artificial reef in accordance with the requirements of the National Fishing Enhancement Act of 1984 (33 U.S.C. 2101 et seq.), except that the recipient may use the artificial reef to enhance diving opportunities if that use does not have an adverse effect on fishery resources (as that term is defined in section 3(14) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802(14))); and

(2) the recipient obtain, and bear all responsibility for complying with, applicable Federal, State, interstate, and local permits for using, siting, constructing, monitoring, and managing the vessel as an artificial reef.

(c) PREPARATION OF VESSEL FOR USE AS ARTIFICIAL REEF.—The Secretary shall ensure that the preparation of a vessel transferred under subsection (a) for use as an artificial reef is conducted in accordance with—

(1) the environmental best management practices developed pursuant to section 3504(b) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107-314; 16 U.S.C. 1220 note); and

(2) any applicable environmental laws.

(d) COST SHARING.—The Secretary may share with the recipient of a vessel transferred under