

(3) For military transportation services provided to any element of the Federal Government outside the Department of Defense in circumstances other than those specified in paragraphs (1) and (2), but only if the Secretary of Defense determines that the provision of such services will promote the improved use of transportation capacity without any negative effect on the national security objectives or the national security interests contained within the United States commercial transportation industry.

(4) For military transportation services provided in support of foreign military sales.

(5) For military transportation services provided to a State, local, or tribal agency (including any organization composed of State, local, or tribal agencies).

(6) For military transportation services provided to a Department of Defense contractor when transporting supplies that are for, or destined for, a Department of Defense entity.

(b) **TERMINATION OF AUTHORITY FOR CERTAIN CATEGORIES OF TRANSPORTATION.**—The provisions of paragraphs (3), (4), (5), and (6) of subsection (a) shall apply only to military transportation services provided before October 1, 2024.

(c) **DEFINITION.**—In this section, the term “Department of Defense reimbursement rate” means the amount charged a component of the Department of Defense by another component of the Department of Defense.

(Added Pub. L. 102–88, title V, §501(a), Aug. 14, 1991, 105 Stat. 435; amended Pub. L. 108–136, div. A, title X, §1006(a), (b)(1), Nov. 24, 2003, 117 Stat. 1585; Pub. L. 111–84, div. A, title III, §351(a), Oct. 28, 2009, 123 Stat. 2262; Pub. L. 111–383, div. A, title X, §1075(b)(40), Jan. 7, 2011, 124 Stat. 4371; Pub. L. 113–66, div. A, title X, §1073(a), (b), Dec. 26, 2013, 127 Stat. 869; Pub. L. 113–291, div. A, title X, §§1044(a)–(c)(1), 1071(f)(22), (g)(4), Dec. 19, 2014, 128 Stat. 3493, 3494, 3511; Pub. L. 115–91, div. A, title X, §1081(f), Dec. 12, 2017, 131 Stat. 1601; Pub. L. 116–92, div. A, title III, §373, Dec. 20, 2019, 133 Stat. 1332.)

#### AMENDMENTS

2019—Subsec. (b). Pub. L. 116–92 substituted “October 1, 2024” for “October 1, 2019”.

2017—Subsec. (a)(3). Pub. L. 115–91, §1081(f), which directed substitution of “September 30” for “October 28” in the amendment made by Pub. L. 113–291, §1044(a)(2)(A), was executed by making the substitution the second place appearing in the quoted language to be stricken by that amendment, to reflect the probable intent of Congress. See 2014 Amendment note below.

2014—Pub. L. 113–291, §1044(c)(1), amended section catchline generally, substituting “Transportation services provided to certain non-Department of Defense agencies and entities: use of Department of Defense reimbursement rate” for “Transportation services provided to certain other agencies: use of Department of Defense reimbursement rate”.

Subsec. (a). Pub. L. 113–291, §1044(a)(1), substituted “Subject to subsection (b), the Secretary” for “The Secretary” in introductory provisions.

Subsec. (a)(3). Pub. L. 113–291, §1071(g)(4), amended Pub. L. 113–66, §1073(a)(2)(B). See 2013 Amendment note below.

Pub. L. 113–291, §1071(f)(22), inserted “and” before “military transportation services provided in support”. Amendment was executed prior to amendment by Pub. L. 113–291, §1044(a)(2)(B), see below, pursuant to section

1071(k) of Pub. L. 113–291, set out as a note under section 101 of this title.

Pub. L. 113–291, §1044(a)(2)(B), substituted “Department of Defense” for “Department of Defense and military transportation services provided in support of foreign military sales”.

Pub. L. 113–291, §1044(a)(2)(A), as amended by Pub. L. 115–91, §1081(f), substituted “For” for “During the period beginning on October 28, 2009, and ending on September 30, 2019, for”. See 2017 Amendment note above.

Subsec. (a)(4) to (6). Pub. L. 113–291, §1044(a)(3), added pars. (4) to (6).

Subsecs. (b), (c). Pub. L. 113–291, §1044(b), added subsec. (b) and redesignated former subsec. (b) as (c).

2013—Pub. L. 113–66, §1073(b), substituted “Transportation” for “Airlift” in section catchline.

Subsec. (a). Pub. L. 113–66, §1073(a)(1), substituted “transportation services” for “airlift services” wherever 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 seaborne 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 presentation 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.