

serve status under paragraph (2) to allow the vessel to be placed in active status as provided in paragraph (3).

**(5) Procedures**

The Secretary shall develop and implement procedures to ensure that, to the maximum extent practicable, private industry hopper dredge capacity is available to meet both routine and time-sensitive dredging needs. Such procedures shall include—

(A) scheduling of contract solicitations to effectively distribute dredging work throughout the dredging season; and

(B) use of expedited contracting procedures to allow dredges performing routine work to be made available to meet time-sensitive, urgent, or emergency dredging needs.

**(6) Report**

Not later than 2 years after October 12, 1996, the Secretary shall report to Congress on whether the vessel placed in ready reserve status under paragraph (2) is needed to be returned to active status or continued in a ready reserve status or whether another Federal hopper dredge should be placed in a ready reserve status.

**(7) Limitations**

**(A) Reductions in status**

The Secretary may not further reduce the readiness status of any Federal hopper dredge below a ready reserve status except any vessel placed in such status for not less than 5 years that the Secretary determines has not been used sufficiently to justify retaining the vessel in such status.

**(B) Increase in assignments of dredging work**

For each fiscal year beginning after October 12, 1996, the Secretary shall not assign any greater quantity of dredging work to any Federal hopper dredge in active status than was assigned to that vessel in the average of the 3 prior fiscal years. This subparagraph shall not apply to the Federal hopper dredges Essayons and Yaquina of the Corps of Engineers.

**(C) Remaining dredges**

In carrying out the program under this section, the Secretary shall not reduce the availability and utilization of Federal hopper dredge vessels stationed on the Pacific and Atlantic coasts below that which occurred in fiscal year 1996 to meet the navigation dredging needs of the ports on those coasts.

**(8) Contracts; payment of capital costs**

The Secretary may enter into a contract for the maintenance and crewing of any Federal hopper dredge retained in a ready reserve status. The capital costs (including depreciation costs) of any dredge retained in such status shall be paid for out of funds made available from the Harbor Maintenance Trust Fund and shall not be charged against the Corps of Engineers' Revolving Fund Account or any individual project cost unless the dredge is specifically used in connection with that project.

(Aug. 11, 1888, ch. 860, § 3, 25 Stat. 423; July 25, 1912, ch. 253, § 1, 37 Stat. 222; Mar. 2, 1919, ch. 95,

§ 3, 40 Stat. 1287; Pub. L. 95-269, § 1, Apr. 26, 1978, 92 Stat. 218; Pub. L. 104-303, title II, § 237, Oct. 12, 1996, 110 Stat. 3705; Pub. L. 110-114, title II, § 2047(b), Nov. 8, 2007, 121 Stat. 1106.)

**Editorial Notes**

REFERENCES IN TEXT

Section 563 of the Water Resources Development Act of 1996, referred to in subsec. (c)(2), is section 563 of Pub. L. 104-303, Oct. 12, 1996, 110 Stat. 3784, which is not classified to the Code.

CODIFICATION

Prior to the general amendment by Pub. L. 95-269, this section was a composite of several Acts as follows:

The first sentence was from a part of section 3 of Act of Aug. 11, 1888, the Rivers and Harbors Appropriation Act of 1888. The remainder of section 3 was classified to section 623 of this title.

The second sentence, which provided that all improvement works authorized by contract may, in the discretion of the Secretary of War [now Army], be carried on by contract or otherwise, as may be most economical or advantageous to the United States, was from section 1 of the Act of July 25, 1912, the Rivers and Harbors Appropriation Act of 1912. Previous similar provisions were contained in Acts Mar. 2, 1907, ch. 2509, § 1, 34 Stat. 1110; Feb. 27, 1911, ch. 166, § 1, 36 Stat. 952.

The third sentence, which provided that in all cases where the project for a work of river or harbor improvement provides for the construction or use of Government dredging plant, the Secretary of War [now Army] may, in his discretion, have the work done by contract if reasonable prices can be obtained, was from section 3 of the Act of Mar. 2, 1919, the Rivers and Harbors Appropriation Act of 1919, which superseded a somewhat similar provision in section 3 of the Act of Aug. 8, 1917, ch. 49, 40 Stat. 261. Section 1 of the 1917 Act, 40 Stat. 255, provided in part that "the work proposed under the project adopted by the river and harbor Act approved July twenty-fifth, nineteen hundred and twelve, may be done by contract if reasonable prices can be obtained".

AMENDMENTS

2007—Subsec. (c)(7)(B). Pub. L. 110-114 inserted "This subparagraph shall not apply to the Federal hopper dredges Essayons and Yaquina of the Corps of Engineers." at end.

1996—Subsec. (c). Pub. L. 104-303 added subsec. (c).

1978—Pub. L. 95-269 designated existing provision as subsec. (a), substituted provisions relating to authority of Secretary of the Army, acting through the Chief of Engineers, to implement improvement projects by contract or otherwise and dredging and related work by contract with private industry, for provisions relating to authority of the Secretary of the Army to apply moneys appropriated for improvements by contract or otherwise and for construction or use of a Government dredging plant by contract, and added subsec. (b).

