

Department of the Navy designated by the Secretary of the Navy shall conduct at the David W. Taylor Model Basin, Carderock, Maryland, investigations to determine the most suitable shapes and forms for United States vessels and aircraft and investigations of other problems of their design.”

1966—Subsec. (a). Pub. L. 89-718 substituted “An officer or agency of the Department of the Navy designated by the Secretary of the Navy” for “The Bureau of Ships”.

#### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 807(d)(2) of Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

### § 8674. Examination of vessels; striking of vessels from Naval Vessel Register

(a) **BOARDS OF OFFICERS TO EXAMINE NAVAL VESSELS.**—(1) The Secretary of the Navy shall designate boards of naval officers to examine naval vessels, including unfinished vessels, for the purpose of making a recommendation to the Secretary as to which vessels, if any, should be stricken from the Naval Vessel Register. Each vessel shall be examined at least once every three years if practicable.

(2)(A) Except as provided in subparagraph (B), any naval vessel examined under this section on or after January 1, 2020, shall be examined with minimal notice provided to the crew of the vessel.

(B) Subparagraph (A) shall not apply to a vessel undergoing necessary trials before acceptance into the fleet.

(b) **ACTIONS BY BOARD.**—A board designated under subsection (a) shall submit to the Secretary in writing its recommendations as to which vessels, if any, among those it examined should be stricken from the Naval Vessel Register.

(c) **ACTION BY SECRETARY.**—If the Secretary concurs with a recommendation by a board that a vessel should be stricken from the Naval Vessel Register, the Secretary shall strike the name of that vessel from the Naval Vessel Register.

(d) **ANNUAL REPORT.**—(1) Not later than March 1 each year, the board designated under subsection (a) shall submit to the congressional defense committees a report setting forth the following:

(A) An overall narrative summary of the material readiness of Navy ships as compared to established material requirements standards.

(B) The overall number and types of vessels inspected during the preceding fiscal year.

(C) For in-service vessels, material readiness trends by inspected functional area as compared to the previous five years.

(2) Each report under this subsection shall be submitted in an unclassified form that is releasable to the public without further redaction.

(3) No report shall be required under this subsection after October 1, 2021.

(Added Pub. L. 103-160, div. A, title VIII, § 824(b), Nov. 30, 1993, 107 Stat. 1708, § 7304; renumbered § 8674 and amended Pub. L. 115-232, div. A, title III, § 322, title VIII, § 807(d)(2), Aug. 13, 2018, 132 Stat. 1719, 1836.)

#### AMENDMENTS

2018—Pub. L. 115-232, § 807(d)(2), renumbered section 7304 of this title as this section.

Subsec. (a). Pub. L. 115-232, § 322(a), designated existing provisions as par. (1) and added par. (2).

Subsec. (d). Pub. L. 115-232, § 322(b), added subsec. (d).

#### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 807(d)(2) of Pub. L. 115-232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115-232, set out as a note preceding section 3001 of this title.

### § 8675. Vessels stricken from Naval Vessel Register: sale

(a) **APPRAISAL OF VESSELS STRICKEN FROM NAVAL VESSEL REGISTER.**—The Secretary of the Navy shall appraise each vessel stricken from the Naval Vessel Register under section 8674 of this title.

(b) **AUTHORITY TO SELL VESSEL.**—If the Secretary considers that the sale of the vessel is in the national interest, the Secretary may sell the vessel. Any such sale shall be in accordance with regulations prescribed by the Secretary for the purposes of this section.

(c) **PROCEDURES FOR SALE.**—(1) A vessel stricken from the Naval Vessel Register and not subject to disposal under any other law may be sold under this section.

(2) In such a case, the Secretary may—

(A) sell the vessel to the highest acceptable bidder, regardless of the appraised value of the vessel, after publicly advertising the sale of the vessel for a period of not less than 30 days; or

(B) subject to paragraph (3), sell the vessel by competitive negotiation to the acceptable offeror who submits the offer that is most advantageous to the United States (taking into account price and such other factors as the Secretary determines appropriate).

(3) Before entering into negotiations to sell a vessel under paragraph (2)(B), the Secretary shall publish notice of the intention to do so in the Commerce Business Daily sufficiently in advance of initiating the negotiations that all interested parties are given a reasonable opportunity to prepare and submit proposals. The Secretary shall afford an opportunity to participate in the negotiations to all acceptable offerors submitting proposals that the Secretary considers as having the potential to be the most advantageous to the United States (taking into account price and such other factors as the Secretary determines appropriate).

(d) **APPLICABILITY.**—This section does not apply to a vessel the disposal of which is authorized by subtitle I of title 40 and division C (except sections 3302, 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, if it is to be disposed of under those provisions.

(Added Pub. L. 103-160, div. A, title VIII, § 824(b), Nov. 30, 1993, 107 Stat. 1708, § 7305; amended Pub. L. 105-85, div. A, title X, § 1021, Nov. 18, 1997, 111 Stat. 1875; Pub. L. 107-217, § 3(b)(28), Aug. 21, 2002, 116 Stat. 1297; Pub. L. 108-136, div. A, title X, § 1045(a)(7), Nov. 24, 2003, 117 Stat. 1612; Pub. L. 111-350, § 5(b)(53), Jan. 4, 2011, 124 Stat. 3847; renumbered § 8675 and amended Pub. L. 115-232,