

effect any agreement guaranteeing rental returns to builders or other sponsors of family housing in foreign countries that was made under section 507 of the Military Construction Authorization Act, 1964 (42 U.S.C. 1594k), before the effective date of this Act [Oct. 1, 1982] and may exercise any option of the United States in any such agreement that has not been exercised before such date.”

CHAPTER 10—FEDERAL SECURITY AGENCY

§§ 1601, 1602. Transferred

CODIFICATION

Section 1601, act May 9, 1941, ch. 97, 55 Stat. 184; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, related to adoption of a seal by Secretary of Department of Health, Education, and Welfare, and was transferred to section 3505 of this title.

Section 1602, act July 12, 1943, ch. 221, title II, § 201, 57 Stat. 513; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, related to delegation of authority of Secretary of Health, Education, and Welfare with respect to his authority to transfer personnel and household goods from one station to another, and was transferred to section 3507 of this title.

§ 1603. Omitted

CODIFICATION

Section, acts July 13, 1943, ch. 221, title II, § 1, 57 Stat. 513; June 28, 1944, ch. 302, title II, § 1, 58 Stat. 566; July 3, 1945, ch. 263, title II, 59 Stat. 376; July 26, 1946, ch. 672, title II, § 201, 60 Stat. 697; July 8, 1947, ch. 210, title II, § 201, 61 Stat. 276, which authorized the Secretary of the Treasury to transfer to constituent organizations of the Federal Security Agency requested amounts from appropriations for traveling expenses and printing and binding, Federal Security Agency, and to retransfer to such appropriations, was not repeated in subsequent appropriation acts.

CHAPTER 11—COMPENSATION FOR DISABILITY OR DEATH TO PERSONS EMPLOYED AT MILITARY, AIR, AND NAVAL BASES OUTSIDE UNITED STATES

Sec.	
1651.	Compensation authorized.
1652.	Computation of benefits; application to aliens and nonnationals.
1653.	Compensation districts; judicial proceedings.
1654.	Persons excluded from benefits.
1655.	Requirement for Department of Defense to adopt an acquisition strategy for Defense Base Act insurance.

§ 1651. Compensation authorized

(a) Places of employment

Except as herein modified, the provisions of the Longshore and Harbor Workers' Compensation Act, approved March 4, 1927 (44 Stat. 1424), as amended [33 U.S.C. 901 et seq.], shall apply in respect to the injury or death of any employee engaged in any employment—

(1) at any military, air, or naval base acquired after January 1, 1940, by the United States from any foreign government; or

(2) upon any lands occupied or used by the United States for military or naval purposes in any Territory or possession outside the continental United States (including the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone); or

(3) upon any public work in any Territory or possession outside the continental United

States (including the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone), if such employee is engaged in employment at such place under the contract of a contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) with the United States; but nothing in this paragraph shall be construed to apply to any employee of such a contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(4) under a contract entered into with the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract, or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States and at places not within the areas described in subparagraphs (1)–(3) of this subdivision, for the purpose of engaging in public work, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (1) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in such public work under such contract the payment of compensation and other benefits under the provisions of this chapter, and (2) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(5) under a contract approved and financed by the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States, under the Mutual Security Act of 1954, as amended (other than title II of chapter II thereof unless the Secretary of Labor, upon the recommendation of the head of any department or other agency of the United States, determines a contract financed under a successor provision of any successor Act should be covered by this section), and not otherwise within the coverage of this section, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (A) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in work under such contract the payment of compensation and other benefits under the provisions of this chapter, and (B) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are en-

gaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(6) outside the continental United States by an American employer providing welfare or similar services for the benefit of the Armed Forces pursuant to appropriate authorization by the Secretary of Defense,

irrespective of the place where the injury or death occurs, and shall include any injury or death occurring to any such employee during transportation to or from his place of employment, where the employer or the United States provides the transportation or the cost thereof.

(b) Definitions

As used in this section—

(1) the term “public work” means any fixed improvement or any project, whether or not fixed, involving construction, alteration, removal or repair for the public use of the United States or its allies, including but not limited to projects or operations under service contracts and projects in connection with the national defense or with war activities, dredging, harbor improvements, dams, roadways, and housing, as well as preparatory and ancillary work in connection therewith at the site or on the project;

(2) the term “allies” means any nation with which the United States is engaged in a common military effort or with which the United States has entered into a common defensive military alliance;

(3) the term “war activities” includes activities directly relating to military operations;

(4) the term “continental United States” means the States and the District of Columbia.

