

§ 252.40

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deductibles. As to pending claims previously recognized in the historical period, only the amount of changes in cost with respect to such claims shall

be subsequently recognized. The following methodology shall determine subsidy for P&I deductibles.

DETERMINATION OF DAILY AMOUNT OF SUBSIDY FOR P&I DEDUCTIBLES

Item	Calendar year 1979	Calendar year 1980	Calendar year 1981	Total
P&I deductible C.Y. expenses .....	\$1,680,000	\$1,220,000	\$1,400,000	
Diff. foreign/U.S. wage cost (pct) .....	26.00	23.00	20.00	
Subsidy .....	\$436,800	\$280,600	\$280,000	\$997,400
Voyage days .....	1,140	1,100	1,225	3,465
Average subsidy per voyage day (\$997,400÷3,465 days)=\$287.85.				
	Fiscal year 1979	Fiscal year 1980	Fiscal year 1981	Total
Wages fiscal year per diem rate .....	\$7,660	\$7,700	\$8,050	
Voyage days .....	1,090	1,180	1,230	3,500
Subsidy .....	\$8,349,400	\$9,086,000	\$9,901,500	\$27,336,900
Average subsidy per voyage day (\$27,336,900÷3,500 days)=\$7,810.54. Ratio P&I deductible ODS to wage ODS \$287.85÷\$7,810.54=3.69%.				

T.R. 98 ship type	Daily wage ODS 1/1/85	Ratio P&I ded. to wage ODS (pct)	Daily P&I ded. ODS 1/1/85
C4-A .....	\$9,000	×3.69	\$332.10
C5-B .....	9,300	×3.69	343.17
C6-C .....	9,600	×3.69	354.34

**Subpart E—Subsidy Payment and Billing Procedures**

SOURCE: 51 FR 40432, Nov. 7, 1986, unless otherwise noted.

**§ 252.40 Payment of subsidy.**

(ii) In cases where national insurance schemes cover crew claims costs in their entirety, resulting in no cost to the foreign competitor for deductible absorptions, the composite percentage differential for wages shall be adjusted by substituting a zero cost for such foreign competitor in the calculation of the differential. The adjustment of the wage percentage differential shall not be used for Japan, where operators incur minimal costs for deductible absorptions, rather than no costs. For Japan, the insurance related costs which are normally included in the calculation of Japanese wage costs shall be excluded in adjusting the wage percentage differential for this purpose.

(3) *Data submission requirement.* The operator is required to submit annually a certified statement of eligible and audited crew claims as identified in paragraph (d)(2) of this section for the historical period identified therein. The report shall be submitted to the Director, Office of Ship Operating Costs, no later than January 1 of the subsidized year.

(a) *Submission of voucher.* At the close of each calendar month, the subsidized operator may submit a voucher, and include for payment in such voucher the amount of ODS accrued for the voyages terminated during the period.

(b) *Maintenance and repair subsidy.* In the case of payments for maintenance and repair subsidy only, the subsidized operator shall submit an initial voucher and include for payment in such voucher a percentage of the ODS payable for the period covered by the voucher, which percentage shall be negotiated between MARAD and the subsidized operator, but in no instance shall exceed 90 percent. Upon the completion of MARAD's determinations that the expenses are fair and reasonable, MARAD's computation of the ratio of subsidized vs. nonsubsidized days during the calendar year in which the last voyage terminated, and the Office of the Inspector General's audit of subsidizable expenses, the subsidized operator shall submit a final voucher for an adjustment of the amount of subsidy paid.

[51 FR 40432, Nov. 7, 1986, as amended at 58 FR 17349, Apr. 2, 1993]