

## SUBCHAPTER G—DOCUMENTATION AND MEASUREMENT OF VESSELS

### PART 66 [RESERVED]

### PART 67—DOCUMENTATION OF VESSELS

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SOURCE: CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, unless otherwise noted.

### Subpart A—General

#### § 67.1 Purpose.

A Certificate of Documentation is required for the operation of a vessel in certain trades, serves as evidence of vessel nationality, and permits a vessel to be subject to preferred mortgages.

#### § 67.3 Definitions.

The following definitions are for terms used in this part.

*Acknowledgment* means:

(a) An acknowledgment or notarization in any form which is in substantial compliance with the Uniform Acknowledgments Act, the Uniform Recognition of Acknowledgments Act, the Uniform Law on Notarial Acts, or the statutes of the State within which it is taken, made before a notary public or other official authorized by a law of a State or the United States to take acknowledgment of deeds;

(b) An acknowledgment or notarization before a notary or other official authorized to take acknowledgments of deeds by the law of a foreign nation which is a party to the Hague Convention Abolishing the Requirement for Legalisation of Public Documents, 1961, provided that the acknowledgment or notarization is accompanied by the certificate described in Article 3 of that Convention; or

(c) Any attestation which is substantially in the following form:

State:

County:

On [date] the person(s) named above acknowledged execution of the foregoing instrument in their stated capacity(ies) for the purpose therein contained.

Notary Public

My commission expires: [date]

*Captured vessel* means a vessel which has been taken by citizens of the United States during a period of war and is thereafter condemned as a prize by a court of competent jurisdiction.

*Certification of Documentation* means form CG-1270.

*Citizen*, unless expressly provided otherwise, means a person meeting the applicable citizenship requirements of subpart C of this part as a United States citizen.

*Coastwise trade* includes the transportation of passengers or merchandise between points embraced within the coastwise laws of the United States.

*Commandant* means the Commandant of the United States Coast Guard.

*Documentation officer* means the Coast Guard official who is authorized to process and approve applications made under this part, and record instruments authorized to be filed and recorded under this part.

*Documented vessel* means a vessel which is the subject of a valid Certificate of Documentation.

*Endorsement* means an entry which may be made on a Certificate of Documentation, and which, except for a recreational endorsement, is conclusive evidence that a vessel is entitled to engage in a specified trade.

NOTE: Rulings and interpretations concerning what activities constitute coastwise trade and the fisheries can be obtained from the U.S. Customs and Border Protection, 799 9th Street NW., Washington DC 20001 (Cargo Security, Carriers and Immigration Branch).

*Exclusive Economic Zone (EEZ)* means the zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983 (48 FR 10105, 3 CFR, 1983 Comp., p. 22).

*Fisheries* includes processing, storing, transporting (except in foreign commerce), planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation in the navigable waters of the United States or in the Exclusive Economic Zone.

*Forfeited vessel* means a vessel:

(1) Which has been adjudged forfeited by a Federal District Court to the Federal Government of the United States for a breach of its laws; or

(2) Which has been forfeited under an administrative forfeiture action to the

Federal Government of the United States for a breach of its laws; or

(3) Which has been seized by the Federal Government of the United States for a breach of its laws and which has been sold at an interlocutory sale, the proceeds of which have been adjudged forfeited by a Federal District Court to the Federal Government of the United States. A vessel is considered forfeited within the meaning of this definition even if the proceeds, though adjudged forfeited to the United States, do not actually accrue to the United States.

*Hull* means the shell, or outer casing, and internal structure below the main deck which provide both the flotation envelope and structural integrity of the vessel in its normal operations. In the case of a submersible vessel, the term includes all structural members of the pressure envelope.

*Manufacturer's Certificate of Origin* means a certificate issued under the law or regulation of a State, evidencing transfer of a vessel from the manufacturer as defined in 33 CFR part 181 to another person.

*National Vessel Documentation Center* means the organizational unit designated by the Commandant to process vessel documentation transactions and maintain vessel documentation records. The address is: National Vessel Documentation Center, 792 T.J. Jackson Drive, Falling Waters, WV 25419. Telephone: (800) 799-VDOC (8362).

*New vessel* means a vessel:

(1) The hull and superstructure of which are constructed entirely of new materials; or

(2) Which is constructed using structural parts of an existing vessel, which parts have been torn down so that they are no longer advanced to a degree which would commit them to use in the building of a vessel.

*Officer in Charge, Marine Inspection (OCMI)* means the Coast Guard official designated as such by the Commandant, under the superintendence and direction of a Coast Guard District Commander, who is in charge of an inspection zone in accordance with regulations set forth in 46 CFR part 1.

*Person* means an individual; corporation; partnership; limited liability partnership; limited liability company;

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association; joint venture; trust arrangement; and the government of the United States, a State, or a political subdivision of the United States or a State; and includes a trustee, beneficiary, receiver, or similar representative of any of them.

*Registration* means a certificate of number issued pursuant to rules in 33 CFR part 173, a record under the maritime laws of a foreign country, or a certificate issued by a political subdivision of a foreign country.

*Secretary* means the Secretary of Homeland Security.

*State* means a State of the United States or a political subdivision thereof, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

*Superstructure* means the main deck and any other structural part above the main deck.

*United States*, when used in a geographic sense means the States of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States, except that for purposes of § 67.19(d)(3) trust territories are not considered to be part of the United States.

*Vessel* includes every description of watercraft or other contrivance capable of being used as a means of transportation on water, but does not include aircraft.

*Wrecked vessel*, under the provisions of 46 U.S.C. app. 14, means a vessel which:

(1) Has incurred substantial damage to its hull or superstructure as a result of natural or accidental causes which occurred in the United States or its adjacent waters; and

(2) Has undergone, in a shipyard in the United States or its possessions, re-

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pairs equaling three times the appraised salved value of the vessel.

[CGD 89–007, CGD 89–007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 95–014, 60 FR 31603, June 15, 1995; CGD 94–070, 60 FR 40241, Aug. 7, 1995; CGD 95–012, 60 FR 48050, Sept. 18, 1995; USCG–1998–4442, 63 FR 52190, Sept. 30, 1998; USCG–2001–8825, 69 FR 5400, Feb. 4, 2004; USCG–2004–18884, 69 FR 58346, Sept. 30, 2004; USCG–2005–20258, 71 FR 61417, Oct. 18, 2006; USCG–2012–0832, 77 FR 59778, Oct. 1, 2012]

### § 67.5 Vessels eligible for documentation.

Any vessel of at least five net tons wholly owned by a citizen or citizens of the United States is eligible for documentation under this part. This includes, but is not limited to, vessels used exclusively for recreational purposes and vessels used in foreign trade.

### § 67.7 Vessels requiring documentation.

Any vessel of at least five net tons which engages in the fisheries on the navigable waters of the United States or in the Exclusive Economic Zone, or coastwise trade, unless exempt under § 67.9(c), must have a Certificate of Documentation bearing a valid endorsement appropriate for the activity in which engaged.

[CGD 89–007, CGD 89–007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG–2009–0702, 74 FR 49230, Sept. 25, 2009]

### § 67.9 Vessels excluded from or exempt from documentation.

(a) A vessel of less than five net tons is excluded from documentation.

(b) A vessel which does not operate on the navigable waters of the United States or in the fisheries in the Exclusive Economic Zone is exempt from the requirement to have a Certificate of Documentation.

(c) A non-self-propelled vessel, qualified to engage in the coastwise trade is exempt from the requirement to be documented with a coastwise endorsement when engaged in coastwise trade:

(1) Within a harbor;

(2) On the rivers or lakes (except the Great Lakes) of the United States; or

(3) On the internal waters or canals of any State.

(d) A vessel exempt from the requirement to be documented by paragraph

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(b) or (c) of this section may be documented at the option of the owner, provided it meets the other requirements of this part.

### § 67.11 Restriction on transfer of an interest in documented vessels to foreign persons; foreign registry or operation.

(a) Unless approved by the Maritime Administration—

(1) A documented vessel or a vessel last documented under the laws of the United States may not be placed under foreign registry or operated under the authority of a foreign country.

(2) A documented vessel or a vessel last documented under the laws of the United States owned by a citizen of the United States as defined in section 2 of the Shipping Act, 1916 (46 U.S.C. app. 802), may not be sold, mortgaged, leased, chartered, delivered, or otherwise transferred to any person who is not a citizen of the United States as defined in section 2 of the Shipping Act, 1916 (46 U.S.C. app. 802).

(b) The restrictions in paragraph (a)(2) of this section do not apply to a vessel that has been operated only as:

(1) A fishing vessel, fish processing vessel, or fish tender vessel as defined in 46 U.S.C. 2101;

(2) A recreational vessel; or

(3) Both.

NOTE: For purposes of carrying out its responsibilities under the provisions of this part only, the Coast Guard will deem a vessel which has been documented exclusively with a fishery or recreational endorsement or both from the time it was first documented, or for a period of not less than one year prior to foreign transfer or registry, to qualify for the exemption granted in paragraph (b) of this section.

(c) The exemption in paragraph (b) of this section does not relieve all vessels from meeting the fishery endorsement requirements of this part. If your vessel is less than 100 feet in length and is a fishing vessel, fish processing vessel, or fish tender vessel as defined in 46 U.S.C. 2101, you must meet the fishery endorsement requirements set out in this part. Each vessel 100 feet and greater in length applying for a fishery endorsement is regulated by the Mari-

time Administration requirements found in 46 CFR part 356.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1003, as amended by USCG-1999-6095, 65 FR 76575, Dec. 7, 2000]

### § 67.12 Right of appeal.

Any person directly affected by a decision or action taken under this part by or on behalf of the Coast Guard may appeal therefrom in accordance with subpart 1.03 of this chapter.

### § 67.13 Incorporation by reference.

(a) Certain material is incorporated by reference into this part with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. To enforce any edition other than that specified in paragraph (b) of this section, the Coast Guard must publish notice of change in the FEDERAL REGISTER and the material must be available to the public. All approved material may be inspected at the U.S. Coast Guard, National Vessel Documentation Center, 792 T.J. Jackson Drive, Falling Waters, WV 25419 and is available from the source indicated in paragraph (b) of this section or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to:

[http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html).

(b) The material approved for incorporation by reference in this part and the section affected is as follows:

U.S. Department of Commerce, National Technical Information Service, Springfield, VA 22181

Federal Information Processing Standards Publication 55DC, Guideline: Codes For Named Populated Places, Primary County Divisions, And Other Locational Entities of the United States and Outlying Areas (1987)—67.119

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 95-070, 60 FR 40241, Aug. 7, 1995; USCG-2004-18884, 69 FR 58346, Sept. 30, 2004]

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### § 67.14 OMB control numbers assigned pursuant to the Paperwork Reduction Act.

(a) *Purpose.* This section collects and displays the control numbers assigned to information collection and record-keeping requirements in this subchapter by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). The Coast Guard intends that this section comply with the requirements of 44 U.S.C. 3507(f) which requires that agencies display a current control number assigned by the Director of the OMB for each approved agency information collection requirement.

(b) *Display.*

46 CFR part or section where identified or described	Current OMB control No.
Part 67 .....	1625-0027
Part 68 .....	1625-0027

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2004-18884, 69 FR 58346, Sept. 30, 2004]

## Subpart B—Forms of Documentation; Endorsements; Eligibility of Vessel

### § 67.15 Form of document—all endorsements.

(a) The form of document is a Certificate of Documentation, form CG-1270.

(b) Upon application in accordance with subpart K of this part and determination of qualification by the Director, National Vessel Documentation Center, a Certificate of Documentation may be issued with a registry, coastwise, fishery, or recreational endorsement.

(c) A Certificate of Documentation may bear simultaneous endorsements for recreation and more than one trade, including operation under 46 CFR part 68.

NOTE: Where a vessel possesses a Certificate of Documentation bearing more than one endorsement, the actual use of the vessel

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determines the endorsement under which it is operating.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### § 67.17 Registry endorsement.

(a) A registry endorsement entitles a vessel to employment in the foreign trade; trade with Guam, American Samoa, Wake, Midway, or Kingman Reef; and any other employment for which a coastwise, or fishery endorsement is not required.

(b) Any vessel eligible for documentation under § 67.5 is eligible for a registry endorsement.

(c) A vessel otherwise eligible for a registry endorsement for which the Maritime Administration has not given approval for unrestricted transfer pursuant to 46 CFR part 221 loses that eligibility during any period in which it is mortgaged to a person not identified in § 67.233(b).

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### § 67.19 Coastwise endorsement.

(a) A coastwise endorsement entitles a vessel to employment in unrestricted coastwise trade, dredging, towing, and any other employment for which a registry or fishery endorsement is not required.

(b) If eligible for documentation and not restricted from coastwise trade by paragraph (c) or (d) of this section, the following vessels are eligible for a coastwise endorsement:

(1) Vessels built in the United States (§ 67.97);

(2) Forfeited vessels (§ 67.131);

(3) Vessels granted coastwise trading privileges by special legislation (§ 67.132);

(4) Wrecked vessels (§ 67.133);

(5) Captured vessels (§ 67.134); and

(6) Vessels purchased, chartered, or leased from the Secretary of Transportation by persons who are citizens of the United States (46 U.S.C. app. 808).

(c) A vessel otherwise eligible for a coastwise endorsement under paragraph (b) of this section permanently loses that eligibility if:

(1) It is thereafter sold in whole or in part to an owner:

(i) Not a citizen as defined in subpart C of this part, or

(ii) Not a person permitted to document vessels pursuant to 46 CFR part 68;

(2) It is thereafter registered under the laws of a foreign country;

(3) It undergoes rebuilding as defined in § 67.177 outside of the United States; or

(4) It is a crude oil tanker of 20,000 deadweight tons or above, and after October 17, 1978, has segregated ballast tanks, a crude oil washing system, or an inert gas system installed outside of the United States as defined in § 67.3.

(d) A vessel otherwise eligible for a coastwise endorsement under paragraph (b) of this section loses that eligibility, except as provided in paragraph (e) of this section, during any period in which it is:

(1) Owned by a corporation which does not meet the citizenship requirements of § 67.39(c);

(2) Owned by a partnership which does not meet the citizenship requirements of § 67.35(a); or

(3) Mortgaged to a person not identified in § 67.233(b).

(e) The restriction imposed by paragraph (d)(2) of this section does not apply to any vessel for which the Maritime Administration has given approval for unrestricted transfer pursuant to regulations set forth in 46 CFR part 221.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 94-008, 59 FR 49846, Sept. 30, 1994; CGD 94-040, 61 FR 17815, Apr. 22, 1996; USCG-2002-13058, 67 FR 61278, Sept. 30, 2002; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.21 Fishery endorsement.