(c) Liability as exclusive

The liability of an employer, contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) under this chapter shall be exclusive and in place of all other liability of such employer, contractor, subcontractor, or subordinate contractor to his employees (and their dependents) coming within the purview of this chapter, under the workmen’s compensation law of any State, Territory, or other jurisdiction, irrespective of the place where the contract of hire of any such employee may have been made or entered into.

(d) “Contractor” defined

As used in this section, the term “contractor” means any individual, partnership, corporation, or association, and includes any trustee, receiver, assignee, successor, or personal representative thereof, and the rights, obligations, liability, and duties of the employer under such Longshore and Harbor Workers’ Compensation Act [33 U.S.C. 901 et seq.] shall be applicable to such contractor.

(e) Contracts within section; waiver of application of section

The liability under this chapter of a contractor, subcontractor, or subordinate contractor

engaged in public work under subparagraphs (3) and (4), subdivision (a) of this section, and the conditions set forth therein, shall become applicable to contracts and subcontracts heretofore entered into but not completed at August 16, 1941, and the liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in performance of contracts, subcontracts, or subordinate contracts specified in subparagraph (5), subdivision (a) of this section, and the conditions set forth therein, shall hereafter be applicable to the remaining terms of such contracts, subcontracts, and subordinate contracts entered into prior to but not completed on the date of enactment of any successor Act to the Mutual Security Act of 1954, as amended, and contracting officers of the United States are authorized to make such modifications and amendments of existing contracts as may be necessary to bring such contracts into conformity with the provisions of this chapter. No right shall arise in any employee or dependent under subparagraphs (3) and (4) of subdivision (a) of this section, prior to two months after the approval of this chapter. Upon the recommendation of the head of any department or other agency of the United States, the Secretary of Labor, in the exercise of his discretion, may waive the application of this section with respect to any contract, subcontract, contract, or subordinate contract, work location under such contracts, or classification of employees. Upon recommendation of any employer referred to in paragraph (6) of subsection (a) of this section, the Secretary of Labor may waive the application of this section to any employee or class of employees of such employer, or to any place of employment of such an employee or class of employees.

(f) Liability to prisoners of war and protected persons

The liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in public work under paragraphs (1), (2), (3), and (4) of subsection (a) of this section or in any work under paragraph (5) of subsection (a) of this section does not apply with respect to any person who is a prisoner of war or a protected person under the Geneva Conventions of 1949 and who is detained or utilized by the United States.

(Aug. 16, 1941, ch. 357, §1, 55 Stat. 622; Dec. 2, 1942, ch. 668, title III, §301, 56 Stat. 1035; 1946 Proc. No. 2695, eff. July 4, 1946, 11 F.R. 7871, 60 Stat. 1352; June 30, 1953, ch. 176, §4, 67 Stat. 135; Pub. L. 85-477, ch. V, §502(a), June 30, 1958, 72 Stat. 272; Pub. L. 85-608, title II, §201, Aug. 8, 1958, 72 Stat. 537; Pub. L. 86-70, §40, June 25, 1959, 73 Stat. 150; Pub. L. 86-108, ch. VII, §701(a), July 24, 1959, 73 Stat. 257; Pub. L. 87-195, pt. IV, §701, Sept. 4, 1961, 75 Stat. 463; Pub. L. 98-426, §27(d)(2), Sept. 28, 1984, 98 Stat. 1654.)

REFERENCES IN TEXT

The Longshore and Harbor Workers’ Compensation Act, referred to in subsecs. (a) and (d), is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 18 (§901 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 901 of Title 33 and Tables.

For definition of Canal Zone, referred to in subsec. (a)(2), (3), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

