

cargo-convertible features suitable for defense purposes”.

Par. (12). Pub. L. 101-189, §1636(a)(4), added par. (12).

1988—Par. (1). Pub. L. 100-456 substituted “The terms” for “The term”.

1987—Pars. (1) to (11). Pub. L. 100-180 inserted “The term” after each par. designation, and revised first word in quotes in pars. (1) to (6) and (8) to (10) to make initial letter of each word lowercase.

EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 2302 of this title.

§ 9511a. Civil Reserve Air Fleet contracts: payment rate

(a) **AUTHORITY.**—The Secretary of Defense shall determine a fair and reasonable rate of payment for airlift services provided to the Department of Defense by air carriers who are participants in the Civil Reserve Air Fleet program.

(b) **REGULATIONS.**—The Secretary of Defense shall prescribe regulations for purposes of subsection (a). The Secretary may exclude from the applicability of those regulations any airlift services contract made through the use of competitive procedures.

(c) **COMMITMENT OF AIRCRAFT AS A BUSINESS FACTOR.**—The Secretary may, in determining the quantity of business to be received under an airlift services contract for which the rate of payment is determined in accordance with subsection (a), use as a factor the relative amount of airlift capability committed by each air carrier to the Civil Reserve Air Fleet.

(d) **INAPPLICABLE PROVISIONS OF LAW.**—An airlift services contract for which the rate of payment is determined in accordance with subsection (a) shall not be subject to the provisions of section 2306a of this title or to the provisions of subsections (a) and (b) of section 1502 of title 41.

(Added Pub. L. 112-81, div. A, title III, §366(a), Dec. 31, 2011, 125 Stat. 1380.)

INITIAL REGULATIONS

Pub. L. 112-81, div. A, title III, §366(c), Dec. 31, 2011, 125 Stat. 1381, provided that: “Regulations shall be prescribed under section 9511a(b) of title 10, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act [Dec. 31, 2011].”

§ 9512. Contracts for the inclusion or incorporation of defense features

(a) **AUTHORITY TO CONTRACT.**—Subject to the provisions of chapter 137 of this title, and to the extent that funds are otherwise available for obligation, the Secretary—

(1) may contract with any citizen of the United States for the inclusion or incorporation of defense features in any new or existing aircraft to be owned or controlled by that citizen; and

(2) may contract with United States aircraft manufacturers for the inclusion or incorporation of defense features in new aircraft to be operated by a United States air carrier.

(b) **COMMITMENT TO CIVIL RESERVE AIR FLEET.**—Each contract entered into under this section shall provide—

(1) that any aircraft covered by the contract shall be committed to the Civil Reserve Air Fleet;

(2) that, so long as the aircraft is owned or controlled by a contractor, the contractor shall operate the aircraft for the Department of Defense as needed during any activation of the Civil Reserve Air Fleet, notwithstanding any other contract or commitment of that contractor; and

(3) that the contractor operating the aircraft for the Department of Defense shall be paid for that operation at fair and reasonable rates.

(c) **TERMS AND REQUIRED REPAYMENT.**—Each contract entered into under subsection (a) shall include a provision that requires the contractor to repay to the United States a percentage (to be established in the contract) of any amount paid by the United States to the contractor under the contract with respect to any aircraft if—

(1) the aircraft is destroyed or becomes unusable, as defined in the contract;

(2) the defense features specified in the contract are rendered unusable or are removed from the aircraft;

(3) control over the aircraft is transferred to any person that is unable or unwilling to assume the contractor's obligations under the contract; or

(4) the registration of the aircraft under section 44103 of title 49 is terminated for any reason not beyond the control of the contractor.

(d) **AUTHORITY TO CONTRACT AND PAY DIRECTLY.**—(1) A contract under subsection (a) for the inclusion or incorporation of defense features in an aircraft may include a provision authorizing the Secretary—

(A) to contract, with the concurrence of the contractor, directly with another person for the performance of the work necessary for the inclusion or incorporation of defense features in such aircraft; and

(B) to pay such other person directly for such work.

(2) A contract entered into pursuant to paragraph (1) may include such specifications for work and equipment as the Secretary considers necessary to meet the needs of the United States.

(e) **EXCLUSIVITY OF COMMITMENT TO CIVIL RESERVE AIR FLEET.**—Notwithstanding section 101 of the Defense Production Act of 1950 (50 U.S.C. 4511), each aircraft covered by a contract entered into under this section shall be committed exclusively to the Civil Reserve Air Fleet for use by the Department of Defense as needed during any activation of the Civil Reserve Air Fleet unless the aircraft is released from that use by the Secretary of Defense.

(Added Pub. L. 97-86, title IX, §915(2), Dec. 1, 1981, 95 Stat. 1126; amended Pub. L. 98-525, title XIV, §1405(57), Oct. 19, 1984, 98 Stat. 2626; Pub. L. 101-189, div. A, title XVI, §1636(b), Nov. 29, 1989, 103 Stat. 1609; Pub. L. 103-272, §5(b)(3), July 5, 1994, 108 Stat. 1373; Pub. L. 103-355, title III, §3032(1)-(8), Oct. 13, 1994, 108 Stat. 3334, 3335; Pub. L. 104-106, div. A, title X, §1087, Feb. 10, 1996, 110 Stat. 458; Pub. L. 114-328, div. A, title X, §1081(b)(4)(D), Dec. 23, 2016, 130 Stat. 2419.)

