

AMENDMENT
TO RULES COMMITTEE PRINT 116-19
OFFERED BY _____

At the end of title XXXV, add the following new subtitle:

1 **Subtitle C—Cable Security Fleet**

2 **SEC. 3521. ESTABLISHMENT OF CABLE SECURITY FLEET.**

3 (a) IN GENERAL.—Title 46, United States Code, is
4 amended by inserting before chapter 533 the following
5 new chapter:

6 **“CHAPTER 532—CABLE SECURITY FLEET**

“Sec.

“53201. Definitions.

“53202. Establishment of the Cable Security Fleet.

“53203. Award of operating agreements.

“53204. Effectiveness of operating agreements.

“53205. Obligations and rights under operating agreements.

“53206. Payments.

“53207. National security requirements.

“53208. Regulatory relief.

“53209. Authorization of appropriations.

7 **“§ 53201. Definitions**

8“In this chapter:

9“(1) CABLE SERVICES.—The term ‘cable serv-
10ices’ means the installation, maintenance, or repair
11of submarine cables and related equipment, and re-
12lated cable vessel operations.

1 “(2) CABLE VESSEL.—The term ‘cable vessel’
2 means a vessel—

3 “(A) classed as a cable ship or cable vessel
4 by, and designed in accordance with the rules
5 of, the American Bureau of Shipping, or an-
6 other classification society accepted by the Sec-
7 retary; and

8 “(B) capable of installing, maintaining,
9 and repairing submarine cables.

10 “(3) CABLE FLEET.—The term ‘Cable Fleet’
11 means the Cable Security Fleet established under
12 section 53202(a).

13 “(4) CONTINGENCY AGREEMENT.—The term
14 ‘Contingency Agreement’ means the agreement re-
15 quired by section 53207.

16 “(5) CONTRACTOR.—The term ‘Contractor’
17 means an owner or operator of a vessel that enters
18 into an Operating Agreement for a cable vessel with
19 the Secretary under section 53203.

20 “(6) FISCAL YEAR.—The term ‘fiscal year’
21 means any annual period beginning on October 1
22 and ending on September 30.

23 “(7) OPERATING AGENCY.—The term ‘Oper-
24 ating Agency’ means that agency or component of

1 the Department of Defense so designated by the
2 Secretary of Defense under this chapter.

3 “(8) OPERATING AGREEMENT OR AGREE-
4 MENT.—The terms ‘Operating Agreement’ or
5 ‘Agreement’ mean the agreement required by section
6 53203.

7 “(9) PERSON.—The term ‘person’ includes cor-
8 porations, partnerships, and associations existing
9 under or authorized by the laws of the United
10 States, or any State, Territory, District, or posses-
11 sion thereof, or of any foreign country.

12 “(10) SECRETARY.—The term ‘Secretary’
13 means the Secretary of Transportation.

14 “(11) UNITED STATES.—The term ‘United
15 States’ includes the States, the District of Columbia,
16 the Commonwealth of Puerto Rico, the Northern
17 Mariana Islands, Guam, American Samoa, and the
18 Virgin Islands.

19 “(12) UNITED STATES CITIZEN TRUST.—

20 “(A) Subject to paragraph (C), the term
21 ‘United States citizen trust’ means a trust that
22 is qualified under this paragraph.

23 “(B) A trust is qualified under this para-
24 graph with respect to a vessel only if—

1 “(i) it was created under the laws of
2 a state of the United States;

3 “(ii) each of the trustees is a citizen
4 of the United States; and

5 “(iii) the application for documenta-
6 tion of the vessel under chapter 121 of this
7 title includes the affidavit of each trustee
8 stating that the trustee is not aware of any
9 reason involving a beneficiary of the trust
10 that is not a citizen of the United States,
11 or involving any other person that is not a
12 citizen of the United States, as a result of
13 which the beneficiary or other person
14 would hold more than 25 percent of the
15 aggregate power to influence, or limit the
16 exercise of the authority of, the trustee
17 with respect to matters involving any own-
18 ership or operation of the vessel that may
19 adversely affect the interests of the United
20 States.