The Mutual Security Act of 1954, referred to in subsecs. (a)(5) and (e), is act Aug. 26, 1954, ch. 937, 68 Stat. 832, as amended by acts July 8, 1955, ch. 301, 69 Stat. 283; July 18, 1956, ch. 627, §§2-11, 70 Stat. 555; Aug. 14, 1957, Pub. L. 85-141, 71 Stat. 355; June 30, 1958, Pub. L. 85-477, ch. 1, §§101-103, ch. II, §§201-205, ch. III, §301, ch. IV, §401, ch. V, §501, 72 Stat. 261; July 24, 1959, Pub. L. 86-108, §2, ch. 1, §101, ch. II, §§201 to 205(a)-(i), (k)-(n), ch. III, §301, ch. IV, §401(a)-(k), (m), 73 Stat. 246; May 14, 1960, Pub. L. 86-472, chs. I to V, 74 Stat. 134, which was principally classified to chapter 24 (§1750 et seq.) of Title 22, and which was repealed by acts July 18, 1956, ch. 627, §8(m), 70 Stat. 559; Aug. 14, 1957, Pub. L. 85-141, §§2(e), 3, 4(b), 11(d), 71 Stat. 356; July 24, 1959, Pub. L. 86-108, ch. II, §205(j), ch. IV, §401(1), 73 Stat. 250; May 14, 1960, Pub. L. 86-472, ch. II, §§203(d), 204(k), 74 Stat. 138; Sept. 4, 1961, Pub. L. 87-195, pt. III, §642(a)(2), 75 Stat. 460; June 30, 1976, Pub. L. 94-329, title II, §212(b)(1), 90 Stat. 745; Apr. 4, 1996, Pub. L. 104-127, title II, §228, 110 Stat. 963, except for sections 1754, 1783, 1796, 1853, 1928, and 1937 of Title 22. For complete classification of this Act to the Code, see Short Title note set out under section 1754 of Title 22 and Tables.

Title II of Chapter II of the Mutual Security Act of 1954, referred to in subsec. (a)(5), which was classified generally to sections 1870 to 1876 of Title 22, was repealed by Pub. L. 87-195, Pt. III, §642(a)(2), Sept. 4, 1961, 75 Stat. 460.

CODIFICATION

Reference to Philippine Islands in paragraphs (2) and (3) of subsec. (a) of this section was omitted as obsolete in view of Proc. No. 2695, eff. July 4, 1946, 11 F.R. 7871, 60 Stat. 1352, recognizing the independence of the Philippines and withdrawing and surrendering all rights of possession, supervision, jurisdiction, control, or sovereignty now existing and exercised by the United States in and over the territory and people of the Philippines. See note set out under section 1394 of Title 22, Foreign Relations and Intercourse.

AMENDMENTS

1984—Subsecs. (a), (d). Pub. L. 98-426 substituted “Longshore and Harbor Workers’ Compensation Act” for “Longshoremen’s and Harbor Workers’ Compensation Act”.

1961—Subsec. (a)(5). Pub. L. 87-195, §701(1), extended coverage in those cases where the Secretary of Labor, upon the recommendation of the head of any department or other agency of the United States, determines a contract financed under a successor provision of any successor act to the Mutual Security Act of 1954 should be covered by this section.

Subsec. (e). Pub. L. 87-195, §701(2), substituted “but not completed on the date of enactment of any successor act to the Mutual Security Act of 1954, as amended” for “June 30, 1958, but not completed on July 24, 1959”.

1959—Subsec. (a)(2), (3). Pub. L. 86-70, §40(a), struck out “Alaska;” before “the United States Naval Operating Base”.

Subsec. (a)(6). Pub. L. 86-70, §40(b), struck out “or in Alaska or the Canal Zone” after “continental United States”.

Subsec. (b)(4). Pub. L. 86-70, §40(c), added par. (4).

Subsec. (e). Pub. L. 86-108 provided that the liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in performance of contracts, subcontracts, or subordinate contracts specified in subsec. (a)(5) of this section, and the conditions set forth therein, shall be applicable to the remaining terms of such contracts, subcontracts, and subordinate contracts entered into prior to June 30, 1958, but not completed on July 24, 1959.

1958—Subsec. (a)(5). Pub. L. 85-477, §502(a)(1), added par. (5).

Subsec. (a)(6). Pub. L. 85-608, §201(a), added par. (6).

Subsec. (b). Pub. L. 85-608, §201(b), inserted “whether or not fixed,” after “any project” and substituted “projects or operations under service contracts and projects in connection with the national defense or with war activities” for “projects in connection with the war effort” in definition of “public work”, and inserted definitions of “allies” and “war activities”.

Subsec. (e). Pub. L. 85-608, §201(c), substituted “may waive the application of this section with respect to any contract” for “may waive the application of the provisions of subparagraphs (3), (4), or (5) of subdivision (a) of this section, with respect to any contract”, and inserted provisions authorizing the Secretary to waive the application of this section to any employee or class of employees of an employer referred to in paragraph (6) of subsection (a) of this section upon recommendation of the employer.

Pub. L. 85-477, §502(a)(2), substituted “provisions of subparagraphs (3), (4), or (5)” for “provisions of subparagraphs (3) or (4)”.