(a) A fishery endorsement entitles a vessel to employment in the fisheries as defined in § 67.3, subject to Federal and State laws regulating the fisheries, and in any other employment for which a registry or coastwise endorsement is not required. A fishery endorsement entitles a vessel to land its catch, wherever caught, in the United States.

(b) If eligible for documentation and not restricted from the fisheries by paragraph (c) of this section, the fol-

lowing vessels are eligible for a fishery endorsement:

(1) Vessels built in the United States (§ 67.97);

(2) Forfeited vessels (§ 67.131);

(3) Vessels granted fisheries privileges by special legislation (§ 67.132);

(4) Wrecked vessels (§ 67.133); and

(5) Captured vessels (§ 67.134).

(c) A vessel otherwise eligible for a fishery endorsement under paragraph (b) of this section permanently loses that eligibility if it undergoes rebuilding as defined in § 67.177 outside of the United States.

(d) A vessel otherwise eligible for a fishery endorsement under paragraph (b) of this section loses that eligibility during any period in which it is:

(1) Owned by a partnership which does not meet the requisite citizenship requirements of § 67.35(b);

(2) Owned by a corporation which does not meet the citizenship requirements of § 67.39(b); or

(3) Chartered or leased to an individual who is not a citizen of the United States or to an entity that is not eligible to own a vessel with a fishery endorsement, except that time charters, voyage charters and other charters that are not a demise of the vessel may be entered into with Non-Citizens for the charter of dedicated Fish Tender Vessels and Fish Processing Vessels that are not engaged in the harvesting of fish or fishery resources without the vessel losing its eligibility for a fishery endorsement.

(e) A vessel operating with a fishery endorsement on October 1, 1998, under the authority of the Western Pacific Fishery Management Council, or a purse seine vessel engaged in tuna fishing outside of the EEZ of the United States or pursuant to the South Pacific Regional Fisheries Treaty may continue to operate as set out in 46 U.S.C. 12102(c)(5), provided that the owner of the vessel continues to comply with the fishery endorsement requirements that were in effect on October 1, 1998.

(f) An individual or entity that is otherwise eligible to own a vessel with a fishery endorsement shall be ineligible if an instrument or evidence of indebtedness, secured by a mortgage of the vessel, to a trustee eligible to own a vessel with a fishery endorsement is



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issued, assigned, transferred, or held in trust for a person not eligible to own a vessel with a fishery endorsement, unless the Commandant determines that the issuance, assignment, transfer, or trust arrangement does not result in an impermissible transfer of control of the vessel and that the trustee:

- (1) Is organized as a corporation that meets § 67.39(b) of this part, and is doing business under the laws of the United States or of a State;
- (2) Is authorized under those laws to exercise corporate trust powers which meet § 67.36(b) of this part;
- (3) Is subject to supervision or examination by an official of the United States Government or a State;
- (4) Has a combined capital and surplus (as stated in its most recent published report of condition) of at least \$3,000,000; and
- (5) Meets any other requirements prescribed by the Commandant.

For vessels greater than or equal to 100 feet in length, approval of such an arrangement from the Maritime Administration will be accepted as evidence that the above conditions are met and will be approved by the Commandant. For vessels less than 100 feet, a standard loan and mortgage agreement that has received general approval under 46 CFR 356.21 will be accepted as evidence that the above conditions are met and will be approved by the Commandant.

[CGD 89-007, CGD 89-007A, 58 FR 60266, Nov. 15, 1993, as amended by CGD 94-040, 61 FR 17815, Apr. 22, 1996; USCG-1999-6095, 65 FR 76575, Dec. 7, 2000; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

## § 67.23 Recreational endorsement.

- (a) A recreational endorsement entitles a vessel to pleasure use only.
- (b) Any vessel eligible for documentation under § 67.5 is eligible for a recreational endorsement.

NOTE: A vessel having a Certificate of Documentation endorsed only for recreation may be bareboat chartered only for recreational use. Guidance on the elements of a valid bareboat charter should be obtained through private legal counsel.

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### Subpart C—Citizenship Requirements for Vessel Documentation

#### § 67.30 Requirement for citizen owner.

Certificates of Documentation may be issued under this part only to vessels which are wholly owned by United States citizens. Pursuant to extraordinary legislation at 46 U.S.C. app. 883-1 (Bowater Amendment) and 46 U.S.C. 12106(d) (Oil Pollution Act of 1990), Certificates of Documentation with limited endorsements may be issued in accordance with part 68 of this chapter to vessels owned by certain persons who are not citizens as defined in this part.

#### § 67.31 Stock or equity interest requirements.

(a) The stock or equity interest requirements for citizenship under this subpart encompass: title to all classes of stock; title to voting stock; and ownership of equity. An otherwise qualifying corporation or partnership may fail to meet stock or equity interest requirements because: Stock is subject to trust or fiduciary obligations in favor of non-citizens; non-citizens exercise, directly or indirectly, voting power; or non-citizens, by any means, exercise control over the entity. The applicable stock or equity interest requirement is not met if the amount of stock subject to obligations in favor of non-citizens, non-citizen voting power, or non-citizen control exceeds the percentage of the non-citizen interest permitted.

(b) For the purpose of stock or equity interest requirements for citizenship under this subpart, control of non-fishing industry vessels includes an absolute right to: Direct corporate or partnership business; limit the actions of or replace the chief executive officer, a majority of the board of directors, or any general partner; direct the transfer or operations of any vessel owned by the corporation or partnership; or otherwise exercise authority over the business of the corporation or partnership. Control does not include the right to simply participate in these activities or the right to receive a financial return, e.g., interest or the equivalent of interest on a loan or other financing obligations.

(c) For the purpose of this section, control of a fishing industry vessel means having:

(1) The right to direct the business of the entity that owns the vessel;

(2) The right to limit the actions of or to replace the chief executive officer, the majority of the board of directors, any general partner, or any person serving in a management capacity of the entity that owns the vessel;

(3) The right to direct the transfer, the operation, or the manning of a vessel with a fishery endorsement.

(d) For purposes of meeting the stock or equity interest requirements for citizenship under this subpart where title to a vessel is held by an entity comprised, in whole or in part, of other entities which are not individuals, each entity contributing to the stock or equity interest qualifications of the entity holding title must be a citizen eligible to document vessels in its own right with the trade endorsement sought.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-1999-6095, 65 FR 76575, Dec. 7, 2000; USCG-2004-18884, 69 FR 58346, Sept. 30, 2004]

#### § 67.33 Individual.

An individual is a citizen if native-born, naturalized, or a derivative citizen of the United States, or otherwise qualifies as a United States citizen.

#### § 67.35 Partnership.

A partnership meets citizenship requirements if all its general partners are citizens, and:

(a) For the purpose of obtaining a registry or recreational endorsement, at least 50 percent of the equity interest in the partnership is owned by citizens.

(b) For the purpose of obtaining a fishery endorsement, at least 75 percent of the equity interest in the partnership, at each tier of the partnership and in the aggregate, is owned by citizens.

(c) For the purpose of obtaining a coastwise endorsement at least 75 percent of the equity interest in the partnership is owned by citizens or the ves-

sel qualifies under § 68.60 or § 68.105 of this chapter.

[CGD 94-008, 59 FR 49846, Sept. 30, 1994, as amended by USCG-1999-6095, 65 FR 76575, Dec. 7, 2000; USCG-2001-8825, 69 FR 5401, Feb. 4, 2004; USCG-2005-20258, 71 FR 61417, Oct. 18, 2006; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.36 Trust.

(a) For the purpose of obtaining a registry or recreational endorsement, a trust arrangement meets citizenship requirements if:

(1) Each of its trustees is a citizen; and

(2) Each beneficiary with an enforceable interest in the trust is a citizen.

(b) For the purpose of obtaining a fishery endorsement, a trust arrangement meets citizenship requirements if:

(1) It meets all the requirements of paragraph (a) of this section; and

(2) At least 75 percent of the equity interest in the trust, at each tier of the trust and in the aggregate, is owned by citizens.

(c) For the purpose of obtaining a coastwise endorsement a trust arrangement meets citizenship requirements if:

(1) It meets the requirements of paragraph (a) of this section and at least 75 percent of the equity interest in the trust is owned by citizens; or

(2) It meets the requirements of § 68.60 or § 68.105 of this chapter.

[CGD 94-008, 59 FR 49846, Sept. 30, 1994, as amended by USCG-1999-6095, 65 FR 76576, Dec. 7, 2000; USCG-2001-8825, 69 FR 5401, Feb. 4, 2004; USCG-2005-20258, 71 FR 61417, Oct. 18, 2006; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.37 Association or joint venture.

(a) An association meets citizenship requirements if each of its members is a citizen.

(b) A joint venture meets citizenship requirements if each of its members is a citizen.

[USCG-1999-6095, 65 FR 76576, Dec. 7, 2000]

#### § 67.39 Corporation.

(a) For the purpose of obtaining a registry or a recreational endorsement, a corporation meets citizenship requirements if:

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(1) It is incorporated under the laws of the United States or of a State;

(2) Its chief executive officer, by whatever title, is a citizen;

(3) Its chairman of the board of directors is a citizen; and

(4) No more of its directors are non-citizens than a minority of the number necessary to constitute a quorum.

(b) For the purpose of obtaining a fishery endorsement, a corporation meets citizenship requirements if:

(1) It meets all the requirements of paragraph (a) of this section; and

(2) At least 75 percent of the stock interest in the corporation, at each tier of the corporation and in the aggregate, is owned by citizens.

(c) For the purpose of obtaining a coastwise endorsement a corporation meets citizenship requirements if:

(1) It meets the requirements of paragraph (a) of this section and at least 75 percent of the stock interest in the corporation is owned by citizens; or

(2) It meets the requirements of § 68.60 or § 68.105 of this chapter.

(d) A corporation which does not meet the stock interest requirement of paragraph (c) of this section may qualify for limited coastwise trading privileges by meeting the requirements of part 68 of this chapter.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 94-008, 59 FR 49847, Sept. 30, 1994; USCG-1999-6095, 65 FR 76576, Dec. 7, 2000; USCG-2001-8825, 69 FR 5401, Feb. 4, 2004; USCG-2005-20258, 71 FR 61417, Oct. 18, 2006; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### § 67.41 Governmental entity.

A governmental entity is a citizen for the purpose of obtaining a vessel document if it is an entity of the Federal Government of the United States or of the government of a State as defined in § 67.3.

### § 67.43 Evidence of citizenship.

When received by the Coast Guard, a properly completed original Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258) establishes a rebuttable presump-

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tion that the applicant is a United States citizen.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993]

### § 67.47 Requirement for Maritime Administration approval.

(a) The following transactions, among others, require approval of the Maritime Administration in accordance with 46 CFR part 221:

(1) Placement of the vessel under foreign registry;

(2) Operation of the vessel under the authority of a foreign country; and

(3) Sale or transfer of an interest in or control of the vessel from a citizen, as defined in section 2 of the Shipping Act, 1916 (46 U.S.C. app. 802), to a person not a citizen within the meaning of section 2 of that act.

(b) A Certificate of Documentation may not be issued for a vessel which subsequent to the last issuance of a Certificate of Documentation has undergone any transaction listed in paragraph (a) of this section, even if the owner meets the citizenship requirements of this subpart, unless evidence is provided that the Maritime Administration approved the transaction.

(c) The restriction imposed by paragraph (b) of this section does not apply to a vessel identified in § 67.11(b).

### Subpart D—Title Requirements for Vessel Documentation

#### § 67.50 Requirement for title evidence.

The owner of a vessel must present title evidence in accordance with one of the methods specified in this subpart:

(a) When application is made for a coastwise endorsement for a vessel which has not previously been qualified for such endorsement;

(b) For initial documentation of a vessel;

(c) When the ownership of a documented vessel changes in whole or in part;

(d) When the general partners of a partnership owning a documented vessel change by addition, deletion, or substitution, without dissolution of the partnership; or

(e) When a vessel which has been deleted from documentation is returned

to documentation and there has been an intervening change in ownership.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.53 Methods of establishing title.

Title to a vessel may be established through one of the following methods:

(a) *Simplified method without evidence of build.* The owner must produce a copy of the last registration of the vessel (State, Federal, or foreign) and evidence which establishes chain of title from that registration to the present owner.

(b) *Simplified method with evidence of build.* The owner must produce a copy of the last registration of the vessel (State, Federal, or foreign) and evidence which establishes chain of title from that registration to the present owner along with evidence of the facts of build in accordance with subpart F of this part.

(c) *Complete chain of title, without evidence of citizenship for each entity in that chain of title.* The owner must provide evidence which establishes:

(1) The facts of build in accordance with subpart F of this part; and

(2) A complete chain of title for the vessel from the person for whom the vessel was built to the present owner.

(d) *Complete chain of title, with evidence of citizenship for each entity in that chain of title.* The owner must provide evidence which establishes:

(1) The facts of build in accordance with subpart F of this part; and

(2) A complete chain of title for the vessel from the person for whom the vessel was built to the present owner, accompanied by competent and persuasive evidence establishing the citizenship of each entity in the chain of title.

#### § 67.55 Requirement for removal from foreign registry.

The owner of a vessel must present evidence of removal of the vessel from foreign registry whenever:

(a) The owner applies for initial documentation of a vessel that has at any time been registered under the laws of a foreign country; or

(b) The owner applies for reentry into documentation of a vessel that had been registered under the laws of a for-

eign country since it was last documented under the laws of the United States.

#### § 67.57 Extent of title evidence required for initial documentation.

(a) Vessels never registered under any system:

(1) Where a coastwise endorsement is sought, the only title evidence required for a vessel being documented by the owner for whom it was built is the certification of the builder (form CG-1261) described in § 67.99. Any other applicant must present title evidence in accordance with § 67.53(d).

(2) Where a fishery endorsement is sought, the only title evidence required for a vessel being documented by the owner for whom it was built is the certification of the builder (form CG-1261) described in § 67.99. Any other applicant must present title evidence in accordance with either paragraph (c) or (d) of § 67.53.

(3) Where a registry or recreational endorsement is sought, the only title evidence required for a vessel being documented by the first owner of the vessel is the certification of the builder (form CG-1261) described in § 67.99, or a Manufacturer's Certificate of Origin. Any other applicant must also present title evidence in accordance with either paragraph (c)(2) or (d)(2) of § 67.53.