21 “(C) If any person that is not a citizen of
22 the United States has authority to direct, or
23 participate in directing, the trustee for a trust
24 in matters involving any ownership or operation
25 of the vessel that may adversely affect the in-

1 terests of the United States or in removing a
2 trustee for a trust without cause, either directly
3 or indirectly through the control of another per-
4 son, the trust is not qualified under this para-
5 graph unless the trust instrument provides that
6 persons who are not citizens of the United
7 States may not hold more than 25 percent of
8 the aggregate authority to direct or remove a
9 trustee.

10 “(D) This paragraph shall not be consid-
11 ered to prohibit a person who is not a citizen
12 of the United States from holding more than 25
13 percent of the beneficial interest in a trust.

14 **“§ 53202. Establishment of the Cable Security Fleet**

15 “(a) IN GENERAL.—

16 “(1) The Secretary, in consultation with the
17 Operating Agency, shall establish a fleet of active,
18 commercially viable, cable vessels to meet national
19 security requirements. The fleet shall consist of pri-
20 vately owned, United States-documented cable ves-
21 sels for which there are in effect Operating Agree-
22 ments under this chapter, and shall be known as the
23 Cable Security Fleet.

24 “(2) The Fleet described under this section
25 shall include two vessels.

1 “(b) VESSEL ELIGIBILITY.—A cable vessel is eligible
2 to be included in the Fleet if—

3 “(1) the vessel meets the requirements of para-
4 graph (1), (2), (3), or (4) of subsection (c);

5 “(2) the vessel is operated (or in the case of a
6 vessel to be constructed, will be operated) in com-
7 mercial service providing cable services;

8 “(3) the vessel is 40 years of age or less on the
9 date the vessel is included in the Fleet;

10 “(4) the vessel is—

11 “(A) determined by the Operating Agency
12 to be suitable for engaging in cable services by
13 the United States in the interest of national se-
14 curity; and

15 “(B) determined by the Secretary to be
16 commercially viable, whether independently or
17 taking any payments which are the consequence
18 of participation in the Cable Fleet into account;
19 and

20 “(5) the vessel—

21 “(A) is a United States-documented vessel;

22 or

23 “(B) is not a United States-documented
24 vessel, but—

1 “(i) the owner of the vessel has dem-
2 onstrated an intent to have the vessel doc-
3 umented under chapter 121 of this title if
4 it is included in the Cable Fleet; and

5 “(ii) at the time an Operating Agree-
6 ment is entered into under this chapter,
7 the vessel is eligible for documentation
8 under chapter 121 of this title.

9 “(c) REQUIREMENTS REGARDING CITIZENSHIP OF
10 OWNERS AND OPERATORS.—

11 “(1) VESSELS OWNED AND OPERATED BY SEC-
12 TION 50501 CITIZENS.—A vessel meets the require-
13 ments of this paragraph if, during the period of an
14 Operating Agreement under this chapter that applies
15 to the vessel, the vessel will be owned and operated
16 by one or more persons that are citizens of the
17 United states under section 50501 of this title.

18 “(2) VESSELS OWNED BY A SECTION 50501 CIT-
19 IZEN, OR UNITED STATES CITIZEN TRUST, AND
20 CHARTERED TO A DOCUMENTATION CITIZEN.—A
21 vessel meets the requirements of this paragraph if—

22 “(A) during the period of an Operating
23 Agreement under this chapter that applies to
24 the vessel, the vessel will be—

1 “(i) owned by a person that is a cit-
2 izen of the United States under section
3 50501 of this title or that is a United
4 States citizen trust; and

5 “(ii) demise chartered to and operated
6 by a person—

7 “(I) that is eligible to document
8 the vessel under chapter 121 of this
9 title;

10 “(II) the chairman of the board
11 of directors, chief executive officer,
12 and a majority of the members of the
13 board of directors of which are citi-
14 zens of the United States under sec-
15 tion 50501 of this title, and are ap-
16 pointed and subject to removal only
17 upon approval by the Secretary; and

18 “(III) that certifies to the Sec-
19 retary that there are no treaties, stat-
20 utes, regulations, or other laws that
21 would prohibit the Contractor for the
22 vessel from performing its obligations
23 under an Operating Agreement under
24 this chapter;