Subsec. (f). Pub. L. 85-602, §201(d), substituted provisions making liability of a contractor, subcontractor, or subordinate contractor inapplicable with respect to persons who are prisoners of war or protected persons and who are detained or utilized by the United States for provisions which made liability inapplicable with respect to employees not citizens of the United States who incurred an injury or death resulting in death subsequent to June 30, 1953.

Pub. L. 85-477, §502(a)(3), inserted “or any work under subparagraph (5) of subsection (a) of this section” before “shall not apply”.

1953—Subsec. (f). Act June 30, 1953, added subsec. (f).

1942—Act Dec. 2, 1942, amended section generally. Prior to amendment section read as follows: “Except as herein modified, the provisions of sections 901-921, 922-950 of title 33, as amended, and as the same may be amended hereafter, shall apply in respect to the injury or death of any employee engaged in any employment at any military, air, or naval base acquired after January 1, 1940, by the United States from any foreign government or any lands occupied or used by the United States for military or naval purposes in any Territory or possession outside the continental United States, including Alaska, Guantanamo, and the Philippine Islands, but excluding the Canal Zone, irrespective of the place where the injury or death occurs.”

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-426 effective Sept. 28, 1984, see section 28(e)(1) of Pub. L. 98-426, set out as a note under section 901 of Title 33, Navigation and Navigable Waters.

EFFECTIVE DATE OF 1959 AMENDMENT

Pub. L. 86-70, §47(g), June 25, 1959, 73 Stat. 154, provided that: “The amendments in sections 40 and 42 [amending this section and sections 1701, 1704, and 1711 of this title] shall take effect when enacted [June 25, 1959]: *Provided, however,* That with respect to injuries or deaths occurring on or after January 3, 1959, and prior to the effective date of these amendments, claims filed by employees engaged in the State of Alaska in any of the employments covered by the Defense Base Act [this chapter] (and their dependents) may be adjudicated under the Workmen’s Compensation Act of Alaska instead of the Defense Base Act.”

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-608, title IV, §402, Aug. 8, 1958, 72 Stat. 539, provided that: “The effective date of this Act [amending this section, sections 1701, 1702, 1704, 1711, and 1716 of this title, and sections 751 and 790 of former Title 5, Executive Departments and Government Officers and Employees, repealing section 801 of former Title 5, and enacting provisions set out as notes under this section and section 1701 of this title] is June 30, 1958. Persons are entitled to the benefits of this Act notwithstanding the fact that an injury, disability, or death occurred

after June 30, 1958, and before the date of enactment of this Act [Aug. 8, 1958].”

SHORT TITLE

Section 5 of act Aug. 16, 1941, as added by Pub. L. 85-608, title II, §202, Aug. 8, 1958, 72 Stat. 538, provided that: “This Act [enacting this chapter] may be cited as the ‘Defense Base Act’.”

REPEALS

Pub. L. 87-195, pt. IV, §701, Sept. 4, 1961, 75 Stat. 463, cited as a credit to this section, was repealed by Pub. L. 87-565, pt. IV, §401, Aug. 1, 1962, 76 Stat. 263, except insofar as section 701 affected this section.

TRANSFER OF FUNCTIONS

For transfer of certain functions insofar as they pertain to Air Force, and to extent that they were not previously transferred to Secretary of the Air Force and Department of the Air Force from Secretary of the Army and Department of the Army, see Secretary of Defense Transfer Order No. 40 [App. A(74)], July 22, 1949.

§ 1652. Computation of benefits; application to aliens and nonnationals

(a) The minimum limit on weekly compensation for disability, established by section 906(b) of title 33, and the minimum limit on the average weekly wages on which death benefits are to be computed, established by section 909(e) of title 33, shall not apply in computing compensation and death benefits under this chapter.

(b) Compensation for permanent total or permanent partial disability under section 908(c)(21) of title 33, or for death under this chapter to aliens and nonnationals of the United States not residents of the United States or Canada shall be in the same amount as provided for residents, except that dependents in any foreign country shall be limited to surviving wife and child or children, or if there be no surviving wife or child or children, to surviving father or mother whom the employee has supported, either wholly or in part, for the period of one year immediately prior to the date of the injury, and except that the Secretary of Labor may, at his option or upon the application of the insurance carrier shall, commute all future installments of compensation to be paid to such aliens or nonnationals of the United States by paying or causing to be paid to them one-half of the commuted amount of such future installments of compensation as determined by the Secretary.