NOTE: Manufacturer's Certificates of Origin are sometimes used as shipping documents for vessels, and may recite as the first owner a person other than the person for which the vessel was built. Therefore, a chain of title which begins with a Certificate of Origin will be deemed incomplete.

(b) Vessels previously registered under the laws of a State or a foreign government:

(1) Where a coastwise endorsement is sought, title evidence must be presented in accordance with § 67.53(d).

(2) Where a fishery endorsement is sought, title evidence must be presented in accordance with paragraph (b), (c), or (d) of § 67.53.

(3) Where a registry or recreational endorsement is sought, title evidence must be presented in accordance with paragraph (a), (b), (c), or (d) of § 67.53.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

**§ 67.59 Extent of title evidence required for change in ownership of a documented vessel.**

When the ownership of a documented vessel changes, in whole or in part, the applicant for documentation must present:

(a) Title evidence in accordance with subpart E of this part to reflect all ownership changes subsequent to the last issuance of a Certificate of Documentation; and

(b) Where a registry, fishery, or recreational endorsement is sought, evidence of the citizenship of all owners subsequent to the last owner for whom the vessel was documented except for a vessel:

(1) Identified in § 67.11(b); or

(2) For which the Maritime Administration has granted approval for transfer or sale under 46 CFR part 221.

(c) Where a coastwise endorsement is sought, evidence establishing the citizenship of all owners subsequent to the last owner for whom the vessel was documented with a coastwise endorsement, if such evidence is not already on file with the Coast Guard. If the vessel has never been documented with a coastwise endorsement, evidence must be presented to establish the citizenship of each owner of the vessel for whom such evidence is not already on file with the Coast Guard.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

**§ 67.61 Extent of title evidence required for vessels returning to documentation.**

(a) When the owner of a vessel which has been deleted from documentation applies to have the vessel returned to documentation, the owner must, except as provided in paragraphs (b) and (c) of this section, provide evidence establishing the complete chain of title from the last owner under documentation, and citizenship evidence for all owners in that chain of title.

(b) When a vessel is returned to documentation after having been under foreign registry, the owner must provide a copy of the last foreign registry, the evidence of removal from foreign registry required by § 67.55, and evidence establishing the complete chain of title

from the last owner under foreign registry. No citizenship evidence need be provided for owners in that chain of title.

(c) The owner of a vessel identified in § 67.11(b) or for which the Maritime Administration has granted approval for transfer or sale, either by written order or by general approval in 46 CFR part 221, and which was under a State or Federal registration or titling system, must provide a copy of the last registration or title, the evidence of removal from foreign registry required by § 67.55, if applicable, and evidence establishing the complete chain of title from the last owner under such registry or title. No citizenship evidence need be provided for owners in that chain of title.

NOTE: Although vessels returned to documentation without a complete chain of title are not eligible for a coastwise endorsement, this does not preclude such an endorsement if the chain of title, with citizenship evidence, is completed at a later date.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

**§ 67.63 Extent of title evidence required for captured, forfeited, special legislation, and wrecked vessels.**

(a) In the case of a captured or forfeited vessel, the owner must provide evidence establishing the chain of title from the judicial decree of capture or decree of forfeiture, or the evidence of administrative forfeiture described in § 67.131(b). Citizenship evidence for all owners in the chain of title is required only if a coastwise endorsement is sought.

(b) In the case of a vessel which is the subject of special legislation or a wrecked vessel, the owner must provide:

(1) For initial documentation of a vessel or return to documentation of a vessel deleted from documentation, a copy of the last Federal, State, or foreign registration, the evidence of removal from foreign registry required by § 67.55, if applicable, and evidence establishing the chain of title from the last registration. If a coastwise endorsement is sought, the owner must present citizenship evidence for all

owners in the chain of title from the grant of special legislation or the determination by the Director, National Vessel Documentation Center that the vessel is eligible for documentation under 46 U.S.C. app. 14.

(2) For a documented vessel, the title evidence reflecting all ownership changes subsequent to the last documented owner of record. In addition, unless the vessel qualifies for exemption under § 67.11(b) or the vessel is the subject of Maritime Administration approval for unrestricted transfer, citizenship evidence must be presented for all owners in that chain of title.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### **Subpart E—Acceptable Title Evidence; Waiver**

#### **§ 67.70 Original owner.**

The builder's certification described in § 67.99 serves as evidence of the original owner's title to a vessel.

#### **§ 67.73 Transfers prior to documentation.**

A transfer of vessel title prior to documentation may be evidenced by:

(a) Completion of the transfer information on the reverse of the builder's certification on form CG-1261;

(b) Completion of the transfer information on the reverse of the Manufacturer's Certificate of Origin; or

(c) A bill of sale which meets the criteria for filing and recording set forth in subpart P of this part.

#### **§ 67.75 Transfers by sale or donation subsequent to documentation.**

(a) Except as otherwise provided in this subpart, transfers of vessel title must be evidenced by a bill of sale which meets the criteria for filing and recording set forth in subpart P of this part. Except as otherwise provided in subpart O of this part, each bill of sale must be accompanied by a declaration of citizenship from the new owner, executed on the appropriate Maritime Administration form described in § 67.211.

(b) The bill of sale form used may be form CG-1340 or form CG-1356, as appropriate.

(c) An applicant for documentation who cannot produce required title evidence in the form of an instrument eligible for filing and recording in accordance with subpart P of this part may apply for a waiver of that requirement in accordance with the provisions of § 67.89.

#### **§ 67.77 Passage of title by court action.**

(a) When title to a vessel has passed by court action, that passage must be established by copies of the relevant court order(s) certified by an official of the court.

(b) When authority to transfer a vessel has been conferred by court action, that authority must be established by copies of the relevant court order(s) certified by an official of the court.

#### **§ 67.79 Passage of title without court action following death of owner.**

(a) When title to a vessel formerly owned in whole or in part by an individual now deceased passes without court action, an applicant for documentation must present:

(1) When title passes to a surviving joint tenant or tenants or to a tenant by the entirety, a copy of the death certificate, certified by an appropriate State official; or

(2) Where the laws of cognizant jurisdiction permit passage of title without court action, evidence of compliance with applicable State law.

(b) Passage of title subsequent to devolutions such as those described in paragraph (a) of this section, must be established in accordance with the remainder of this subpart.

#### **§ 67.81 Passage of title in conjunction with a corporate merger or similar transaction.**

When the title to a vessel has passed as the result of a corporate merger or similar transaction wherein the assets of one corporation have been transferred to another, the passage of title must be established by:

(a) Materials, such as a resolution of the board of directors or shareholders of the corporation which held title to the vessel before the transaction,

## **§ 67.83**

which either unequivocally transfers all of the assets of the corporation or which specifically identifies the vessel as being among the assets transferred; and

(b) In jurisdictions where there is an official recognition of corporate mergers and similar transactions, a copy of such official recognition certified by the cognizant official of that jurisdiction.

### **§ 67.83 Passage of title by extra-judicial repossession and sale.**

When title to a documented vessel has passed by reason of an extra-judicial repossession and sale, such passage must be established by:

(a) A copy of the instrument under which foreclosure was made;

(b) An affidavit from the foreclosing party setting forth the reasons for foreclosure, the chronology of foreclosure, the statute(s) under which foreclosure was made, and the steps taken to comply with the relevant instrument and statute(s);

(c) Evidence of substantial compliance with the relevant instrument and statute(s); and

(d) A bill of sale which meets the criteria for filing and recording set forth in subpart P of this part from the foreclosing party as agent for the defaulting owner(s).

### **§ 67.85 Change in general partners of partnership.**

When the general partners of a partnership owning a documented vessel change by addition, deletion, or substitution without dissolution of the partnership, the change must be established by a written statement from a surviving general partner detailing the nature of the change.

### **§ 67.87 Change of legal name of owner.**

(a) When the name of a corporation which owns a documented vessel changes, the corporation must present certification from the appropriate governmental agency evidencing registration of the name change.

(b) When the name of an individual who owns a documented vessel changes for any reason, competent and persuasive evidence establishing the change must be provided.

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### **§ 67.89 Waiver of production of a bill of sale eligible for filing and recording.**

(a) When the evidence of title passage required by this subpart is a bill of sale which meets the criteria for filing and recording set forth in subpart P of this part, and the applicant is unable to produce a bill of sale meeting those criteria, the applicant may request that the Director, National Vessel Documentation Center waive that requirement.

(b) No waiver of the requirement to produce a bill of sale eligible for filing and recording may be granted unless the applicant provides:

(1) A written statement detailing the reasons why an instrument meeting the filing and recording criteria of this part cannot be obtained; and

(2) Competent and persuasive evidence of the passage of title.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

### **§ 67.91 Passage of title pursuant to operation of State law.**

When title to a documented vessel has passed by operation of State law for reasons other than those specified in this subpart, such passage must be established by:

(a) A copy of the statute permitting transfer of title to the vessel and setting forth procedures to be followed in disposing of the vessel;

(b) An affidavit from the party acting against the vessel, setting forth the basis for selling the vessel, and the steps taken to comply with the requirements of the statute under which title passes;

(c) Evidence of substantial compliance with the relevant statute(s); and

(d) A bill of sale which meets the criteria for filing and recording set forth in subpart P of this part from the acting party as agent for the owner(s) of record.

NOTE: State law authorizing a marina to dispose of abandoned vessels is an example of passage of title by operation of law contemplated by § 67.91.

### Subpart F—Build Requirements for Vessel Documentation

#### § 67.95 Requirement for determination.

Evidence that a vessel was built in the United States must be on file for any vessel for which a coastwise or fishery endorsement is sought, unless the vessel is otherwise qualified for those endorsements under subpart J of this part.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.97 United States built.

To be considered built in the United States a vessel must meet both of the following criteria:

- (a) All major components of its hull and superstructure are fabricated in the United States; and
- (b) The vessel is assembled entirely in the United States.

#### § 67.99 Evidence of build.

(a) Evidence of the facts of build may be either a completed original form CG-1261, or other original document containing the same information, executed by a person having personal knowledge of the facts of build because that person:

- (1) Constructed the vessel;
  - (2) Supervised the actual construction of the vessel; or
  - (3) Is an officer or employee of the company which built the vessel and has examined the records of the company concerning the facts of build of the vessel.
- (b) A vessel owner applying for documentation must file a separate certificate from each builder involved in the construction of the vessel.

(c) A Manufacturer's Certificate of Origin is not evidence of the facts of build.

#### § 67.101 Waiver of evidence of build.

(a) A vessel owner applying for documentation unable to obtain the evidence of build required by § 67.99 may apply for a waiver of that requirement to the Director, National Vessel Documentation Center.

(b) No waiver of the requirement in § 67.99 to produce evidence of build may be granted unless the applicant provides:

- (1) A written request for the waiver, explaining why the evidence required by § 67.99 cannot be furnished; and
- (2) Competent and persuasive evidence of the facts of build.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52190, Sept. 30, 1998]

### Subpart G—Tonnage and Dimension Requirements for Vessel Documentation

#### § 67.105 Requirement for determination.

The gross and net tonnage and dimensions of a vessel must be determined:

- (a) For initial documentation;
- (b) Whenever there is a change in the gross or net tonnage or dimensions of a documented vessel; or
- (c) When the gross or net tonnage of a vessel returning to documentation has changed since the vessel was last documented.

#### § 67.107 System of measurement; evidence.

(a) The gross and net tonnage and dimensions of a vessel for purposes of this part are determined in accordance with 46 CFR part 69.

(b) A certificate of measurement issued by an authorized official is the only acceptable evidence of the gross and net tonnage of a vessel measured in accordance with subpart B, C, or D of 46 CFR part 69. A certificate of measurement is not issued for vessels measured under subpart E of 46 CFR part 69 since the gross and net tonnage are determined as part of the documentation process.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2001-10224, 66 FR 48620, Sept. 21, 2001]



**Subpart H—Assignments and Designations Required for Vessel Documentation**

**§ 67.111 Assignment of official number.**

(a) The owner of a vessel must submit an Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258) to the Director, National Vessel Documentation Center, to apply for an official number for the vessel when:

(1) Application is made for initial documentation of the vessel; or

(2) An existing vessel has been severed, with two or more vessels resulting. In this case, the official number of the original vessel is retired and the owner of each resulting vessel must apply for designation of a new official number.

(b) Upon receipt of form CG-1258, the Director, National Vessel Documentation Center will have an official number assigned to the vessel and furnish it to the vessel owner.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52190, Sept. 30, 1998]

**§ 67.113 Managing owner designation; address; requirement to report change of address.**

The owner of each vessel must designate a managing owner on the Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (CG-1258).

(a) The managing owner of a vessel owned by one person is the owner of the vessel.

(b) The managing owner of a vessel owned by more than one person must be one of the owners. The person designated as managing owner must have an address in the United States except where no owner of the vessel has an address in the United States.

(c) The managing owner of a vessel owned in a trust arrangement must be one of the trustees.

(d) The address of the managing owner must be as follows:

(1) For an individual, any residence of the managing owner.

(2) For a partnership, its address:

(i) In the State under whose laws it is organized; or

(ii) Of its principal place of business.

(3) For a corporation, its address:

(i) For service of process within the State of incorporation; or

(ii) Of its principal place of business.

(e) Whenever the address of the managing owner changes, the managing owner shall notify the Director, National Vessel Documentation Center within 10 days.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52190, Sept. 30, 1998]

**§ 67.117 Vessel name designation.**

(a) The owner of a vessel must designate a name for the vessel on the Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258) submitted to the Director, National Vessel Documentation Center:

(1) Upon application for initial documentation of the vessel; or

(2) When the owner elects to change the name of the vessel.

(b) The name designated:

(1) Must be composed of letters of the Latin alphabet or Arabic or Roman numerals;

(2) May not be identical, actually or phonetically, to any word or words used to solicit assistance at sea; and

(3) May not contain nor be phonetically identical to obscene, indecent, or profane language, or to racial or ethnic epithets.

(c) The name of a documented vessel may not be changed without the prior approval of the Director, National Vessel Documentation Center.

(d) Until such time as the owner of a vessel elects to change the name of a vessel, the provisions of paragraph (b) of this section do not apply to vessels validly documented before January 1, 1994.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

**§ 67.119 Hailing port designation.**

(a) Upon application for any Certificate of Documentation in accordance with subpart K of this part, the owner

of a vessel must designate a hailing port to be marked upon the vessel.

(b) The hailing port must be a place in the United States included in the U.S. Department of Commerce's Federal Information Processing Standards Publication 55DC.