1 “(B) in the case of a vessel that will be de-
2 mise chartered to a person that is owned or
3 controlled by another person that is not a cit-
4 izen of the United States under section 50501
5 of this title, the other person enters into an
6 agreement with the Secretary not to influence
7 the operation of the vessel in a manner that will
8 adversely affect the interests of the United
9 States; and

10 “(C) the Secretary and the Operating
11 Agency notify the Committee on Armed Serv-
12 ices and the Committee on Commerce, Science
13 and Transportation of the Senate, and the
14 Committee on Armed Services of the House of
15 Representatives that they concur, and have re-
16 viewed the certification required under subpara-
17 graph (A)(ii)(III) and determined that there are
18 no legal, operational, or other impediments that
19 would prohibit the Contractor for the vessel
20 from performing its obligations under an Oper-
21 ating Agreement under this chapter.

22 “(3) VESSEL OWNED AND OPERATED BY A DE-
23 FENSE CONTRACTOR.—A vessel meets the require-
24 ments of this paragraph if—

1 “(A) during the period of an Operating
2 Agreement under this chapter that applies to
3 the vessel, the vessel will be owned and oper-
4 ated by a person that—

5 “(i) is eligible to document a vessel
6 under chapter 121 of this title;

7 “(ii) operates or manages other
8 United States-documented vessels for the
9 Secretary of Defense, or charters other
10 vessels to the Secretary of Defense;

11 “(iii) has entered into a special secu-
12 rity agreement for purposes of this para-
13 graph with the Secretary of Defense;

14 “(iv) makes the certification described
15 in paragraph (2)(A)(ii)(III); and

16 “(v) in the case of a vessel described
17 in paragraph (2)(B), enters into an agree-
18 ment referred to in that paragraph; and

19 “(B) the Secretary and the Secretary of
20 Defense notify the Committee on Armed Serv-
21 ices and Committee on Commerce, Science, and
22 Transportation of the Senate and the Com-
23 mittee on Armed Services of the House of Rep-
24 resentatives that they have reviewed the certifi-
25 cation required by subparagraph (A)(iv) and de-

1 terminated that there are no other legal, oper-
2 ational, or other impediments that would pro-
3 hibit the Contractor for the vessel from per-
4 forming its obligations under an Operating
5 Agreement under this chapter.

6 “(4) VESSEL OWNED BY A DOCUMENTATION
7 CITIZEN AND CHARTERED TO A SECTION 50501 CIT-
8 IZEN.—A vessel meets the requirements of this para-
9 graph if, during the period of an Operating Agree-
10 ment under this chapter that applies to the vessel,
11 the vessel will be—

12 “(A) owned by a person that is eligible to
13 document a vessel under chapter 121 of this
14 title; and

15 “(B) demise chartered to a person that is
16 a citizen of the United States under section
17 50501 of this title.

18 “(d) VESSEL STANDARDS.—

19 “(1) CERTIFICATE OF INSPECTION.—A cable
20 vessel which the Secretary of the Department in
21 which the Coast Guard is operating determines
22 meets the criteria of subsection (b) of this section
23 but which, on the date of enactment of the Act, is
24 not documented under chapter 121 of this title, shall

1 be eligible for a certificate of inspection if that Sec-
2 retary determines that—

3 “(A) the vessel is classed by, and designed
4 in accordance with the rules of, the American
5 Bureau of Shipping, or another classification
6 society accepted by that Secretary;

7 “(B) the vessel complies with applicable
8 international agreements and associated guide-
9 lines, as determined by the country in which the
10 vessel was documented immediately before be-
11 coming documented under chapter 121; and

12 “(C) that country has not been identified
13 by that Secretary as inadequately enforcing
14 international vessel regulations as to that ves-
15 sel.

16 “(2) CONTINUED ELIGIBILITY FOR CERTIFI-
17 CATE.—Paragraph (1) does not apply to a vessel
18 after any date on which the vessel fails to comply
19 with the applicable international agreements and as-
20 sociated guidelines referred to in paragraph (1)(B).

21 “(3) RELIANCE ON CLASSIFICATION SOCIETY.—

22 “(A) IN GENERAL.—The Secretary of the
23 Department in which the Coast Guard is oper-
24 ating may rely on a certification from the
25 American Bureau of Shipping or, subject to

1 subparagraph (B), another classification society
2 accepted by that Secretary to establish that a
3 vessel is in compliance with the requirements of
4 paragraphs (1) and (2).