(Aug. 16, 1941, ch. 357, §2, 55 Stat. 623; 1946 Reorg. Plan No. 2, §3, eff. July 16, 1946, 11 F.R. 7873, 60 Stat. 1095; 1950 Reorg. Plan No. 19, §1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271; Pub. L. 98-426, §27(d)(2), Sept. 28, 1984, 98 Stat. 1654.)

AMENDMENTS

1984—Subsecs. (a), (b). Pub. L. 98-426 substituted references to sections of the Longshore and Harbor Workers’ Compensation Act for sections of the Longshoremen’s and Harbor Workers’ Compensation Act, which references have been translated to sections of title 33, thus requiring no change in text.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-426 effective Sept. 28, 1984, see section 28(e)(1) of Pub. L. 98-426, set out as a note under section 901 of Title 33, Navigation and Navigable Waters.

TRANSFER OF FUNCTIONS

“Secretary of Labor” and “Secretary” substituted for “Federal Security Administrator” and “Adminis-

trator”, respectively, in subsec. (b), pursuant to Reorg. Plan No. 19 of 1950, §1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271, which transferred functions of Federal Security Administrator to Secretary of Labor.

Previously, “Federal Security Administrator” and “Administrator” substituted for “United States Employees’ Compensation Commission” and “Commission” pursuant to Reorg. Plan No. 2 of 1946, §3, eff. July 16, 1946, 11 F.R. 7873, 60 Stat. 1095, which abolished United States Employees’ Compensation Commission and transferred its functions to Federal Security Administrator.

§ 1653. Compensation districts; judicial proceedings

(a) The Secretary of Labor is authorized to extend compensation districts established under the Longshore and Harbor Workers’ Compensation Act, approved March 4, 1927 (44 Stat. 1424) [33 U.S.C. 901 et seq.], or to establish new compensation districts, to include any area to which this chapter applies; and to assign to each such district one or more deputy commissioners, as the Secretary may deem necessary.

(b) Judicial proceedings provided under sections 18 and 21 of the Longshore and Harbor Workers’ Compensation Act [33 U.S.C. 918, 921] in respect to a compensation order made pursuant to this chapter shall be instituted in the United States district court of the judicial district wherein is located the office of the deputy commissioner whose compensation order is involved if his office is located in a judicial district, and if not so located, such judicial proceedings shall be instituted in the judicial district nearest the base at which the injury or death occurs.

(Aug. 16, 1941, ch. 357, §3, 55 Stat. 623; 1946 Reorg. Plan No. 2, §3, eff. July 16, 1946, 11 F.R. 7873, 60 Stat. 1095; 1950 Reorg. Plan No. 19, §1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271; Pub. L. 98-426, §27(d)(2), Sept. 28, 1984, 98 Stat. 1654.)

REFERENCES IN TEXT

The Longshore and Harbor Workers’ Compensation Act, referred to in text, is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 18 (§901 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 901 of Title 33 and Tables.

AMENDMENTS

1984—Subsecs. (a), (b). Pub. L. 98-426 substituted “Longshore and Harbor Workers’ Compensation Act” for “Longshoremen’s and Harbor Workers’ Compensation Act”.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-426 effective Sept. 28, 1984, see section 28(e)(1) of Pub. L. 98-426, set out as a note under section 901 of Title 33, Navigation and Navigable Waters.

TRANSFER OF FUNCTIONS

“Secretary of Labor” and “Secretary” substituted for “Federal Security Administrator” and “Administrator”, respectively, in subsec. (a), pursuant to Reorg. Plan No. 19 of 1950, §1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271, which transferred functions of Federal Security Administrator to Secretary of Labor.

Previously, “Federal Security Administrator” and “Administrator” substituted for “United States Employees’ Compensation Commission” and “Commission” pursuant to Reorg. Plan No. 2 of 1946, §3, eff. July

16, 1946, 11 F.R. 7873, 60 Stat. 1095, which abolished United States Employees' Compensation Commission and transferred its functions to Federal Security Administrator.

§ 1654. Persons excluded from benefits

This chapter shall not apply in respect to the injury or death of (1) an employee subject to the provisions of subchapter I of chapter 81 of title 5; (2) an employee engaged in agriculture, domestic service, or any employment that is casual and not in the usual course of the trade, business, or profession of the employer; and (3) a master or member of a crew of any vessel.

(Aug. 16, 1941, ch. 357, § 4, 55 Stat. 623.)