**§ 623. Repealed. Oct. 31, 1951, ch. 654, § 1(57), 65 Stat. 703**

Section, act Aug. 11, 1888, ch. 860, § 3, 25 Stat. 423, related to letting of contracts to lowest responsible bidder.

**§ 624. Limitation on improvement work by private contract**

**(a) Determinations respecting comparison of private contract price with estimation of cost of performance of work by Government plant or by well-equipped contractor**

No works of river and harbor improvement shall be done by private contract—

(1) if the Secretary of the Army, acting through the Chief of Engineers, determines that Government plant is reasonably available to perform the subject work and the contract price for doing the work is more than 25 per centum in excess of the estimated comparable cost of doing the work by Government plant; or

(2) in any other circumstance where the Secretary of the Army, acting through the Chief of Engineers, determines that the contract price is more than 25 per centum in excess of what he determines to be a fair and reasonable estimated cost of a well-equipped contractor doing the work.

**(b) Considerations involved in determinations of estimation of cost of performance of work by Government plant**

In estimating the comparable cost of doing the work under subsection (a)(1) by Government plant the Secretary of the Army, acting through the Chief of Engineers shall, in addition to the cost of labor and materials, take into account proper charges for depreciation of plant, all supervising and overhead expenses, interest on the capital invested in the Government plant (but the rate of interest shall not exceed the maximum prevailing rate being paid by the United States on current issues of bonds or other evidences of indebtedness) and such other Government expenses and charges as the Chief of Engineers determines to be appropriate.

**(c) Considerations involved in determinations of estimation of cost of performance of work by well-equipped contractor**

In determining a fair and reasonable estimated cost of doing work by private contract under subsection (a)(2), the Secretary of the Army, acting through the Chief of Engineers, shall, in addition to the cost of labor and materials, take into account proper charges for depreciation of plant, all expenses for supervision, overhead, workmen's compensation, general liability insurance, taxes (State and local), interest on capital invested in plant, and such other expenses and charges the Secretary of the Army, acting through the Chief of Engineers, determines to be appropriate.

(Mar. 2, 1919, ch. 95, §8, 40 Stat. 1290; Pub. L. 95-269, §2, Apr. 26, 1978, 92 Stat. 219.)

**Editorial Notes**

**CODIFICATION**

Section is from the Rivers and Harbors Appropriation Act of 1919.

**AMENDMENTS**

1978—Pub. L. 95-269 designated existing provision as subsec. (a), substituted provisions relating to determinations by the Secretary of the Army, acting through the Chief of Engineers, respecting contract prices for performance of works of river and harbor improvement by a Government plant or by a well-equipped contractor as a limitation on performance of the work by private contract, for provisions relating to limitation on use of funds for works of river and harbor improvement pursuant to private contract based on estimation of cost for performance of work by Government plant and factors constituting cost estimation, and added subsecs. (b) and (c).

**Statutory Notes and Related Subsidiaries**

**COMPENSATION FOR INCREASED COSTS**

Provision for payment to contractors to compensate for loss occasioned by increased cost of materials during the war with Germany was made by section 10 of act Mar. 2, 1919, and act June 5, 1920, ch. 252, §5, 41 Stat. 1014.

**REPEAL OF LIMITATION ON COSTS**

A provision for limitation on the costs of projects made by section 1 of act Mar. 2, 1919, was repealed by act June 5, 1920, ch. 252, §3, 41 Stat. 1013.

**§ 625. Repealed. Oct. 31, 1951, ch. 654, §1(58), 65 Stat. 703**

Section, acts Sept. 19, 1890, ch. 907, §2, 26 Stat. 452; July 25, 1912, ch. 253, §8, 37 Stat. 233, related to combining several projects in one contract.

**§ 626. Prosecution of work when appropriation insufficient**

Whenever the appropriations made, or authorized to be made, for the completion of any river and harbor work shall prove insufficient therefor, the Secretary of the Army may, in his discretion, on the recommendation of the Chief of Engineers, apply the funds so appropriated or authorized to the prosecution of such work.

(July 25, 1912, ch. 253, §8, 37 Stat. 233; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

**Editorial Notes**

**CODIFICATION**

Section is from part of section 8 of the Rivers and Harbors Appropriation Act of 1912. The omitted part of such section 8 was set out in section 625 of this title.

**Statutory Notes and Related Subsidiaries**

**CHANGE OF NAME**

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

**SIMILAR PROVISIONS**

A similar provision was contained in act Mar. 2, 1907, ch. 2509, §1, 34 Stat. 1073.

**§ 627. Application of appropriation when separate works are included therein**

Where separate works or items are consolidated in River and Harbor Acts and an aggregate amount is appropriated therefor, any balances remaining to the credit of the separate works or items may be transferred to the credit of the corresponding aggregate amounts appropriated for the consolidated items, and the amounts appropriated or transferred shall, unless otherwise expressed, be expended in securing maintenance and improvement according to the respective projects adopted by Congress, after giving due regard to the respective needs of traffic. The allotments to the respective works consolidated shall be made by the Secretary of the Army