5 “(B) FOREIGN CLASSIFICATION SOCI-
6 ETY.—The Secretary of the Department in
7 which the Coast Guard is operating may accept
8 certification from a foreign classification society
9 under subparagraph (A) only—

10 “(i) to the extent that the government
11 of the foreign country in which the society
12 is headquartered provides access on a re-
13 ciprocal basis to the American Bureau of
14 Shipping; and

15 “(ii) if the foreign classification soci-
16 ety has offices and maintains records in
17 the United States.

18 “(e) WAIVER OF AGE REGISTRATION.—The Sec-
19 retary, in conjunction with the Operating Agency, may
20 waive the application of the age restriction under sub-
21 section (b)(3) if they jointly determine that the waiver—

22 “(1) is in the national interest;

23 “(2) the subject cable vessel and any associated
24 operating network is and will continue to be eco-
25 nomicly viable; and

1 “(3) is necessary due to the lack of availability
2 of other vessels and operators that comply with the
3 requirements of this chapter.

4 **“§ 53203. Award of operating agreements**

5 “(a) IN GENERAL.—The Secretary shall require, as
6 a condition of including any vessel in the Cable Fleet, that
7 the person that is the owner or operator of the vessel for
8 purposes of section 53202(c) enter into an Operating
9 Agreement with the Secretary under this section.

10 “(b) PROCEDURE FOR APPLICATIONS.—

11 “(1) ACCEPTANCE OF APPLICATIONS.—Begin-
12 ning no later than 60 days after the effective date
13 of this chapter, the Secretary shall accept applica-
14 tions for enrollment of vessels in the Cable Fleet.

15 “(2) ACTION ON APPLICATIONS.—Within 120
16 days after receipt of an application for enrollment of
17 a vessel in the Cable Fleet, the Secretary shall ap-
18 prove the application in conjunction with the Oper-
19 ating Agency, and shall enter into an Operating
20 Agreement with the applicant, or provide in writing
21 the reason for denial of that application.

22 “(c) PRIORITY FOR AWARDED AGREEMENTS.—Sub-
23 ject to the availability of appropriations, the Secretary
24 shall enter into Operating Agreements with those vessels
25 determined by the Operating Agency, in its sole discretion,

1 to best meet the national security requirements of the
2 United States. After consideration of national security re-
3 quirements, priority shall be given to an applicant that
4 is a United States citizen under section 50501 of this title.

5 **“§ 53204. Effectiveness of operating agreements**

6 “(a) EFFECTIVENESS GENERALLY.—The Secretary
7 may enter into an Operating Agreement under this chap-
8 ter for fiscal year 2021. Except as provided in subsection
9 (d), the agreement shall be effective only for one fiscal
10 year, but shall be renewable, subject to available appro-
11 priations, for each subsequent year.

12 “(b) VESSELS UNDER CHARTER TO THE UNITED
13 STATES.—Vessels under charter to the United States are
14 eligible to receive payments pursuant to their Operating
15 Agreements.

16 “(c) TERMINATION.—

17 “(1) TERMINATION BY THE SECRETARY.—If
18 the Contractor with respect to an Operating Agree-
19 ment materially fails to comply with the terms of the
20 Agreement—

21 “(A) the Secretary shall notify the Con-
22 tractor and provide a reasonable opportunity
23 for it to comply with the Operating Agreement;

1 “(B) the Secretary shall terminate the Op-
2 erating Agreement if the Contractor fails to
3 achieve such compliance; and

4 “(C) upon such termination, any funds ob-
5 ligated by the Agreement shall be available to
6 the Secretary to carry out this chapter.

7 “(2) EARLY TERMINATION BY A CON-
8 TRACTOR.—An Operating Agreement under this
9 chapter shall terminate on a date specified by the
10 Contractor if the Contractor notifies the Secretary,
11 not fewer than 60 days prior to the effective date of
12 the termination, that the Contractor intends to ter-
13 minate the Agreement.