CODIFICATION

“Subchapter I of chapter 81 of title 5” substituted for reference to act Sept. 7, 1916 (39 Stat. 742), known as the Federal Employees' Compensation Act, on authority of Pub. L. 89-554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

§ 1655. Requirement for Department of Defense to adopt an acquisition strategy for Defense Base Act insurance

(a) In general

The Secretary of Defense shall adopt an acquisition strategy for insurance required by the Defense Base Act (42 U.S.C. 1651 et seq.) which minimizes the cost of such insurance to the Department of Defense and to defense contractors subject to such Act.

(b) Criteria

The Secretary shall ensure that the acquisition strategy adopted pursuant to subsection (a) addresses the following criteria:

- (1) Minimize overhead costs associated with obtaining such insurance, such as direct or indirect costs for contract management and contract administration.
- (2) Minimize costs for coverage of such insurance consistent with realistic assumptions regarding the likelihood of incurred claims by contractors of the Department.
- (3) Provide for a correlation of premiums paid in relation to claims incurred that is modeled on best practices in government and industry for similar kinds of insurance.
- (4) Provide for a low level of risk to the Department.
- (5) Provide for a competitive marketplace for insurance required by the Defense Base Act [42 U.S.C. 1651 et seq.] to the maximum extent practicable.

(c) Options

In adopting the acquisition strategy pursuant to subsection (a), the Secretary shall consider such options (including entering into a single Defense Base Act insurance contract) as the Secretary deems to best satisfy the criteria identified under subsection (b).

(d) Report

(1) Not later than 270 days after October 14, 2008, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of

the Senate, and the Committee on Oversight and Government Reform of the House of Representatives a report on the acquisition strategy adopted pursuant to subsection (a).

(2) The report shall include a discussion of each of the options considered pursuant to subsection (c) and the extent to which each option addresses the criteria identified under subsection (b), and shall include a plan to implement within 18 months after October 14, 2008, the acquisition strategy adopted by the Secretary.

(e) Review of acquisition strategy

As considered appropriate by the Secretary, but not less often than once every 3 years, the Secretary shall review and, as necessary, update the acquisition strategy adopted pursuant to subsection (a) to ensure that it best addresses the criteria identified under subsection (b).

(Pub. L. 110-417, [div. A], title VIII, § 843, Oct. 14, 2008, 122 Stat. 4540.)

REFERENCES IN TEXT

The Defense Base Act, referred to in section catchline and subsecs. (a) to (c), is act Aug. 16, 1941, ch. 357, 55 Stat. 622, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1651 of this title and Tables.

CODIFICATION

Section was enacted as part of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, and not as part of the Defense Base Act which comprises this chapter.

CHAPTER 12—COMPENSATION FOR INJURY, DEATH, OR DETENTION OF EMPLOYEES OF CONTRACTORS WITH UNITED STATES OUTSIDE UNITED STATES

SUBCHAPTER I—COMPENSATION, REIMBURSEMENT, ETC., BY SECRETARY OF LABOR

Sec.	
1701.	Compensation for injury or death resulting from war-risk hazard.
1702.	Application of Longshore and Harbor Workers' Compensation Act.
1703.	“Contractor with the United States” defined.
1704.	Reimbursement.
1705.	Receipt of workmen's compensation benefits.
1706.	Administration.

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

1711.	Definitions.
1712.	Disqualification from benefits.
1713.	Fraud; penalties.
1714.	Legal services.
1715.	Finality of Secretary's decisions.
1716.	Presumption of death or detention.
1717.	Assignment of benefits; execution, levy, etc., against benefits.

REPEALS

Act June 30, 1953, ch. 176, § 6, 67 Stat. 135, repealed section 1(a)(13) of Joint Res. July 3, 1952, ch. 570, 66 Stat. 332, which, as amended by Joint Res. Mar. 31, 1953, ch. 13, § 1, 67 Stat. 18, provided for the continuation of this chapter until July 1, 1953.

Joint Res. July 3, 1952, ch. 570, § 6, 66 Stat. 334, repealed Joint Res. Apr. 14, 1952, ch. 204, 66 Stat. 54, as amended by Joint Res. May 28, 1952, ch. 339, 66 Stat. 96; Joint Res. June 14, 1952, ch. 437, 66 Stat. 137; Joint Res. June 30, 1952, ch. 526, 66 Stat. 296, which continued provisions until July 3, 1952. This repeal shall take effect