(c) The hailing port must include the State, territory, or possession in which it is located.

(d) The Director, National Vessel Documentation Center has final authority to settle disputes as to the propriety of the hailing port designated.

(e) Until such time as the vessel owner elects to designate a new hailing port, the provisions of paragraph (c) of this section do not apply to vessels which were issued a Certificate of Documentation before July 1, 1982.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

### Subpart I—Marking Requirements for Vessel Documentation

#### § 67.120 General requirement.

No Certificate of Documentation issued under this part will be deemed valid for operation of the vessel until the vessel is marked in accordance with this subpart.

#### § 67.121 Official number marking requirement.

The official number of the vessel, preceded by the abbreviation "NO." must be marked in block-type Arabic numerals not less than three inches in height on some clearly visible interior structural part of the hull. The number must be permanently affixed to the vessel so that alteration, removal, or replacement would be obvious. If the official number is on a separate plate, the plate must be fastened in such a manner that its removal would normally cause some scarring of or damage to the surrounding hull area.

#### § 67.123 Name and hailing port marking requirements.

(a) For vessels other than those covered in paragraphs (b) and (c) of this section, the name of the vessel must be marked on some clearly visible exterior part of the port and starboard bow

and the stern of the vessel. The hailing port of the vessel must be marked on some clearly visible exterior part of the stern of the vessel.

(b) *Vessels with square bow.* For vessels having a square bow, the name of the vessel must be marked on some clearly visible exterior part of the bow in a manner to avoid obliteration. The name and hailing port must be marked on some clearly visible exterior part of the stern.

(c) *Recreational vessels.* For vessels documented exclusively for recreation, the name and hailing port must be marked together on some clearly visible exterior part of the hull.

(d) The markings required by paragraphs (a), (b), and (c) of this section, which may be made by the use of any means and materials which result in durable markings, must be made in clearly legible letters of the Latin alphabet or Arabic or Roman numerals not less than four inches in height.

#### § 67.125 Disputes.

The OCMI for the zone in which the vessel is principally operated has final authority in any disputes concerning the permanence, durability, legibility, or placement of a vessel's markings.

### Subpart J—Application for Special Qualifications for Vessel Documentation

#### § 67.130 Submission of applications.

All applications made under this subpart and all subsequent filings to effect documentation, except as provided in § 67.133(b), must be submitted to the National Vessel Documentation Center.

[CGD 95-014, 60 FR 31604, June 15, 1995]

#### § 67.131 Forfeited vessels.

In addition to any other submissions required by this part, the owner of a forfeited vessel applying for a Certificate of Documentation for that vessel must submit the following:

(a) Where the vessel has been adjudged forfeit, or the proceeds of the sale of the vessel have been adjudged forfeit to the Federal Government of the United States by a Federal District

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Court, a copy of the court order certified by an official of the court;

(b) Where the vessel was forfeited to the Federal Government of the United States under an administrative forfeiture action, an affidavit from an officer of the agency which performed the forfeiture who has personal knowledge of the particulars of the vessel's forfeiture or a Declaration of Forfeiture issued by the agency which performed the forfeiture.

### § 67.132 Special legislation.

(a) Vessels not otherwise entitled to be operated in the coastwise trade or in the fisheries may obtain these privileges as a result of special legislation by the Congress of the United States.

(b) In addition to any other submissions required by this part, the owner of a vessel which is entitled to engage in a specified trade because it is the subject of special legislation must include a copy of the legislation to establish the entitlement.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### § 67.133 Wrecked vessels.

(a) A vessel owner requesting a determination that the vessel is wrecked within the meaning of 46 U.S.C. app. 14 must submit the following to the Director, National Vessel Documentation Center:

(1) Competent and persuasive evidence of the occasion and location of the casualty. Coast Guard situation or investigation reports are acceptable as casualty evidence. Other competent and persuasive evidence may be accepted in the discretion of the Director, National Vessel Documentation Center.

(2) A writing setting forth the physical location of the vessel, containing a guarantee that the requesting party assumes full responsibility for all costs, liabilities, and other expenses that arise in conjunction with the services performed by the board of appraisers, and stating that at the time of documentation the vessel will be owned by a citizen of the United States.

(b) In addition to other submissions required by this part, a vessel owner applying for a Certificate of Documentation for a vessel accorded privi-

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leges by the Wrecked Vessel Statute (46 U.S.C. app. 14) must include a copy of the determination of the Director, National Vessel Documentation Center that the vessel qualifies for documentation under the statute.

NOTE: The determination of the appraised salvaged value must be made by a board of three appraisers appointed by the Director, National Vessel Documentation Center. The board must determine that the repairs made upon the vessel are equal to three times the appraised salvage value. The determination of the appraised salvage value will include consideration of the fact that if the vessel is found in compliance with the Wrecked Vessel Statute it will attain coastwise and fishery privileges. The cost of the board must be borne by the applicant.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

### § 67.134 Captured vessels.

In addition to other submissions required by this part, a vessel owner applying for a Certificate of Documentation for a vessel which qualifies as a captured vessel must include a copy of the court order stating that the vessel was lawfully captured and condemned as a prize.

## Subpart K—Application for Documentation, Exchange or Replacement of Certificate of Documentation, or Return to Documentation; Mortgagee Consent; Validation

### § 67.141 Application procedure; all cases.

The owner of a vessel applying for an initial Certificate of Documentation, exchange or replacement of a Certificate of Documentation, or return of a vessel to documentation after deletion from documentation must:

(a) Submit the following to the National Vessel Documentation Center:

(1) Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258);

(2) Title evidence, if applicable;

(3) Mortgagee consent on form CG-4593, if applicable; and

(4) If the application is for replacement of a mutilated document or exchange of documentation, the outstanding Certificate of Documentation.

(b) Each vessel 100 feet and greater in length applying for a fishery endorsement must meet the requirements of 46 CFR part 356 and must submit materials required in paragraph (a) of this section.

(c) Upon receipt of the Certification of Documentation and prior to operation of the vessel, ensure that the vessel is marked in accordance with the requirements set forth in subpart I of this part.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1999-6095, 65 FR 76576, Dec. 7, 2000]

#### § 67.142 Penalties.

(a) An owner or operator of a vessel with a fishery endorsement who violates chapter 121 of title 46, U.S. Code or any regulation issued thereunder is liable to the United States Government for a civil penalty of not more than \$10,000. Each day of a continuing violation is a separate violation.

(b) A fishing vessel and its equipment are liable to seizure and forfeiture to the United States Government—

(1) When the owner of the fishing vessel, or the representative or agent of the owner, knowingly falsifies applicable information or knowingly conceals a material fact during the application process for or application process to renew a fishery endorsement of the vessel;

(2) When the owner of the fishing vessel, or the representative or agent of the owner, knowingly and fraudulently uses a vessel's certificate of documentation;

(3) When the fishing vessel engages in fishing [as such term is defined in section 3 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802)] within the Exclusive Economic Zone after its fishery endorsement has been denied or revoked;

(4) When a vessel is employed in a trade without an appropriate trade endorsement;

(5) When a documented vessel with only a recreational endorsement operates as a fishing vessel; or

(6) When a vessel with a fishery endorsement is commanded by a person who is not a citizen of the United States.

(c) In addition to penalties under paragraphs (a) and (b) of this section, the owner of a vessel with a fishery endorsement is liable to the United States Government for a civil penalty of up to \$100,000 for each day in which the vessel has engaged in fishing within the Exclusive Economic Zone, if the owner of the fishing vessel, or the representative or agent of the owner, knowingly falsifies applicable information or knowingly conceals a material fact during the application process for or application process to renew a fishery endorsement of the vessel.

[USCG-1999-6095, 65 FR 76576, Dec. 7, 2000]

#### § 67.143 Restriction on withdrawal of application.

A vessel owner making application pursuant to § 67.141 may not withdraw that application without mortgagee consent if a mortgage has been filed against the vessel. Consent of the mortgagee is evidenced by filing a properly completed original Application, Consent, and Approval for Withdrawal of Application for Documentation or Exchange of Certificate of Documentation (form CG-4593).

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993]

#### § 67.145 Restrictions on exchange; requirement and procedure for mortgagee consent.

(a) A Certificate of Documentation issued to a vessel which is the subject of an outstanding mortgage recorded pursuant to subpart Q of this part or predecessor regulations, may not be exchanged for a cause arising under §§ 67.167(b) (1) through (5) or 67.167(c) (1) through (8) without the consent of the mortgagee, except as provided in paragraph (b) of this section.

(b) The provisions of paragraph (a) of this section do not apply to a vessel which is subject only to a mortgage filed or recorded before January 1, 1989, which had not attained preferred status as of that date.

(c) When the owner of a vessel applies for a Certificate of Documentation and

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the consent of the mortgagee is required under paragraph (a) of this section, the applicant must submit a properly completed original Application, Consent, and Approval for Withdrawal of Application for Documentation or Exchange of Certificate of Documentation (form CG-4593) signed by or on behalf of the mortgagee to the National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 94-008, 59 FR 49847, Sept. 30, 1994; CGD 95-014, 60 FR 31604, June 15, 1995]

### § 67.149 Exchange of Certificate of Documentation; vessel at sea.

(a) When exchange of a Certificate of Documentation issued to a vessel is required pursuant to subpart L of this part and the vessel is at sea, the owner may affect the exchange while the vessel is still at sea by:

(1) Complying with the requirements of § 67.141; and

(2) complying with the requirements of § 67.145, if applicable.

NOTE: A Certificate of Documentation is issued upon compliance with the applicable requirements, however, the requirement to mark the vessel with its new name or hailing port in accordance with subpart I of this part, if applicable, is waived until the vessel reaches its first port of call, wherever that may be.

(b) The documentation officer prepares a new Certificate of Documentation and forwards it for delivery to the vessel's next port of call. If the port of call is in the United States, the Certificate is forwarded to the nearest U.S. Coast Guard Sector Office. If the port of call is in a foreign country, the Certificate is forwarded to the nearest American Consulate. The new Certificate is delivered only upon surrender of the old Certificate, which is then forwarded to the National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-2006-25556, 72 FR 36330, July 2, 2007]

### § 67.151 Replacement of Certificate of Documentation; special procedure for wrongfully withheld document.

When the owner of a documented vessel alleges that the Certificate of Docu-

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mentation for that vessel is being wrongfully withheld by any person the owner must:

(a) Submit to the Director, National Vessel Documentation Center, a statement setting forth the reasons for the allegation; and

(b) Upon the Director, National Vessel Documentation Center that the Certificate is being wrongfully withheld, apply for replacement of the Certificate in accordance with the requirements of § 67.141.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

## Subpart L—Validity of Certificates of Documentation; Renewal of Endorsement; Requirement for Exchange, Replacement, Deletion, Cancellation

### § 67.161 Validity of Certificate of Documentation.

(a) Notwithstanding any other provision of this subpart, except as provided in paragraph (b) of this section, a Certificate of Documentation but no trade endorsement thereon, issued to a vessel which is the subject of an outstanding mortgage filed or recorded in accordance with subpart Q of this part or any predecessor regulations, remains valid for purposes of:

(1) 46 U.S.C. chapter 125;

(2) 46 U.S.C. chapter 313 for an instrument filed or recorded before the date of invalidation, and an assignment or a notice of claim of lien filed after that date;

(3) Sections 9 and 37(b) of the Shipping Act, 1916 (46 U.S.C. app. 808, 835(b)); and

(4) Section 902 of the Merchant Marine Act, 1936 (46 U.S.C. app. 1242).

(b) The provisions of paragraph (a) of this section do not apply to a vessel which is subject only to a mortgage filed or recorded before January 1, 1989, which had not attained preferred status as of that date.

### § 67.163 Renewal of endorsement.

(a) *Requirement for renewal of endorsement.* Endorsements on Certificates of Documentation are valid for one year.

Prior to the expiration of that year, the owner of a vessel which is not exempt from the requirement for documentation under paragraph (c) of § 67.9 must apply for renewal of the endorsement(s) by complying with paragraph (b) of this section. The owner of a vessel exempt from the requirement for documentation under paragraph (c) of § 67.9 must either:

(1) Apply for renewal of the endorsement by complying with paragraph (b) of this section; or

(2) Place the Certificate of Documentation under deposit in accordance with § 67.165.

(b) *Renewal application.* The owner of a vessel must apply for renewal of each endorsement by executing an original Notice of Expiration (CG-1280) or Final Notice After Expiration (CG-1280-B) certifying that the information contained in the Certificate of Documentation and any endorsement(s) thereon remains accurate, and that the Certificate has not been lost, mutilated, or wrongfully withheld. The completed CG-1280 or CG-1280-B must be forwarded to the Director, National Vessel Documentation Center.

(c) *Requirement to affix decal.* The owner must affix the renewal decal to the Certificate of Documentation. The presence of a current renewal decal is evidence that the endorsement has been renewed.

NOTE: Renewal of endorsements on a Certificate of Documentation may be denied if the vessel owner is the subject of an outstanding civil penalty assessed by the Coast Guard.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

#### § 67.165 Deposit of Certificate of Documentation.

(a) *Option for deposit in lieu of renewal of endorsement.* In lieu of renewing the endorsement(s) in accordance with § 67.163, the owner of a vessel which is exempt from the requirement for documentation under paragraph (c) of § 67.9 may deposit the vessel's outstanding Certificate of Documentation with the National Vessel Documentation Center.

(b) *Reporting requirement.* The owner of a vessel whose Certificate is on deposit in accordance with paragraph (a) of this section must make a written report to the National Vessel Documentation Center when:

(1) Exchange of the Certificate is required upon the occurrence of one or more of the events described in § 67.167 (b), (c), or (d); or

(2) The vessel is subject to deletion from the roll of actively documented vessels upon the occurrence of one or more of the events described in § 67.171(a)(1) through (8).

(c) *Validity of document on deposit.* A Certificate of Documentation placed on deposit in accordance with paragraph (a) of this section is valid for the purposes of:

(1) 46 U.S.C. chapter 125;

(2) 46 U.S.C. chapter 313;

(3) Sections 9 and 37(b) of the Shipping Act, 1916 (46 U.S.C. app. 808, 835(b)); and

(4) Section 902 of the Merchant Marine Act, 1936 (46 U.S.C. app. 1242).