14 “(d) NONRENEWAL FOR LACK OF FUNDS.—If, by the
15 first day of a fiscal year, sufficient funds have not been
16 appropriated under the authority provided by this chapter
17 for that fiscal year for all Operating Agreements, then the
18 Secretary shall notify the Committee on Armed Services
19 and the Committee on Commerce, Science, and Transpor-
20 tation of the Senate and the Committee on Armed Services
21 of the House of Representatives that Operating Agree-
22 ments authorized under this chapter for which sufficient
23 funds are not available will not be renewed for that fiscal
24 year if sufficient funds are not appropriated by the 60th
25 day of that fiscal year. If only partial funding is appro-

1 priated by the 60th day of such fiscal year, then the Sec-
2 retary, in consultation with the Operating Agency, shall
3 select the vessels to retain under Operating Agreements,
4 based on their determinations of which vessels are most
5 useful for national security. In the event that no funds
6 are appropriated, then no Operating Agreements shall be
7 renewed and each Contractor shall be released from its
8 obligations under the Operating Agreement. Final pay-
9 ments under an Operating Agreement that is not renewed
10 shall be made in accordance with section 53206. To the
11 extent that sufficient funds are appropriated in a subse-
12 quent fiscal year, an Operating Agreement that has not
13 been renewed pursuant to this subsection may be rein-
14 stated if mutually acceptable to the Secretary, in consulta-
15 tion with the Operating Agency, and the Contractor, pro-
16 vided the vessel remains eligible for participation pursuant
17 to section 53202, without regard to subsection 53202
18 (b)(3).

19 “(e) RELEASE OF VESSELS FROM OBLIGATIONS.—
20 If funds are not appropriated for payments under an Op-
21 erating Agreement under this chapter for any fiscal year
22 by the 60th day of a fiscal year, and the Secretary, in
23 consultation with the Operating Agency determines to not
24 renew a Contractor’s Operating Agreement for a vessel,
25 then—

1 “(1) each vessel covered by the Operating
2 Agreement that is not renewed is thereby released
3 from any further obligation under the Operating
4 Agreement;

5 “(2) the owner or operator of the vessel whose
6 Operating Agreement was not renewed may transfer
7 and register such vessel under a foreign registry that
8 is acceptable to the Secretary and the Operating
9 Agency, notwithstanding section 56101 of this title;
10 and

11 “(3) if chapter 563 of this title is applicable to
12 such vessel after registration, then the vessel is
13 available to be requisitioned by the Secretary pursu-
14 ant to chapter 563.

15 **“§ 53205. Obligations and rights under operating**
16 **agreements**

17 “(a) OPERATION OF VESSEL.—An Operating Agree-
18 ment under this chapter shall require that, during the pe-
19 riod the vessel is operating under the Agreement, the ves-
20 sel—

21 “(1) shall be operated in the trade for Cable
22 Services, or under a charter to the United States;
23 and

24 “(2) shall be documented under chapter 121 of
25 this title.

1 “(b) ANNUAL PAYMENTS BY THE SECRETARY.—

2 “(1) IN GENERAL.—An Operating Agreement
3 under this chapter shall require, subject to the avail-
4 ability of appropriations, that the Secretary make
5 payment to the Contractor in accordance with sec-
6 tion 53206.

7 “(2) OPERATING AGREEMENT IS AN OBLIGA-
8 TION OF THE UNITED STATES GOVERNMENT.—An
9 Operating Agreement under this chapter constitutes
10 a contractual obligation of the United States Gov-
11 ernment to pay the amounts provided for in the Op-
12 erating Agreement to the extent of actual appropria-
13 tions.

14 “(c) DOCUMENTATION REQUIREMENT.—Each vessel
15 covered by an Operating Agreement (including an Agree-
16 ment terminated under section 53204(c)(2)) shall remain
17 documented under chapter 121 of this title, until the date
18 the Operating Agreement would terminate according to its
19 own terms.

20 “(d) NATIONAL SECURITY REQUIREMENTS.—

21 “(1) IN GENERAL.—A Contractor with respect
22 to an Operating Agreement (including an Agreement
23 terminated under section 53204(c)(2)) shall continue
24 to be bound by the provisions of section 53207 until

1 the date the Operating Agreement would terminate
2 according to its terms.

