

ever appearing and “transportation capacity” for “airlift capacity” in par. (3).

Subsec. (a)(3). Pub. L. 113-66, §1073(a)(2)(B), as amended by Pub. L. 113-291, §1071(g)(4), inserted “military transportation services provided in support of foreign military sales” after “Department of Defense”.

Pub. L. 113-66, §1073(a)(2)(A), (C), substituted “September 30, 2019” for “October 28, 2014” and “transportation industry” for “air industry”.

2011—Subsec. (a)(3). Pub. L. 111-383 substituted “During the period beginning on October 28, 2009, and ending on October 28, 2014” for “During the five-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2010”.

2009—Subsec. (a)(3). Pub. L. 111-84 added par. (3).

2003—Pub. L. 108-136, §1006(b)(1), substituted “Airlift services provided to certain other agencies: use of Department of Defense reimbursement rate” for “Reimbursement rate for airlift services provided to Central Intelligence Agency” as section catchline.

Subsec. (a). Pub. L. 108-136, §1006(a), inserted “as follows:

“(1) For military airlift services provided” before “to the Central Intelligence Agency”, and added par. (2).

EFFECTIVE DATE OF 2017 AMENDMENT

Pub. L. 115-91, div. A, title X, §1081(f), Dec. 12, 2017, 131 Stat. 1601, provided that the amendment made by section 1081(f) is effective as of Dec. 19, 2014, and as if included in Pub. L. 113-291 as enacted.

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113-291, div. A, title X, §1071(g), Dec. 19, 2014, 128 Stat. 3511, provided that the amendment made by section 1071(g)(4) is effective as of Dec. 26, 2013, and as if included in Pub. L. 113-66 as enacted.

§ 2643. Commissary and exchange services: transportation overseas

(a) TRANSPORTATION OPTIONS.—The Secretary of Defense shall authorize the officials responsible for operation of commissaries and military exchanges to negotiate directly with private carriers for the most cost-effective transportation of commissary and exchange supplies to destinations outside the continental United States without relying on the Air Mobility Command, the Military Sealift Command, or the Military Traffic Management Command. Section 2631 of this title, regarding the preference for vessels of the United States or belonging to the United States in the transportation of supplies by sea, shall apply to the negotiation of contracts for sea-borne transportation under the authority of this section.

(b) PAYMENT OF TRANSPORTATION COSTS.—Section 2483(b)(5) of this title, regarding the use of appropriated funds to cover the expenses of operating commissary stores, shall apply to the transportation of commissary supplies and products. Appropriated funds for the Department of Defense shall also be used to cover the expenses of transporting exchange supplies and products to destinations outside the continental United States. Such appropriated funds may be supplemented with additional funds derived from improved management practices implemented pursuant to sections 2481(c)(3) and 2487(c) of this title.

(Added Pub. L. 104-106, div. A, title III, §334(a), Feb. 10, 1996, 110 Stat. 261; amended Pub. L. 109-163, div. A, title VI, §673, Jan. 6, 2006, 119 Stat. 3319; Pub. L. 114-328, div. A, title VI, §661(h), Dec. 23, 2016, 130 Stat. 2172.)

AMENDMENTS

2016—Subsec. (b). Pub. L. 114-328 inserted at end “Such appropriated funds may be supplemented with additional funds derived from improved management practices implemented pursuant to sections 2481(c)(3) and 2487(c) of this title.”

2006—Pub. L. 109-163 designated existing provisions as subsec. (a), inserted heading, substituted “to destinations outside the continental United States without relying on the Air Mobility Command, the Military Sealift Command,” for “by sea without relying on the Military Sealift Command” and “contracts for sea-borne transportation” for “transportation contracts”, and added subsec. (b).

§ 2644. Control of transportation systems in time of war

In time of war, the President, through the Secretary of Defense, may take possession and assume control of all or part of any system of transportation to transport troops, war material, and equipment, or for other purposes related to the emergency. So far as necessary, he may use the system to the exclusion of other traffic.