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995]

#### § 67.167 Requirement for exchange of Certificate of Documentation.

(a) When application for exchange of the Certificate of Documentation is required upon the occurrence of one or more of the events described in paragraphs (b), (c), or (d) of this section, or the owner of the vessel chooses to apply for exchange of the Certificate pursuant to paragraph (e) of this section, the owner must send or deliver the Certificate to the National Vessel Documentation Center, and apply for an exchange of the Certificate in accordance with subpart K of this part.

(b) A Certificate of Documentation together with any endorsement(s) thereon becomes invalid immediately, except as provided in § 67.161, when:

(1) The ownership of the vessel changes in whole or in part;

(2) The general partners of a partnership change by addition, deletion, or substitution;

(3) The State of incorporation of any corporate owner of the vessel changes;

(4) The name of the vessel changes;

(5) The hailing port of the vessel changes; or

(6) The vessel is placed under the command of a person who is not a citizen of the United States.

(c) A Certificate of Documentation together with any endorsement(s) thereon becomes invalid immediately, except as provided in § 67.161 and in paragraph (f) of this section, if the vessel is not a sea, or upon the vessel's next arrival in port anywhere in the world if the vessel is at sea, when:

(1) The gross or net tonnages or dimensions of the vessel change;

(2) Any beneficiary with an enforceable interest in a trust arrangement owning a vessel changes by addition or substitution;

(3) The trustee of a trust arrangement owning a vessel changes by addition, substitution, or deletion;

(4) A tenant by the entirety owning any part of the vessel dies;

(5) The restrictions imposed on the vessel change by addition or substitution;

(6) The legal name of any owner of the vessel changes;

(7) A self-propelled vessel becomes non-self-propelled or a non-self-propelled vessel becomes self-propelled;

(8) The endorsements for the vessel change by addition, deletion, or substitution;

(9) A substantive or clerical error made by the issuing documentation officer is discovered; and

(10) For a vessel with a coastwise endorsement under 46 U.S.C. 12106(e), one of the events in § 68.80 or § 68.111 of this chapter occurs.

(d) Although a Certificate of Documentation and any endorsements thereon remain valid, the owner of a documented vessel must apply for exchange of the Certificate upon an election to designate a new managing owner of the vessel in accordance with § 67.113.

(e) Although a Certificate of Documentation and any endorsement(s) thereon remain valid, the owner may apply for exchange of the Certificate if:

(1) The restrictions imposed on the vessel change by deletion; or

(2) The vessel attains a special entitlement under subpart J of this part.

(f) A Certificate of Documentation which becomes invalid pursuant to paragraph (c) of this section remains valid for the purposes of filing a new mortgage or amendment, assignment, assumption, or subordination agreement for 30 days after the date it would otherwise have become invalid.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31604, June 15, 1995; USCG-2001-8825, 69 FR 5401, Feb. 4, 2004; USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

**§ 67.169 Requirement for replacement of Certificate of Documentation.**

(a) The owner of a documented vessel must make application in accordance with subpart K of this part for replacement of a Certificate of Documentation which is:

(1) Lost;

(2) Mutilated; or

(3) Wrongfully withheld from the vessel owner.

(b) When application for replacement of a Certificate of Documentation is required because the Certificate has been mutilated, the existing Certificate must be physically given up to the National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.171 Deletion; requirement and procedure.**

(a) A Certificate of Documentation together with any endorsement(s) thereon is invalid, except as provided in § 67.161, and the vessel is subject to deletion from the roll of actively documented vessels when:

(1) The vessel is placed under foreign flag;

(2) The vessel is sold or transferred in whole or in part to a person who is not a citizen of the United States within the meaning of subpart C of this part;

(3) Any owner of the vessel ceases to be a citizen of the United States within the meaning of subpart C of this part;

(4) The owner no longer elects to document the vessel;

(5) The vessel no longer measures at least five net tons;

(6) The vessel ceases to be capable of transportation by water;

(7) The owner fails to exchange the Certificate as required by § 67.167;

(8) The owner fails to maintain the markings required by subpart I of this part;

(9) The endorsements on the Certificate are revoked because the vessel owner is the subject of an outstanding civil penalty assessed by the Coast Guard; or

(10) The owner fails to:

(i) Renew the endorsement(s) as required by § 67.163; or

(ii) Comply with the provisions of § 67.165.

(b) Where a cause for deletion arises for any reason under paragraphs (a) (1) through (6) of this section, the owner must send or deliver the original Certificate of Documentation to the National Vessel Documentation Center together with a statement setting forth the reason(s) deletion is required.

(c) When a Certificate of Documentation is required to be deleted because the vessel has been placed under foreign flag or has been sold or transferred in whole or in part to a non-citizen of the United States, the owner of that vessel must comply with the requirements of paragraph (b) of this section, and file:

(1) Evidence of the sale or transfer, if any; and

(2) Evidence that the Maritime Administration has consented to the sale or transfer, except for vessels identified in § 67.11(b) and vessels for which the Maritime Administration has granted approval for unrestricted sale or transfer pursuant to regulations set forth in 46 CFR part 221.

(d) A certificate evidencing deletion from U.S. documentation will be issued upon request of the vessel owner to the National Vessel Documentation Center upon compliance with the applicable requirements of this subpart.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by CGD 94-008, 59 FR 49847, Sept. 30, 1994; CGD 95-014, 60 FR 31605, June 15, 1995]

#### **§ 67.173 Cancellation; requirement and procedure.**

A Certificate of Documentation issued to a vessel together with any endorsement(s) thereon is invalid, except as provided in § 67.161, and subject to

cancellation upon a determination by the Director, National Vessel Documentation Center that the issuance of the Certificate was improper for any reason. When a Certificate is subject to cancellation, the owner of the vessel upon being notified of such requirement must send or deliver the Certificate to a documentation officer at the National Vessel Documentation Center. The vessel owner may submit an application for exchange in accordance with subpart K of this part to correct the error giving rise to cancellation. If the vessel for which the Certificate was cancelled was previously documented, it remains documented under the previous Certificate of Documentation, unless deleted under the provisions of § 67.171.

NOTE: Certificates of Documentation which have been canceled are retained at the National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1998-4442, 63 FR 52190, 52191, Sept. 30, 1998]

### **Subpart M—Miscellaneous Applications**

#### **§ 67.175 Application for new vessel determination.**

(a) When a vessel has been constructed entirely of new materials, no application for a new vessel determination need be made under this section. Application for initial documentation must be made in accordance with subpart K of this part.

(b) When parts of an existing vessel have been used in the construction of a vessel and the owner wants a determination that the resulting vessel is new in accordance with this part, the owner must file with the Director, National Vessel Documentation Center;

(1) A builder's certification, as described in § 67.99;

(2) A written statement describing the extent to which materials from the existing vessel were used in the construction and the extent to which those materials were torn down; and

(3) Accurate sketches or blueprints of the hull and superstructure which



must identify, where practicable, components of the old vessel.

[CGD 89–007, CGD 89–007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95–014, 60 FR 31605, June 15, 1995; USCG–1998–4442, 63 FR 52191, Sept. 30, 1998]

**§ 67.177 Application for foreign rebuilding determination.**

A vessel is deemed rebuilt foreign when any considerable part of its hull or superstructure is built upon or substantially altered outside of the United States. In determining whether a vessel is rebuilt foreign, the following parameters apply:

(a) Regardless of its material of construction, a vessel is deemed rebuilt when a major component of the hull or superstructure not built in the United States is added to the vessel.

(b) For a vessel of which the hull and superstructure is constructed of steel or aluminum—

(1) A vessel is deemed rebuilt when work performed on its hull or superstructure constitutes more than 10 percent of the vessel's steelweight, prior to the work, also known as discounted lightship weight.

(2) A vessel may be considered rebuilt when work performed on its hull or superstructure constitutes more than 7.5 percent but not more than 10 percent of the vessel's steelweight prior to the work.

(3) A vessel is not considered rebuilt when work performed on its hull or superstructure constitutes 7.5 percent or less of the vessel's steelweight prior to the work.

(c) For a vessel of which the hull and superstructure is constructed of material other than steel or aluminum—

(1) A vessel is deemed rebuilt when work performed on its hull or superstructure constitutes a quantum of work determined, to the maximum extent practicable, to be comparable to more than 10 percent of the vessel's steelweight prior to the work, calculated as if the vessel were wholly constructed of steel or aluminum.

(2) A vessel may be considered rebuilt when work performed on its hull or superstructure constitutes a quantum of work determined, to the maximum extent practicable, to be comparable to more than 7.5 percent but not more

than 10 percent of the vessel's steelweight prior to the work, calculated as if the vessel were wholly constructed of steel or aluminum.

(3) A vessel is not considered rebuilt when work performed on its hull or superstructure constitutes a quantum of work determined, to the maximum extent practicable, to be comparable to 7.5 percent or less of the vessel's steelweight prior to the work, calculated as if the vessel were wholly constructed of steel or aluminum.

(d) For a vessel of mixed construction, such as a vessel the hull of which is constructed of steel or aluminum and the superstructure of which is constructed of fibrous reinforced plastic, the steelweight of the work performed on the portion of the vessel constructed of a material other than steel or aluminum will be determined, to the maximum extent practicable, and aggregated with the work performed on the portion of the vessel constructed of steel or aluminum. The numerical parameters described in paragraph (b) of this section will then be applied to the aggregate of the work performed on the vessel compared to the vessel's steelweight prior to the work, calculated as if the vessel were wholly constructed of steel or aluminum, to determine whether the vessel has been rebuilt.

(e) The owner of a vessel currently entitled to coastwise or fisheries endorsements which is altered outside the United States and the work performed is determined to constitute or be comparable to more than 7.5 percent of the vessel's steelweight prior to the work, or which has a major component of the hull or superstructure not built in the United States added, must file the following information with the National Vessel Documentation Center within 30 days following the earlier of completion of the work or redelivery of the vessel to the owner or owner's representative:

(1) A written statement applying for a rebuilt determination, outlining in detail the work performed and naming the place(s) where the work was performed;

(2) Calculations showing the actual or comparable steelweight of the work performed on the vessel, the actual or

comparable steelweight of the vessel, and comparing the actual or comparable steelweight of the work performed to the actual or comparable steelweight of the vessel;

(3) Accurate sketches or blueprints describing the work performed; and

(4) Any further submissions requested by the National Vessel Documentation Center.

(f) Regardless of the extent of actual work performed, the owner of a vessel currently entitled to coastwise or fisheries endorsements may, as an alternative to filing the items listed in paragraph (e) of this section, submit a written statement to the National Vessel Documentation Center declaring the vessel rebuilt outside the United States. The vessel will then be deemed to have been rebuilt outside the United States with loss of trading privileges.

(g) A vessel owner may apply for a preliminary rebuilt determination by submitting:

(1) A written statement applying for a preliminary rebuilt determination, outlining in detail the work planned and naming the place(s) where the work is to be performed;

(2) Calculations showing the actual or comparable steelweight of work to be performed on the vessel, the actual or comparable steelweight of the vessel, and comparing the actual or comparable steelweight of the planned work to the actual or comparable steelweight of the vessel;

(3) Accurate sketches or blueprints describing the planned work; and

(4) Any further submissions requested by the National Vessel Documentation Center.

NOTE: A statement submitted in accordance with paragraph (f) of this section does not constitute an application for a rebuilt determination and does not require payment of a fee.

[CGD 94-040, 61 FR 17815, Apr. 22, 1996, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

## Subpart N [Reserved]

## Subpart O—Filing and Recording of Instruments—General Provisions

### § 67.200 Instruments eligible for filing and recording.

Only the following listed instruments are eligible for filing and recording:

(a) Bills of sale and instruments in the nature of bills of sale;

(b) Deeds of gift;

(c) Mortgages and assignments, assumptions, supplements, amendments, subordinations, satisfactions, and releases thereof;

(d) Preferred mortgages and assignments, assumptions, supplements, amendments, subordinations, satisfactions, and releases thereof;

(e) Interlender agreements affecting mortgages, preferred mortgages, and related instruments; and

(f) Notices of claim of lien, assignments, amendments, and satisfactions and releases thereof.

### § 67.203 Restrictions on filing and recording.

(a) No instrument will be accepted for filing unless the vessel to which it pertains is the subject of:

(1) A valid Certificate of Documentation; or

(2) An application for initial documentation, exchange of Certificate of Documentation, return to documentation, or for deletion from documentation, which is in substantial compliance with the applicable regulations, submitted to the National Vessel Documentation Center.

(b) An instrument identified as eligible for filing and recording under § 67.200 may not be filed and recorded if it bears a material alteration.

(c) An instrument identified as eligible for filing and recording under § 67.200 (a) or (b) may not be filed and recorded if any vendee or transferee under the instrument is not a citizen of the United States as defined in section 2 of the Shipping Act, 1916, (46 U.S.C. app. 802) unless the Maritime Administration has consented to the grant to a non-citizen made under the instrument.

(d) The restriction imposed by paragraph (c) of this section does not apply to a bill of sale or deed of gift conveying an interest in a vessel which

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was neither documented nor last documented pursuant to these regulations or any predecessor regulations thereto at the time the instrument was executed, nor to an instrument conveying an interest in a vessel identified in § 67.11(b).

(e) An instrument identified as eligible for filing and recording under § 67.200(c) may not be filed or recorded if the mortgagee or assignee is not a person qualifying as a citizen of the United States as defined in the Shipping Act, 1916, as amended, (46 U.S.C. app. chapter 23) or a trustee as defined in 46 U.S.C. 31328, unless the Maritime Administration has consented to the grant to a non-citizen made under the instrument. This restriction does not apply to an instrument conveying an interest in a vessel identified in § 67.11(b).

(f) An instrument identified as eligible for filing and recording under § 67.200(d) may not be filed or recorded if the mortgagee or assignee is not a person described in 46 U.S.C. 31322(a)(1)(D). This restriction does not apply to an instrument conveying an interest in a vessel identified in § 67.11(b).

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

## § 67.205 Requirement for vessel identification.

(a) Every instrument presented for filing and recording must contain sufficient information to clearly identify the vessel(s) to which the instrument relates.

(b) Instruments pertaining to vessels which have been documented must contain the vessel's name and official number, or other unique identifier.

(c) Vessels which have never been documented must be identified by one of the following:

(1) The vessel's Hull Identification Number assigned in accordance with 33 CFR 181.25; or

(2) Other descriptive information, which clearly describes the vessel. Such information may include length, breadth, depth, year of build, name of manufacturer, and any numbers which may have been assigned in accordance with 33 CFR part 173.

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## § 67.207 Requirement for date and acknowledgment.

(a) Every instrument presented for filing and recording must:

- (1) Bear the date of its execution; and
- (2) Contain an acknowledgment.

(b) No officer or employee of the Coast Guard is authorized to take such acknowledgments unless the instrument is executed on behalf of the Federal Government of the United States.

## § 67.209 No original instrument requirement.

A copy of the original signed and acknowledged instrument must be presented. The original instrument itself may be presented but is not required. The copy may be delivered to the National Vessel Documentation Center or transmitted by facsimile or in portable document format (.pdf) in accordance with the procedures in §§ 67.218 and 67.219 of this part. Signatures may be affixed manually or digitally.

[USCG-2007-28098, 72 FR 42312, Aug. 2, 2007]

## § 67.211 Requirement for citizenship declaration.

(a) Instruments in the nature of a bill of sale or deed of gift, mortgages, and assignments of mortgages conveying an interest in a documented vessel are ineligible for filing and recording unless accompanied by a declaration of citizenship, except as provided in paragraph (c) and (d) of this section.

(b) Citizenship declarations must be executed on the form prescribed by the Maritime Administration in 46 CFR part 221. These forms are available from the National Vessel Documentation Center and from the Vessel Transfer and Disposal Officer (MAR-745.1), Maritime Administration, United States Department of Transportation, Washington, DC 20590.

(c) The requirement for presentation of a citizenship declaration does not apply to a transaction conveying an interest in a vessel:

(1) Described in 46 CFR 221.11(b)(1) (i) through (iv);

(2) To a person making application for documentation; or

(3) To an entity of the Federal Government of the United States or of a State or political subdivision thereof,

or a corporate entity which is an agency of any such government or political subdivision.

(d) The requirement for presentation of a citizenship declaration is waived when the instrument(s) presented for filing effects a transfer for which:

(1) The Maritime Administration has given general approval in 46 CFR part 221; or

(2) Written approval of the Maritime Administrator has been obtained in accordance with 46 CFR part 221.

(e) If the transfer of interest is one which requires written approval of the Maritime Administrator in accordance with rules in 46 CFR part 221, evidence of that approval must be presented for filing with the instrument effecting the transfer of interest.

NOTE: If the grantee(s) of an ownership interest in a vessel described in paragraphs (c)(1) or (d) of this section do(es) not make application for documentation, a declaration of citizenship may be required in order to ensure that the vessel so conveyed retains any coastwise privileges to which it may be entitled.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

#### § 67.213 Place of filing and recording.

(a) All instruments submitted for filing and recording must be submitted to the National Vessel Documentation Center.

(b) All instruments are recorded at the National Vessel Documentation Center.

[CGD 95-014, 60 FR 31605, June 15, 1995]

#### § 67.215 Date and time of filing.

(a) An instrument is deemed filed at the actual date and time at which the instrument is received by the National Vessel Documentation Center, except as provided in paragraph (b) of this section. Any materials submitted to supplement an instrument after the instrument is filed are deemed part of the original filing and relate back to the date and time of that filing.

(b) If filing of an instrument is subject to termination in accordance with § 67.217(a) and a new instrument is filed as a substitute for the original instrument, the filing of the original instru-

ment will be terminated in accordance with § 67.217(c) and the substitute instrument will be considered a new filing. The substitute instrument will be deemed filed at the actual time and date it is received by the National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

#### § 67.217 Termination of filing and disposition of instruments.

(a) The filing of an instrument is subject to termination if:

(1) It is determined that the instrument cannot be recorded because the instrument itself is not in substantial compliance with the applicable regulations in this part;

(2) The filing was not made in compliance with the requirements of § 67.213;

(3) The Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258) submitted with the instrument(s) was not made in substantial compliance with the applicable regulations of this part;

(4) The owner of the vessel submits an Application, Consent, and Approval for Withdrawal of Application for Documentation or Exchange of Certificate of Documentation (form CG-4593), with mortgagee consent, if applicable; or

(5) Another instrument is filed evidencing satisfaction or release of the subject instrument and the subject instrument is one described in subpart Q of this part.

(b) Ninety days prior to terminating the filing pursuant to a reason listed in paragraphs (a) (1), (2), or (3) of this section, the National Vessel Documentation Center will send written notice detailing the reasons the filing is subject to termination to the following person(s) and any agent known to be acting on behalf of the same:

(1) The applicant for documentation, if a bill of sale, instrument in the nature of a bill of sale, or a deed of gift;

(2) The mortgagee or assignee, if a mortgage or assignment or amendment thereof;

(3) The claimant, if a notice of claim of lien; or

(4) The lender first named in an interlender agreement affecting a mortgage, preferred mortgage, or related instrument.

(c) If the reason(s) which subject the filing to termination remain uncorrected for a period of 90 days after the notice described in paragraph (b) of this section is sent, or upon receipt of the request for withdrawal described in paragraph (a)(4) of this section, or satisfaction or release as described in paragraph (a)(5) of this section, the instrument will be returned to either:

(1) The applicant for documentation, if a bill of sale, instrument in the nature of a bill of sale, or a deed of gift;

(2) The mortgagee or assignee, if a mortgage or assignment or amendment thereof;

(3) The claimant, if a notice of claim of lien;

(4) The lender first named in an interlender agreement affecting a mortgage, preferred mortgage, or related instrument; or

(5) An agent for any appropriate party, provided that the agent has filed with the Coast Guard a writing bearing the original signature of the appropriate party(ies) clearly identifying the instrument(s) being returned and stating that the instrument(s) may be returned to the agent.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.218 Optional filing of instruments in portable document format as attachments to electronic mail.**

(a) Any instrument identified as eligible for filing and recording under § 67.200 may be submitted in portable document format (.pdf) as an attachment to electronic mail (e-mail) for filing at the National Vessel Documentation Center. The e-mail address to be used for instrument filing may be obtained from the National Vessel Documentation Center Web site. If the instrument submitted for filing in .pdf format pertains to a vessel that is not a currently documented vessel, a completed Application for Initial Issue, Exchange, or Replacement Certificate of Documentation, or Return to Documentation (form CG-1258) or a letter application for deletion from docu-

mentation must already be on file with the National Vessel Documentation Center or must be submitted in .pdf format with the instrument being submitted in .pdf format for filing.

(b) All instruments submitted for filing in .pdf format must be clearly legible, be submitted from 8½ inch by 11 inch paper in not less than 10-point type size, and submitted as an attachment to e-mail.

(c) The e-mail required by paragraph (b) should indicate:

(1) The name, address, telephone number, and e-mail address of the person submitting the instrument for filing in .pdf format;

(2) The number of pages submitted for filing in .pdf format; and

(3) The name of the vessel, official number or hull identification number of the vessel(s), and the name(s) of the owner(s) of the vessel(s) to which the instrument relates.

(d) The filing of any instrument submitted for filing in .pdf format is terminated and the instrument will be returned to the submitter if the instrument is subject to termination for any cause under § 67.217(a).

[USCG-2007-28098, 72 FR 42312, Aug. 2, 2007]

**§ 67.219 Optional filing of instruments by facsimile.**

(a) Any instrument identified as eligible for filing and recording under § 67.200 may be submitted for filing to the National Vessel Documentation Center by facsimile at (304) 271-2405. If the instrument submitted by facsimile for filing pertains to a vessel that is not a currently documented vessel, a completed Application for Initial Issue, Exchange, or Replacement Certificate of Documentation, or Return to Documentation (form CG-1258) or a letter application for deletion from documentation must already be on file with the National Vessel Documentation Center or must be submitted by facsimile with the instrument being submitted by facsimile for filing.

(b) All instruments submitted by facsimile for filing must be clearly legible, be submitted from 8½ inch by 11 inch paper in not less than 10-point type size, and accompanied by a cover sheet.

(c) The cover sheet required by paragraph (b) should indicate:

(1) The name, address, telephone number, and facsimile telephone number of the person submitting the instrument by facsimile;

(2) The number of pages submitted by facsimile; and

(3) The name of the vessel, official number or hull identification number of the vessel(s), and the name(s) of the owner(s) of the vessel(s) to which the instrument relates.

(d) The filing of any instrument submitted by facsimile is terminated and the instrument will be returned to the submitter if the instrument is subject to termination for any cause under § 67.217(a).

[USCG-2007-28098, 72 FR 42312, Aug. 2, 2007]

### **Subpart P—Filing and Recording of Instruments—Bills of Sale and Related Instruments**

#### **§ 67.220 Requirements.**

An instrument in the nature of a bill of sale or a deed of gift must:

(a) Meet all of the requirements of subpart O of this part;

(b) Be signed by or on behalf of all the seller(s) or donor(s); and

(c) Recite the following:

(1) The name(s) and address(es) of the seller(s) or donor(s) and the interest in the vessel held by the seller(s) or donor(s); and

(2) The name(s) and address(es) of the buyer(s) or donee(s) and the interest in the vessel held by each buyer or donee.

#### **§ 67.223 Filing limitation.**

An instrument presented for filing and recording under this subpart may be filed only in conjunction with an application for initial documentation or return to documentation of the vessel or with an application for a change to or deletion of the vessel's outstanding Certificate of Documentation.

### **Subpart Q—Filing and Recording of Instruments—Mortgages, Preferred Mortgages, and Related Instruments**

#### **§ 67.231 General requirements; optional application for filing and recording.**

(a) A mortgage or related instrument presented for filing and recording must meet all of the requirements of subpart O of this part in addition to the pertinent section(s) of this subpart.

(b) All instruments supplemental to mortgages must recite information which clearly identifies the mortgage to which the supplemental instrument is applicable. Such information will normally consist of the book and page where that mortgage is recorded and the date and time of filing. If the submission of the supplemental instrument is contemporaneous with submission of the mortgage, the information should include the names of all parties to the mortgage, the date of the mortgage, and the amount of the mortgage.

(c) An Optional Application for Filing (CG-5542) may be attached to a mortgage or related instrument. If form CG-5542 is properly completed with all information required for indexing the instrument and the signature(s) specified thereon, the instrument to which it is attached will be filed and recorded with no further review.

#### **§ 67.233 Restrictions on recording mortgages, preferred mortgages, and related instruments.**

(a) A mortgage or assumption of mortgage which otherwise meets the requirements of this subpart is nonetheless not eligible for filing and recording if:

(1) The mortgagor or assuming party(ies) did not actually hold legal title to the interest in the vessel being mortgaged or covered by the assumption at the time of filing of the mortgage or assumption; or

(2) If the vessel(s) which the mortgage cover(s) is (are) not documented or not the subject of an application for documentation.

(b) A mortgage of a vessel 100 feet or greater in length applying for a fishery endorsement is eligible for filing and

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recording as a preferred mortgage only if it meets the requirements of this part and the requirements of 46 CFR 356.19.

(c) The requirements of paragraph (b) of this section do not apply to the mortgagee of a vessel identified in § 67.11(b) or to any other vessel to which the Maritime Administration has given approval for unrestricted transfer pursuant to regulations in 46 CFR part 221.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-1999-6095, 65 FR 76576, Dec. 7, 2000]

## **§ 67.235 Requirements for mortgages.**

(a) A mortgage presented for filing and recording must:

(1) Be signed by or on behalf of each mortgagor; and

(2) Recite the following:

(i) The name and address of each mortgagor and the interest in the vessel held by the mortgagor(s);

(ii) The name and address of each mortgagee and the interest in the vessel granted by the mortgage; and

(iii) The amount of the direct or contingent obligations that is or may become secured by the mortgage, excluding interest, expenses, and fees. The amount may be recited in one or more units of account as agreed to by the parties.

(b) A mortgage submitted for filing and recording as a preferred mortgage must cover the whole of a vessel.

(c) A mortgage which secures more than one vessel may, at the option of the parties, provide for separate discharge of such vessels.

## **§ 67.237 Requirements for assignments of mortgages.**

An assignment of mortgage presented for filing and recording must:

(a) Be signed by or on behalf of each assignor; and

(b) Recite the following:

(1) The name and address of each assignor and the interest in the mortgage held by the assignor(s); and

(2) The name and address of each assignee and the interest in the mortgage granted to the assignee(s).

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## **§ 67.239 Requirements for assumptions of mortgages.**

An assumption of mortgage presented for filing and recording must:

(a) Be signed by or on behalf of each original mortgagor, each mortgagee, and each assuming party; and

(b) Recite the following:

(1) The name and address of each original mortgagor and the interest in the vessel mortgaged; and

(2) The name and address of each assuming party and the interest in the mortgage assumed.

## **§ 67.241 Requirements for amendments of or supplements to mortgages.**

An amendment of or supplement to a mortgage presented for filing and recording must:

(a) Be signed by or on behalf of each mortgagor and each mortgagee; and

(b) Recite the following:

(1) The name and address of each mortgagor and mortgagee; and

(2) The nature of the change effected by the instrument.

## **§ 67.243 Requirements for instruments subordinating mortgages.**

An instrument subordinating a mortgage presented for filing and recording must:

(a) Be signed by or on behalf of each mortgagee whose mortgage is being subordinated; and

(b) Recite the following:

(1) The name and address of each mortgagee whose mortgage is being subordinated; and

(2) The name and address of each party holding an interest in the instrument subordinating the mortgage.

## **§ 67.245 Requirements for interlender agreements.**

An interlender agreement between multiple mortgagees must:

(a) Be signed by or on behalf of all mortgagees who are party to the interlender agreement; and

(b) Recite the names and addresses of all parties to the interlender agreement.

### Subpart R—Filing and Recording of Instruments—Notices of Claim of Lien and Supplemental Instruments

#### § 67.250 General requirements.

(a) A notice of claim of lien or supplemental instrument thereto submitted for filing and recording must meet all of the requirements of subpart O of this part.

(b) An instrument assigning or amending a notice of claim of lien must recite information which clearly identifies the notice of claim of lien being assigned or amended. Such information will normally consist of the book and page where the notice of claim is recorded and the date and time of filing. If the submission of the assignment or amendment is contemporaneous with submission of the notice of claim of lien, the information should include the name of each original claimant, the date of the notice of claim, and the amount of the claim and other information to adequately identify the notice of claim of lien being assigned or amended.

#### § 67.253 Requirements for notices of claim of lien.

A notice of claim of lien must:

- (a) Be signed by or on behalf of each claimant; and
- (b) Recite the following:
  - (1) The name and address of each claimant;
  - (2) The nature of the lien claimed;
  - (3) The date on which the lien was established; and
  - (4) The amount of the lien claimed.

#### § 67.255 Restrictions on filing and recording.

A notice of claim of lien is not entitled to filing and recording unless the vessel against which the lien is claimed is covered by a preferred mortgage filed or recorded in accordance with subpart Q of this part or predecessor regulations thereto and which is outstanding at the time the lien is filed and recorded.

#### § 67.257 Requirements for assignments of notices of claim of lien.

An assignment of a notice of claim of lien must:

(a) Be signed by or on behalf of each original claimant or last assignee of record; and

(b) Recite the following:

- (1) The name and address of each claimant; and
- (2) The name and address of each assignee and the interest in the claim being assigned.

#### § 67.259 Requirements for amendments to notice of claim of lien.

An amendment to notice of claim of lien presented for filing and recording must:

(a) Be signed by or on behalf of each original claimant or last assignee of record; and

(b) Recite the nature of the change being effected by the instrument.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2014-0688, 79 FR 58281, Sept. 29, 2014; USCG-2014-0688, 79 FR 61262, Oct. 10, 2014]

### Subpart S—Removal of Encumbrances

#### § 67.261 General requirements.

The filing of an instrument against a vessel in accordance with subparts Q or R of this part may be terminated and, if recorded, removed from the record of that vessel by the filing of:

- (a) A court order, affidavit, or Declaration of Forfeiture described in § 67.263; or
- (b) A satisfaction or release instrument described in § 67.265 which meets the requirements of this part for filing and recording.

#### § 67.263 Requirement for removal of encumbrances by court order, affidavit, or Declaration of Forfeiture.

The encumbrances described in subparts Q and R of this part are removed from the record upon filing of:

(a) A copy of the order from a court of competent jurisdiction certified by an official of the court declaring title to the vessel to be free and clear, or declaring the encumbrance to be of no effect, or ordering the removal of the encumbrance from the record;

(b) A copy of the order from a Federal District Court in an *in rem* action certified by an official of the court requiring the free and clear sale of the



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vessel at a Marshal's sale and, where issued under local judicial procedures, a copy of the order confirming such sale certified by an official of the court;

(c) A copy of an order from a Federal District Court certified by an official of the court declaring the vessel itself or the proceeds of its sale to be forfeited to the Federal Government of the United States for a breach of its laws; or

(d) Where the vessel was forfeited under an administrative forfeiture action to the Federal Government of the United States, either an affidavit from an officer of the agency which performed the forfeiture, who has personal knowledge of the particulars of the vessel's forfeiture, or a Declaration of Forfeiture issued by the agency which performed the forfeiture.

## § 67.265 Requirements for instruments evidencing satisfaction or release.

An instrument satisfying or releasing a mortgage, a notice of claim of lien, or a preferred mortgage presented for filing and recording must:

- (a) Meet all the requirements of subpart O of this part;
- (b) Be signed by or on behalf of:
  - (1) Each mortgagee if a mortgage; or
  - (2) Each claimant if a notice of claim of lien; and
- (c) Recite the following:
  - (1) The name of each mortgagor, if any, and the name of each mortgagee or claimant;
  - (2) The amount of the mortgage or claim of lien; and
  - (3) Information which clearly identifies the mortgage or claim of lien being satisfied or released. Such information will normally consist of the book and page where that mortgage or claim of lien is recorded. If the recording information cannot be provided because the satisfaction or release is being submitted prior to recording of the mortgage or claim of lien, the instrument must recite other information sufficient to clearly identify the encumbrance being satisfied or released.

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### Subpart T—Abstracts of Title and Certificates of Ownership

SOURCE: CGD 95-014, 60 FR 31605, June 15, 1995, unless otherwise noted.

#### § 67.301 Issuance of Abstract of Title.

Any person may request the National Vessel Documentation Center to issue a General Index or Abstract of Title (form CG-1332) for a vessel.

#### § 67.303 Issuance of Certificate of Ownership.

Any person may request the National Vessel Documentation Center to issue a Certificate of Ownership (form CG-1330) for a vessel.

### Subpart U—Special Provisions

#### § 67.311 Alteration of Certificate of Documentation.

Except for affixing a new address label in accordance with the direction of a documentation officer or a renewal decal issued in accordance with § 67.163, no person other than a documentation officer shall intentionally alter a Certificate of Documentation.

#### § 67.313 Requirement to have Certificate of Documentation on board.

- (a) The person in command of a documented vessel must have on board that vessel the original Certificate of Documentation currently in effect for that vessel.
- (b) The requirement of paragraph (a) of this section does not apply:
  - (1) To non-self-propelled vessels not engaged in foreign trade;
  - (2) When the Certificate of Documentation has been submitted to the National Vessel Documentation Center for exchange in accordance with § 67.167 (d) or (e); or
  - (3) When the vessel is in storage or out of the water.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.315 Requirement to produce Certificate of Documentation.**

(a) The person in command of a documented vessel must produce the original Certificate of Documentation currently in effect for that vessel upon the demand of any person acting in an official public capacity.

(b) The requirement of paragraph (a) of this section does not apply:

(1) To non-self-propelled vessels not engaged in foreign trade;

(2) When the Certificate of Documentation has been submitted to the National Vessel Documentation Center for exchange in accordance with § 67.167 (d) or (e); or

(3) When the vessel is in storage or out of the water.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.317 Requirement to renew endorsements on the Certificate of Documentation.**

(a) Except as provided in paragraph (b) of this section, the owner of a documented vessel must annually renew each endorsement upon the current Certificate of Documentation for that vessel in accordance with § 67.163.

(b) The requirement of paragraph (a) of this section does not apply to Certificates of Documentation placed on deposit in accordance with § 67.165.

**§ 67.319 Requirement to report change in vessel status and surrender Certificate of Documentation.**

The owner of a documented vessel must immediately report any change in vessel status which causes any Certificate of Documentation to become invalid under subpart L of this part and which must be exchanged, replaced, deleted, or canceled, to the National Vessel Documentation Center. The outstanding Certificate must be surrendered in accordance with the requirements of subparts K and L of this part.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.321 Requirement to report change of address of managing owner.**

Upon the change of address of the managing owner of a documented vessel, the managing owner shall report the change of address to the National Vessel Documentation Center within 10 days of its occurrence.

[CGD 94-008, 59 FR 49847, Sept. 30, 1994, as amended by CGD 95-014, 60 FR 31605, June 15, 1995]

**§ 67.323 Operation without documentation.**

No vessel which is required by § 67.7 to be documented may engage in unlimited coastwise trade or the fisheries without being documented in accordance with the requirements of this part.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

**§ 67.325 Violation of endorsement.**

A vessel may not be employed in any trade other than a trade endorsed upon the Certificate of Documentation issued for that vessel. A vessel documented exclusively for recreation may not be used for purposes other than pleasure.

**§ 67.327 Operation under Certificate of Documentation with invalid endorsement.**

Except for vessels identified in § 67.9, no vessel may be operated under a Certificate of Documentation with endorsements which have become invalid under subpart L of this part.

**§ 67.329 Unauthorized name change.**

The owner of a documented vessel may not change or allow the change of the name of that vessel without exchanging the vessel's Certificate of Documentation in accordance with subpart K of this part. The new name of the vessel must be marked on the vessel upon receipt of the new Certificate of Documentation.

**§ 67.331 Improper markings.**

The owner of a documented vessel shall not permit the operation of that vessel unless it is marked in accordance with subpart I of this part.

**Subpart V—Exception From Fishery Endorsement Requirements Due to Conflict With International Agreements**

SOURCE: USCG–1999–6095, 65 FR 76576, Dec. 7, 2000, unless otherwise noted.

**§ 67.350 Conflicts with international agreements.**

(a) If you are an owner or mortgagee of a fishing vessel less than 100 feet in length and believe that there is a conflict between 46 CFR part 67 and any international treaty or agreement to which the United States is a party on October 1, 2001, and to which the United States is currently a party, you may petition the National Vessel Documentation Center (NVDC) for a ruling that all or sections of part 67 do not apply to you with respect to a particular vessel, provided that you had an ownership interest in the vessel or a mortgage on the vessel on October 1, 2001. You may file your petition with the NVDC before October 1, 2001, with respect to international treaties or agreements in effect at the time of your petition which are not scheduled to expire before October 1, 2001.

(b) If you are filing a petition for exemption with the NVDC for reasons stated in paragraph (a) of this section, your petition must include:

(1) Evidence of the ownership structure of the vessel petitioning for an exemption as of October 1, 2001, and any subsequent changes to the ownership structure of the vessel;

(i) If you are filing your petition before October 1, 2001, you may substitute evidence of the ownership structure as it exists on the date you file your petition;

(2) A copy of the provisions of the international agreement or treaty that you believe is in conflict with this part;

(3) A detailed description of how the provisions of the international agreement or treaty conflict with this part;

(4) For all petitions filed before October 1, 2001, a certification that the owner intends to transfer no ownership interest in the vessel to a non-U.S. citizen for the following year.

(5) For all petitions filed after October 1, 2001, a certification that no own-

ership interest was transferred to a non-U.S. citizen after September 30, 2001.

(c) You must file a separate petition for each vessel requiring an exemption unless the NVDC authorizes consolidated filing. Petitions should include two copies of all required materials and should be sent to the following address: National Vessel Documentation Center, 792 TJ Jackson Drive, Falling Water, West Virginia, 25419.

(d) Upon receipt of a complete petition, the NVDC will review the petition to determine whether the effective international treaty or agreement and the requirements of this part are in conflict. If the NVDC determines that this part conflicts with the effective international treaty or agreement, then the NVDC will inform you of the guidelines and requirements you must meet and maintain to qualify for a fisheries endorsement.

(e) If the vessel is determined through the petition process to be exempt from all or sections of the requirements of this part, then you must annually, from the date of exemption, submit the following evidence of its ownership structure to the NVDC:

(1) The vessel's current ownership structure;

(2) The identity of all non-citizen owners and the percentages of their ownership interest in the vessel;

(3) Any changes in the ownership structure that have occurred since you last submitted evidence of the vessel's ownership structure to the NVDC; and

(4) A statement ensuring that no interest in the vessel was transferred to a non-citizen during the previous year.

**§ 67.352 Applicability.**

The exemption in this subpart shall not be available to:

(a) Owners and mortgagees of a fishing vessel less than 100 feet in length who acquired an interest in the vessel after October 1, 2001; or

(b) Owners of a fishing vessel less than 100 feet in length, if any ownership interest in that vessel is transferred to or otherwise acquired by a non-U.S. citizen after October 1, 2001.

**Subparts W–X [Reserved]**

**Subpart Y—Fees****§ 67.500 Applicability.**

(a) This subpart specifies documentation services provided for vessels for which fees are applicable. No documentation service for which a fee is applicable will be performed until the appropriate fee has been paid. Fees are contained in Table 67.550.

(b) There is no fee for replacement of a Certificate of Documentation due to a wrongful withholding.

(c) The Director, National Vessel Documentation Center may waive collection of fees applicable under this subpart for a service provided to a Federal agency when the fee would be directly paid with federally-appropriated funds by a Federal agency acting in its own behalf.

(d) Application fees under this subpart are not refundable.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; CGD 95-070, 60 FR 40241, Aug. 7, 1995; USCG-1998-4442, 63 FR 52191, Sept. 30, 1998; USCG-2010-0990, 79 FR 47023, Aug. 12, 2014]

**§ 67.501 Application for Certificate of Documentation.**

An application fee is charged for an initial Certificate of Documentation in accordance with subpart K of this part. If application is made for any trade endorsement, the applicable fee under § 67.511 will be charged in addition to the application fee for the Certificate. The application fee does not include the fee under § 67.527 for filing and recording any required bills of sale or instruments in the nature of a bill of sale, or the application fee under § 67.519 for waivers in accordance with §§ 67.89 or 67.101.

**§ 67.503 Application for exchange or replacement of a Certificate of Documentation.**

(a) An application fee is charged for exchange or the simultaneous exchange and replacement of a Certificate of Documentation in accordance with subpart K of this part. Only a single application fee will be assessed when two or more reasons for exchange occur simultaneously. If application is made for any trade endorsement, the applica-

ble fee under § 67.511 will be charged in addition to the application fee for the exchange or replacement.

(b) The application fee for exchange or replacement does not apply to:

(1) Endorsement of a change in the owner's address;

(2) Exchange or replacement solely by reason of clerical error on the part of a documentation officer; or

(3) Deletion of a vessel from documentation.

**§ 67.505 Application for return of vessel to documentation.**

An application fee is charged for a return of a vessel to documentation after deletion in accordance with subpart K of this part. If application is made for any trade endorsement, the applicable fee under § 67.511 will be charged in addition to the application fee for return to documentation.

**§ 67.507 Application for replacement of lost or mutilated Certificate of Documentation.**

An application fee is charged for replacement of a lost or mutilated Certificate of Documentation in accordance with subpart K of this part.

**§ 67.509 Application for approval of exchange of Certificate of Documentation requiring mortgagee consent.**

An application fee is charged for approval of exchange of a Certificate of Documentation requiring mortgagee consent in accordance with subpart K of this part.

**§ 67.511 Application for trade endorsement(s).**

(a) *Coastwise endorsement.* An application fee is charged for a coastwise endorsement, in accordance with subpart B of this part.

(b) *Coastwise Bowaters endorsement.* An application fee is charged for a coastwise Bowaters endorsement in accordance with 46 CFR part 68.

(c) *Fishery endorsement.* An application fee is charged for a fishery endorsement in accordance with subpart B of this part.

(d) *Registry or recreational endorsement.* There is no application fee for a registry or recreational endorsement, or both.

## **§ 67.513**

(e) When multiple trade endorsements are requested on the same application, only the single highest applicable endorsement fee will be charged.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### **§ 67.513 Application for evidence of deletion from documentation.**

An application fee is charged for evidence of deletion from documentation in accordance with subpart L of this part.

### **§ 67.515 Application for renewal of endorsements.**

An application fee is charged for annual renewal of endorsements on Certificates of Documentation in accordance with subpart L of this part.

[USCG-2010-0990, 79 FR 47023, Aug. 12, 2014]

### **§ 67.517 Application for late renewal.**

In addition to any other fees required by this subpart, including a renewal fee, a fee is charged for a late renewal in accordance with subpart L of this part.

[USCG-2010-0990, 79 FR 47023, Aug. 12, 2014]

### **§ 67.519 Application for waivers.**

An application fee is charged for waiver of original build evidence in accordance with subpart F of this part, or for waiver of bill of sale eligible for filing and recording in accordance with subpart E of this part. In cases where more than one waiver is required, each waiver application is subject to this fee.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-1998-4442, 63 FR 52191, Sept. 30, 1998]

### **§ 67.521 Application for new vessel determination.**

An application fee is charged for a new vessel determination in accordance with subpart M of this part.