3 “(2) CONTINGENCY AGREEMENT WITH OPER-
4 ATING AGENCY.—All terms and conditions of a Con-
5 tingency Agreement entered into under section
6 53207 shall remain in effect until a date the Oper-
7 ating Agreement would terminate according to its
8 terms, except that the terms of such Contingency
9 Agreement may be modified by the mutual consent
10 of the Contractor, and the Operating Agency.

11 “(e) TRANSFER OF OPERATING AGREEMENTS.—Op-
12 erating Agreements shall not be transferrable by the Con-
13 tractor.

14 “(f) REPLACEMENT VESSEL.—A Contractor may re-
15 place a vessel under an Operating Agreement with another
16 vessel that is eligible to be included in the Fleet under
17 section 53202(b), if the Secretary and the Operating
18 Agency jointly determine that the replacement vessel
19 meets national security requirements and approve the re-
20 placement.

21 **“§ 53206. Payments**

22 “(a) ANNUAL PAYMENT.—

23 “(1) IN GENERAL.—The Secretary, subject to
24 availability of appropriations and other provisions of
25 this section, shall pay to the Contractor for an oper-

1 ating agreement, for each vessel that is covered by
2 the operating agreement, an amount equal to
3 \$5,000,000 for each fiscal year 2021 through 2035.

4 “(2) TIMING.—This amount shall be paid in
5 equal monthly installments at the end of each
6 month. The amount shall not be reduced except as
7 provided by this section.

8 “(b) CERTIFICATION REQUIRED FOR PAYMENT.—As
9 a condition of receiving payment under this section for a
10 fiscal year for a vessel, the Contractor for the vessel shall
11 certify that the vessel has been and will be operated in
12 accordance with section 53205(a)(1) for 365 days in each
13 fiscal year. Up to thirty (30) days during which the vessel
14 is drydocked, surveyed, inspected, or repaired shall be con-
15 sidered days of operation for purposes of this subsection.

16 “(c) GENERAL LIMITATIONS.—The Secretary shall
17 not make any payment under this chapter for a vessel with
18 respect to any days for which the vessel is—

19 “(1) not operated or maintained in accordance
20 with an Operating Agreement under this chapter; or

21 “(2) more than 40 years of age.

22 “(d) REDUCTIONS IN PAYMENTS.—With respect to
23 payments under this chapter for a vessel covered by an
24 Operating Agreement, the Secretary shall make a pro rata
25 reduction for each day less than 365 in a fiscal year that

1 the vessel is not operated in accordance with section
2 53205(a)(1), with days during which the vessel is
3 drydocked or undergoing survey, inspection or repair to
4 be considered days on which the vessel is operated as pro-
5 vided in subsection (b).

6 **“§ 53207. National security requirements**

7 “(a) CONTINGENCY AGREEMENT REQUIRED.—The
8 Secretary shall include in each Operating Agreement
9 under this chapter a requirement that the Contractor
10 enter into a Contingency Agreement with the Operating
11 Agency. The Operating Agency shall negotiate and enter
12 into a Contingency Agreement with each Contractor as
13 promptly as practicable after the Contractor has entered
14 into an Operating Agreement under this chapter.

15 “(b) TERMS OF CONTINGENCY AGREEMENT.—

16 “(1) IN GENERAL.—A Contingency Agreement
17 under this section shall require that a Contractor for
18 a vessel covered by an Operating Agreement under
19 this chapter make the vessel, including all necessary
20 resources to engage in Cable Services required by
21 the Operating Agency, available upon request by the
22 Operating Agency.

23 “(2) TERMS.—

24 “(A) IN GENERAL.—The basic terms of a
25 Contingency Agreement shall be established

1 (subject to subparagraph (B)) by the Operating
2 Agency.

3 “(B) ADDITIONAL TERMS.—The Operating
4 Agency and a Contractor may agree to addi-
5 tional or modifying terms appropriate to the
6 Contractor’s circumstances.

7 “(c) DEFENSE MEASURES AGAINST UNAUTHORIZED
8 SEIZURES.—

9 “(1) The Contingency Agreement shall require
10 that any vessel operating under the direction of the
11 Operating Agency operating in area that is des-
12 ignated by the Coast Guard as an area of high risk
13 of piracy shall be equipped with, at a minimum, ap-
14 propriate non-lethal defense measures to protect the
15 vessel and crew from unauthorized seizure at sea.

16 “(2) The Secretary of Defense and the Sec-
17 retary of the department in which the Coast Guard
18 is operating shall jointly prescribe the non-lethal de-
19 fense measures that are required under this para-
20 graph.

21 “(d) PARTICIPATION AFTER EXPIRATION OF OPER-
22 ATING AGREEMENT.—Except as provided by section
23 53205(d), the Operating Agency may not require, through
24 a Contingency Agreement or an Operating Agreement,
25 that a Contractor continue to participate in a Contingency

1 Agreement after the Operating Agreement with the Con-
2 tractor has expired according to its terms or is otherwise
3 no longer in effect.

4 “(e) RESOURCES MADE AVAILABLE.—The resources
5 to be made available in addition to the vessel under a Con-
6 tingency Agreement shall include all equipment, personnel,
7 supplies, management services, and other related services
8 as the Operating Agency may determine to be necessary
9 to provide the Cable Services required by the Operating
10 Agency.

11 “(f) COMPENSATION.—

12 “(1) IN GENERAL.—The Operating Agency
13 shall include in each Contingency Agreement provi-
14 sions under which the Operating Agency shall pay
15 fair and reasonable compensation for use of the ves-
16 sel and all Cable Services provided pursuant to this
17 section and the Contingency Agreement.

18 “(2) SPECIFIC REQUIREMENTS.—Compensation
19 under this subsection—

20 “(A) shall be at the rate specified in the
21 Contingency Agreement;

22 “(B) shall be provided from the time that
23 a vessel is required by the Operating Agency
24 under the Contingency Agreement until the
25 time it is made available by the Operating

1 Agency available to reenter commercial service;
2 and

3 “(C) shall be in addition to and shall not
4 in any way reflect amounts payable under sec-
5 tion 53206.

6 “(g) LIABILITY OF THE UNITED STATES FOR DAM-
7 AGES.—

8 “(1) LIMITATION ON THE LIABILITY OF THE
9 U.S.—Except as otherwise provided by law, the Gov-
10 ernment shall not be liable for disruption of a Con-
11 tractor’s commercial business or other consequential
12 damages to a Contractor arising from the activation
13 of the Contingency Agreement.

14 “(2) AFFIRMATIVE DEFENSE.—In any action in
15 any Federal or State court for breach of third-party
16 contract, there shall be available as an affirmative
17 defense that the alleged breach of contract was
18 caused predominantly by action taken to carry out
19 a Contingent Agreement. Such defense shall not re-
20 lease the party asserting it from any obligation
21 under applicable law to mitigate damages to the
22 greatest extent possible.

23 **“§ 53208. Regulatory relief**

24 “(a) APPLICABILITY OF COASTWISE LAWS.—A vessel
25 covered by an Operating Agreement that is operating pur-

1 suant to a Contingency Agreement, shall not be subject
2 to the coastwise laws (46 U.S.C. 55101, et seq.).

3 “(b) TELECOMMUNICATIONS EQUIPMENT.—The tele-
4 communications and other electronic equipment on an ex-
5 isting vessel that is redocumented under the laws of the
6 United States for operation under an Operating Agree-
7 ment under this chapter shall be deemed to satisfy all Fed-
8 eral Communication Commission equipment certification
9 requirements, if—

10 “(1) such equipment complies with all applica-
11 ble international agreements and associated guide-
12 lines as determined by the country in which the ves-
13 sel was documented immediately before becoming
14 documented under the laws of the United States;

15 “(2) that country has not been identified by the
16 Secretary of the Department in which the Coast
17 Guard is operating as inadequately enforcing inter-
18 national regulations as to that vessel; and

19 “(3) at the end of its useful life, such equip-
20 ment shall be replaced with equipment that meets
21 Federal Communication Commission equipment cer-
22 tification standards.

1 **“§ 53209. Authorization of appropriations**

2 “There are authorized to be appropriated for pay-
3 ments under section 53206, \$10,000,000 for each of the
4 fiscal years 2021 through 2035.”.

5 (b) CONFORMING AMENDMENT.—The table of chap-
6 ters at the beginning of subtitle V of title 46, United
7 States Code, is amended by inserting before the item relat-
8 ing to chapter 533 the following new item:

“532. Cable Security Fleet53201”.