CODIFICATION

The text of subsecs. (a) and (b) of section 9513 of this title, which were redesignated as subsecs. (b) and (e) of this section by Pub. L. 103-355, § 3032(4), (5), was based on Pub. L. 97-86, title IX, § 915(2), Dec. 1, 1981, 95 Stat. 1128; amended Pub. L. 101-189, div. A, title XVI, § 1636(c)(1), Nov. 29, 1989, 103 Stat. 1610.

AMENDMENTS

2016—Subsec. (e). Pub. L. 114-328 substituted “(50 U.S.C. 4511)” for “(50 U.S.C. App. 2071)”.

1996—Subsecs. (b)(2), (e). Pub. L. 104-106 struck out “full” before “Civil Reserve Air Fleet”.

1994—Subsec. (a). Pub. L. 103-355, § 3032(1), inserted heading.

Subsec. (b). Pub. L. 103-355, § 3032(6), inserted heading and substituted “entered into under this section” for “under section 9512 of this title” in introductory provisions.

Pub. L. 103-355, § 3032(4), redesignated subsec. (a) of section 9513 of this title as subsec. (b) of this section. Former subsec. (b) redesignated (c). See Codification note above.

Subsec. (b)(4). Pub. L. 103-272 substituted “section 44103 of title 49” for “section 501 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1401)”.

Subsec. (c). Pub. L. 103-355, § 3032(7), struck out “the terms required by section 9513 of this title and” before “a provision that requires the contractor” in introductory provisions.

Pub. L. 103-355, § 3032(3), redesignated subsec. (b) as (c) and inserted heading. Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 103-355, § 3032(2), redesignated subsec. (c) as (d) and inserted heading.

Subsec. (e). Pub. L. 103-355, § 3032(8), inserted heading and substituted “entered into under this section” for “under section 9512 of this title”.

Pub. L. 103-355, § 3032(5), redesignated subsec. (b) of section 9513 of this title as subsec. (e) of this section. See Codification note above.

1989—Pub. L. 101-189 substituted “Contracts for the inclusion or incorporation of defense features” for “Contracts to modify aircraft: cargo-convertible features” as section catchline and amended text generally, substituting subsecs. (a) to (c) for former subsecs. (a) to (e).

1984—Subsec. (b)(1). Pub. L. 98-525 substituted “App. 1401” for “1401”.

EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 2302 of this title.

[§ 9513. Repealed. Pub. L. 113-291, div. A, title X, § 1045(a), Dec. 19, 2014, 128 Stat. 3494]

Section, added Pub. L. 103-355, title III, § 3033(a), Oct. 13, 1994, 108 Stat. 3335, related to use of military installations by Civil Reserve Air Fleet contractors.

A prior section 9513, added Pub. L. 97-86, title IX, § 915(2), Dec. 1, 1981, 95 Stat. 1128; amended Pub. L. 101-189, div. A, title XVI, § 1636(c)(1), Nov. 29, 1989, 103 Stat. 1610, directed that each contract under section 9512 of this title be committed to Civil Reserve Air Fleet, prior to amendment by Pub. L. 103-355, § 3032(4), (5), (9), which struck out section catchline and redesignated subsecs. (a) and (b) as subsecs. (b) and (e) of section 9512, respectively.

§ 9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance

(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by defense-related aviation insurance, the Secretary of Defense shall promptly indemnify the Secretary of

Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The Secretary of Defense shall make such indemnification—

(A) in the case of a claim for the loss of an aircraft hull, not later than 30 days after the date on which the Secretary of Transportation determines the claim to be payable or that amounts are due under the policy that provided the defense-related aviation insurance; and

(B) in the case of any other claim, not later than 180 days after the date on which the Secretary of Transportation determines the claim to be payable.

(2) When there is a loss of an aircraft hull that is (or may be) covered by defense-related aviation insurance, the Secretary of Transportation may make, during the period when a claim for such loss is pending with the Secretary of Transportation, any required periodic payments owed by the insured party to a lessor or mortgagee of such aircraft. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the aircraft hull to the Secretary of Transportation. If the Secretary of Transportation determines that the claim is payable, any amount paid under this paragraph arising from such claim shall be credited against the amount payable under the aviation insurance. If the Secretary of Transportation determines that the claim is not payable, any amount paid under this paragraph arising from such claim shall constitute a debt to the United States, payable to the insurance fund. Any such amounts so returned to the United States shall be promptly credited to the fund or account from which the payments were made under this paragraph.

(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary of Defense may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

(c) NOTICE TO CONGRESS.—In the event of a loss that is covered by defense-related aviation insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of \$10,000,000, the Secretary of Defense shall submit to Congress notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss.

(d) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

(e) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority