fairs of the Coast Guard, he may, at reasonable rates of fare fixed under regulations to be prescribed by him, provide assured and adequate transportation by motor vehicle or water carrier to and from their places of employment for persons attached to, or employed by, the Coast Guard; and during a war or during a national emergency declared by Congress or the President, for persons attached to, or employed in, a private plant that is manufacturing material for the Coast Guard.

(b) Transportation may not be provided under subsection (a) unless the Secretary or an officer designated by the Secretary, determines that—

(1) other transportation facilities are inadequate and cannot be made adequate;

(2) a reasonable effort has been made to induce operators of private facilities to provide the necessary transportation; and

(3) the service to be furnished will make proper use of transportation facilities and will supply the most efficient transportation to the persons concerned.

(c) To provide transportation under subsection (a), the Secretary may—

(1) buy, lease, or charter motor vehicles or water carriers having a seating capacity of 12 or more passengers;

(2) maintain and operate that equipment by enlisted members or employees of the Coast Guard, or by private persons under contract; and

(3) lease or charter the equipment to private or public carriers for operation under terms that are considered necessary by the Secretary or by an officer designated by the Secretary, and that may provide for the pooling of government-owned and privately owned equipment and facilities and for the reciprocal use of that equipment.

(d) Fares received under subsection (a), and proceeds of the leasing or chartering of equipment under subsection (c)(3), shall be covered into the Treasury as miscellaneous receipts.

(Added Pub. L. 96-376, §10(a), Oct. 3, 1980, 94 Stat. 1510; amended Pub. L. 99-145, title XVI, §1623, Nov. 8, 1985, 99 Stat. 778; Pub. L. 99-550, §2(e), Oct. 27, 1986, 100 Stat. 3070.)

Amendments

1986—Subsec. (e). Pub. L. 99–550 struck out subsec. (e) which provided that passenger motor vehicles of the United States could be used to provide transportation between the residence and place of work of the Commandant. See section 1344 of Title 31, Money and Finance.

1985—Subsec. (e). Pub. L. 99-145 added subsec. (e).

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99-145, title XVI, §1623, Nov. 8, 1985, 99 Stat. 778, provided that the amendment made by that section is effective Oct. 1, 1985.

[§661. Renumbered §2703]

[§662. Renumbered §2701]

[§662a. Renumbered §2901]

[§663. Renumbered §2902]

§664. User fees

(a) A fee or charge for a service or thing of value provided by the Coast Guard shall be prescribed as provided in section 9701 of title 31.

(b) Amounts collected by the Secretary for a service or thing of value provided by the Coast Guard shall be deposited in the general fund of the Treasury as proprietary receipts of the department in which the Coast Guard is operating and ascribed to Coast Guard activities.

(c) In addition to the collection of fees and charges established under this section, the Secretary may recover from the person liable for the fee or charge the costs of collecting delinquent payments of the fee or charge, and enforcement costs associated with delinquent payments of the fees and charges.

(d)(1) The Secretary may employ any Federal, State, or local agency or instrumentality, or any private enterprise or business, to collect a fee or charge established under this section.

(2) A private enterprise or business employed by the Secretary to collect fees or charges—

(A) shall be subject to reasonable terms and conditions agreed to by the Secretary and the enterprise or business;

(B) shall provide appropriate accounting to the Secretary; and

 $(\ensuremath{\mathbb{C}})$ may not institute litigation as part of that collection.

(e)(1) In addition to the collection of fees and charges established under this section, in the provision of a service or thing of value by the Coast Guard the Secretary may accept in-kind transportation, travel, and subsistence.

(2) The value of in-kind transportation, travel, and subsistence accepted under this paragraph may not exceed applicable per diem rates set forth in regulations prescribed under section 464 of title 37.

(f) The Secretary shall account for the agency's costs of collecting a fee or charge as a reimbursable expense, subject to the availability of appropriations, and the costs shall be credited to the account from which expended.

(g) Before January 1 of each year, the Secretary shall submit a report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate that includes—

(1) a verification of each activity for which a fee or charge is collected under any law stating—

(A) the amount collected in the prior fiscal year; and

(B) that the amount spent on that activity in that fiscal year is not less than the amount collected; and

(2) the amount expected to be collected under any law in the current fiscal year for each activity for which a fee or charge is expected to be collected. (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.

(Added Pub. L. 99-509, title V, §5102(a)(3), Oct. 21, 1986, 100 Stat. 1926; amended Pub. L. 101-225, title II, §211, Dec. 12, 1989, 103 Stat. 1914; Pub. L. 107-295, title IV, §408(a)(3), Nov. 25, 2002, 116 Stat. 2117; Pub. L. 108-293, title II, §206, Aug. 9, 2004, 118 Stat. 1033; Pub. L. 113-281, title III, §311(b), Dec. 18, 2014, 128 Stat. 3048.)

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, §26(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 unemployment (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, §306(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;