(Aug. 10, 1956, ch. 1041, 70A Stat. 266, §4742; renumbered §2644 and amended Pub. L. 104-201, div. A, title IX, §906(a), (b), Sept. 23, 1996, 110 Stat. 2620.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
4742	10:1361.	Aug. 29, 1916, ch. 418 (last par. under “Ordnance Department”), 39 Stat. 645.

The words “as may be needful or desirable” are omitted as surplusage.

AMENDMENTS

1996—Pub. L. 104-201 renumbered section 4742 of this title as this section and substituted “Secretary of Defense” for “Secretary of the Army”.

§ 2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance

(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by vessel war risk 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 a vessel, not later than 90 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 vessel war risk 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 a vessel that is (or may be) covered by vessel war risk 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 vessel. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the vessel 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 vessel war risk 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) DEPOSIT OF FUNDS.—Any amount transferred to the Secretary of Transportation under this section shall be deposited in, and merged with amounts in, the Vessel War Risk Insurance Fund as provided in section 53909(b) of title 46.

(d) NOTICE TO CONGRESS.—In the event of a loss that is covered by vessel war risk 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.

(e) 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.

(f) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

[(g) Repealed. Pub. L. 108-136, div. A, title X, § 1031(a)(26)(B), Nov. 24, 2003, 117 Stat. 1598.]

(h) DEFINITIONS.—In this section:

(1) VESSEL WAR RISK INSURANCE.—The term “vessel war risk insurance” means insurance and reinsurance provided through policies issued by the Secretary of Transportation under chapter 539 of title 46 that is provided by that Secretary without premium at the request of

the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

(2) VESSEL WAR RISK INSURANCE FUND.—The term “Vessel War Risk Insurance Fund” means the insurance fund referred to in section 53909(a) of title 46.

(3) LOSS.—The term “loss” includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the vessel war risk insurance.

(Added Pub. L. 104-201, div. A, title X, § 1079(b)(1), Sept. 23, 1996, 110 Stat. 2669; amended Pub. L. 105-85, div. A, title X, § 1073(a)(57), Nov. 18, 1997, 111 Stat. 1903; Pub. L. 108-136, div. A, title X, § 1031(a)(26), Nov. 24, 2003, 117 Stat. 1598; Pub. L. 109-304, § 17(a)(4), Oct. 6, 2006, 120 Stat. 1706; Pub. L. 112-81, div. A, title X, § 1064(8), Dec. 31, 2011, 125 Stat. 1587.)

REFERENCES IN TEXT

The date of the enactment of this section, referred to in subsec. (f), is the date of enactment of Pub. L. 104-201, which was approved Sept. 23, 1996.

AMENDMENTS

2011—Subsec. (d). Pub. L. 112-81 substituted “\$10,000,000” for “\$1,000,000”.

2006—Subsec. (c). Pub. L. 109-304, § 17(a)(4)(A), substituted “section 53909(b) of title 46” for “the second sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a))”.

Subsec. (h)(1). Pub. L. 109-304, § 17(a)(4)(B), substituted “chapter 539 of title 46” for “title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.)”.

Subsec. (h)(2). Pub. L. 109-304, § 17(a)(4)(C), substituted “section 53909(a) of title 46” for “the first sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a))”.

2003—Subsec. (d). Pub. L. 108-136, § 1031(a)(26)(A), substituted “Congress” for “Congress—”, struck out par. (1) designation before “notification”, substituted a period for “; and” after “date of the loss”, and struck out par. (2) which read as follows: “semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the Government.”

Subsec. (g). Pub. L. 108-136, § 1031(a)(26)(B), struck out heading and text of subsec. (g). Text read as follows: “Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the vessel war risk insurance program under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.)”.

1997—Subsec. (a)(1)(B). Pub. L. 105-85 struck out “on which” after “after the date on which”.

§ 2646. Travel services: procurement for official and unofficial travel under one contract

(a) AUTHORITY.—The head of an agency may enter into a contract for travel-related services that provides for the contractor to furnish services for both official travel and unofficial travel.

(b) CREDITS, DISCOUNTS, COMMISSIONS, FEES.—(1) A contract entered into under this section may provide for credits, discounts, or commissions or other fees to accrue to the Department of Defense. The accrual and amounts of credits, discounts, or commissions or other fees may be