### **§ 67.523 Application for wrecked vessel determination.**

An application fee is charged for a determination of whether a vessel is entitled to coastwise and fisheries privileges as a result of having been wrecked in waters adjacent to the

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United States and repaired in accordance with subpart J of this part. This fee is in addition to the cost associated with the vessel appraisals.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993, as amended by USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

### **§ 67.525 Application for determination of rebuild.**

An application fee is charged for a determination of whether a vessel has been rebuilt in accordance with subpart M of this part. This fee will be assessed for each request for either a preliminary or final determination submitted in writing by the vessel owner or the vessel owner's representative.

### **§ 67.527 Application for filing and recording bills of sale and instruments in the nature of a bill of sale.**

An application fee is charged for filing and recording bills of sale and instruments in the nature of a bill of sale in accordance with subpart P of this part.

### **§ 67.529 Application for filing and recording mortgages and related instruments.**

An application fee is charged for filing and recording mortgages and related instruments in accordance with subpart Q of this part.

### **§ 67.531 Application for filing and recording notices of claim of lien.**

An application fee is charged for filing and recording notices of claim of lien in accordance with subpart R of this part.

### **§ 67.533 Application for Certificate of Compliance.**

An application fee is charged for a Certificate of Compliance to be issued in accordance with regulations set forth in 46 CFR part 68.

### **§ 67.535 Issuance of Abstract of Title.**

An issuance fee is charged for a General Index or Abstract of Title in accordance with subpart T of this part.

### **§ 67.537 Issuance of Certificate of Ownership.**

An issuance fee is charged for a Certificate of Ownership in accordance

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with subpart T of this part. A supplemental issuance fee is charged for a Certificate of Ownership attachment for each additional vessel with the same ownership and encumbrance information.

### **§ 67.539 Copies of instruments and documents.**

The fee charged for furnishing a copy of any instrument or document is calculated in the same manner as described in 49 CFR 7.95.

[CGD 94-008, 59 FR 49847, Sept. 30, 1994]

### **§ 67.550 Fee table.**

The fees charged under subpart Y are as set forth in Table 67.550.

TABLE 67.550—FEES

Activity	Reference	Fee
<b>Applications:</b>		
Initial Certificate of Documentation .....	Subpart K .....	\$133.00
Exchange of Certificate of Documentation .....	.....do .....	84.00
Return of vessel to documentation .....	.....do .....	84.00
Replacement of lost or mutilated Certificate of Documentation .....	.....do .....	50.00
Approval of exchange of Certificate of Documentation requiring mortgagee consent.	.....do .....	24.00
<b>Trade endorsement(s):</b>		
Coastwise endorsement .....	Subpart B .....	29.00
Coastwise Boaters endorsement .....	46 CFR part 68 .....	29.00
Fishery endorsement .....	.....do .....	12.00
Registry endorsement .....	.....do .....	none
Recreational endorsement .....	.....do .....	none
<b>Note:</b> When multiple trade endorsements are requested on the same application, the single highest applicable endorsement fee will be charged, resulting in a maximum endorsement fee of \$29.00.		
Evidence of deletion from documentation .....	Subpart L .....	15.00
Renewal fee .....	.....do .....	26.00
Late renewal fee .....	.....do .....	<sup>1</sup> 5.00
<b>Waivers:</b>		
Original build evidence .....	Subpart F .....	15.00
Bill of sale eligible for filing and recording .....	Subpart E .....	15.00
<b>Miscellaneous applications:</b>		
Wrecked vessel determination .....	Subpart J .....	555.00
New vessel determination .....	Subpart M .....	166.00
Rebuild determination—preliminary or final .....	.....do .....	450.00
<b>Filing and recording:</b>		
Bills of sale and instruments in nature of bills of sale .....	Subpart P .....	<sup>2</sup> 8.00
Mortgages and related instruments .....	Subpart Q .....	<sup>2</sup> 4.00
Notice of claim of lien and related instruments .....	Subpart R .....	<sup>2</sup> 8.00
<b>Certificate of compliance:</b>		
Certificate of compliance .....	46 CFR part 68 .....	55.00
<b>Miscellaneous:</b>		
Abstract of Title .....	Subpart T .....	25.00
Certificate of ownership .....	.....do .....	125.00
Attachment for each additional vessel with same ownership and encumbrance data.	.....do .....	10.00
Copy of instrument or document .....	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> Late renewal fee is in addition to the \$26.00 renewal fee.

<sup>2</sup> Per page.

<sup>3</sup> Fees will be calculated in accordance with 6 CFR Part 5, Subpart A.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65243, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; CGD 95-070, 60 FR 40242, Aug. 7, 1995; USCG-2007-28098, 72 FR 42313, Aug. 2, 2007; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009; USCG-2010-0990, 79 FR 47023, Aug. 12, 2014]

## **PART 68—DOCUMENTATION OF VESSELS: EXCEPTIONS TO COASTWISE QUALIFICATION**

### **Subpart A—Regulations for Engaging in Limited Coastwise Trade**

Sec.

- 68.1 Purpose of subpart.
- 68.3 Definitions for the purposes of this subpart.
- 68.5 Requirements for citizenship under 46 U.S.C. App. 883–1.
- 68.7 Qualification as an 883–1 corporation.
- 68.9 Qualification as a parent or subsidiary.
- 68.11 Cessation of qualifications.
- 68.13 Privileges conferred—documentation of vessels.
- 68.15 Privileges conferred—operation of vessels.
- 68.17 Restrictions.
- 68.19 Application by an 883–1 corporation to document a vessel.

APPENDIX A TO SUBPART A OF PART 68—OATH FOR THE QUALIFICATION OF CORPORATION AS A CITIZEN OF THE UNITED STATES UNDER THE ACT OF SEPT. 2, 1958 (46 U.S.C. APP. 883–1)

APPENDIX B TO SUBPART A OF PART 68—OATH OF PARENT OR SUBSIDIARY CORPORATION ACT OF SEPTEMBER 2, 1958 (46 U.S.C. APP. 883–1)

### **Subpart B—Documentation of Certain Vessels for Oil Spill Cleanup**

- 68.25 Purpose and scope.
- 68.27 Definitions for purpose of this subpart.
- 68.29 Citizenship requirements for limited coastwise endorsement.
- 68.31 Vessel eligibility requirements for limited coastwise endorsement.
- 68.33 Privileges of a limited coastwise endorsement.
- 68.35 Application to document a vessel under this subpart.
- 68.37 Cessation of qualifications.

APPENDIX A TO SUBPART B OF PART 68—OATH FOR QUALIFICATION OF A NOT-FOR-PROFIT OIL SPILL RESPONSE COOPERATIVE

APPENDIX B TO SUBPART B OF PART 68—OATH FOR DOCUMENTATION OF VESSELS FOR USE BY A NOT-FOR-PROFIT OIL SPILL RESPONSE COOPERATIVE

### **Subpart C—Vessels With a Coastwise Endorsement Issued on or After August 9, 2004, That Are Demised Chartered to Coastwise Qualified Citizens**

- 68.50 Purpose and applicability.
- 68.55 Definitions.
- 68.60 Eligibility of a vessel for a coastwise endorsement under this subpart.
- 68.65 Annual ownership certification.

68.70 Application procedure for vessels other than barges to be operated in coastwise trade without being documented.

68.75 Application procedure for barges to be operated in coastwise trade without being documented.

68.80 Invalidation of a coastwise endorsement.

### **Subpart D—Vessels With a Coastwise Endorsement Issued Before August 9, 2004, and Their Replacements That Are Demise Chartered to Coastwise-Qualified Citizens**

68.100 Purpose and applicability.

68.103 Definitions.

68.105 Eligibility of a vessel for a coastwise endorsement under this subpart.

68.107 Application procedure for vessels other than barges to be operated in coastwise trade without being documented.

68.109 Application procedure for barges to be operated in coastwise trade without being documented.

68.111 Invalidation of a coastwise endorsement.

AUTHORITY: 14 U.S.C. 664; 31 U.S.C. 9701; 42 U.S.C. 9118; 46 U.S.C. 2103, 2110; 46 U.S.C. app. 876; Department of Homeland Security Delegation No. 0170.1.

SOURCE: CGD 80–107, 47 FR 27511, June 24, 1982, unless otherwise noted.

### **Subpart A—Regulations for Engaging in Limited Coastwise Trade**

SOURCE: CGD 80–107, 47 FR 27511, June 24, 1982. Redesignated and amended by USCG–2005–20258, 71 FR 61418, 61419, Oct. 18, 2006, unless otherwise noted.

#### **§ 68.1 Purpose of subpart.**

This subpart contains citizen ownership requirements and procedures to allow documentation of vessels that do not meet the requirements of part 67 of this chapter. The requirements are for corporations engaged in a manufacturing or mineral industry in the United States.

[USCG–2005–20258, 71 FR 61419, Oct. 18, 2006]

#### **§ 68.3 Definitions for the purposes of this subpart.**

*Act* means the Act of September 2, 1958 (46 U.S.C. App. 883–1).

*883-1 citizen* or *883-1 corporation* means a corporation which qualifies for the special citizenship status created by the Act of September 2, 1958 (46 U.S.C. App. 883-1).

*Parent corporation* means one incorporated under the laws of the United States, or any state, territory, or district of the United States, which controls (directly or indirectly) at least 50 percent of the voting stock of another corporation.

*Subsidiary corporation* means one incorporated under the laws of the United States, or any state, territory, or district of the United States, which has not less than 50 percent of its voting stock controlled (directly or indirectly) by another corporation.

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

#### **§ 68.5 Requirements for citizenship under 46 U.S.C. App. 883-1.**

A corporation seeking to establish its citizenship under the Act of September 2, 1958 (46 U.S.C. App. 883-1) must meet the following criteria as specified in the Act:

(a) It must be incorporated under the laws of the United States, or any state, territory, district, or possession of the United States;

(b) A majority of the officers and directors of the corporation must be citizens of the United States;

(c) Not less than 90 percent of the employees of the corporation must be residents of the United States;

(d) Such corporation must be engaged primarily in a manufacturing or mineral industry in the United States or any territory, district, or possession of the United States;

(e) The aggregate book value of the vessels owned by the corporation must not exceed 10 percent of the aggregate book value of the assets of the corporation; and

(f) The corporation must purchase or produce in the United States, its territories or possessions, not less than 75 percent of the raw materials used or sold in its operations.

NOTE: A corporation which qualifies as an 883-1 citizen by meeting the criteria in paragraph (a) of this section is not thereby pre-

cluded from qualifying as a citizen under any definition in part 67 upon compliance with all applicable requirements.

[CGD 80-107, 47 FR 27494, June 24, 1982, as amended at 47 FR 35488, Aug. 16, 1982; CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

#### **§ 68.7 Qualification as an 883-1 corporation.**

(a) To be formally qualified as an 883-1 corporation for all purposes under the Act, a corporation which meets the requirements of § 68.5 must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix A.

(b) Upon the filing of the certificate required under paragraph (a) of this section, the Director, National Vessel Documentation Center will furnish the corporation a Certificate of Compliance which is valid for a period of 3 years from the date of its issuance, unless there is a change in corporate status requiring a report under § 68.11(a). On or before the date of expiration of the Certificate of Compliance, a new certificate under oath as described in appendix A of this subpart must be filed with the Director, National Vessel Documentation Center.

(Approved by the Office of Management and Budget under control number 1625-0027)

[CGD 89-007; CGD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2002-13058, 67 FR 61279, Sept. 30, 2002; USCG-2006-25697, 71 FR 55746, Sept. 25, 2006. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

#### **§ 68.9 Qualification as a parent or subsidiary.**

(a) To be formally qualified as a parent corporation, as defined in § 68.3, a corporation must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix B of this subpart.

(b) To be formally qualified as subsidiary corporation as defined in § 68.3, a corporation must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix B of this subpart.

(c) Upon the filing of the certificate required under paragraph (a) or (b) of



## § 68.11

this section, the Director, National Vessel Documentation Center will furnish the corporation a certificate of parent or subsidiary status which is valid for a period of 3 years from the date of its issuance unless there is a change in corporate status requiring a report under § 68.11(a). On or before the date of expiration of the certificate of parent or subsidiary status, a new certificate under oath as described in appendix B of this subpart must be filed with the Director, National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2002-13058, 67 FR 61279, Sept. 30, 2002. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

### § 68.11 Cessation of qualification.

(a) If after filing the certificate required by § 68.7, a change occurs whereby an 883-1 corporation no longer meets the criteria in § 68.5(a), that corporation's qualification for the privileges enumerated in §§ 68.13 and 68.15 is terminated effective as of the date and time of the change. The corporation must report the change in writing to the Director, National Vessel Documentation Center.

(b) If, after filing the certificate required by § 68.9, a change occurs whereby the corporation is no longer entitled to be deemed a parent or subsidiary corporation, that corporation's qualification for the privileges in §§ 68.13 and 68.15 is terminated effective as of the date and time of the change. The corporation must report such change in writing to the Director, National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

### § 68.13 Privileges conferred—documentation of vessel.

The special citizenship status created by the Act entitles the 883-1 corporation to document certain vessels for certain limited purposes:

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(a) An 883-1 corporation may document under the Act only vessels which are qualified for employment in the coastwise trade and which are either non-self propelled or, if self-propelled, are of less than 500 gross tons.

(b) A vessel owned by an 883-1 corporation and meeting the criteria in paragraph (a) of this section may be documented only for use in the coastwise trade subject to the restrictions in § 68.17.

(c) Section 68.19 contains details concerning the documentation of vessels by an 883-1 corporation.

[CGD 80-107, 47 FR 27511, June 24, 1982. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

### § 68.15 Privileges conferred—operation of vessels.

(a) The special citizenship status created by the Act entitles the 883-1 corporation to operate, subject to the restrictions in § 68.17, vessels which are qualified to engage in the coastwise trade and are exempt from documentation. (See § 67.9 for classes of exempt vessels.)

(b) Vessels, documented or exempt from documentation, employed subject to the Act may carry passengers and merchandise of the 883-1 corporation owning such vessels only between points in the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to transport merchandise or passengers for hire in the coastwise trade as a service for a duly qualified parent or subsidiary corporation as defined in § 68.3.

(d) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to demise or bareboat charter such vessels to common or contract carriers subject to the restrictions in § 68.17(c).

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.17 Restrictions.**

(a) Vessels employed subject to the Act are entitled to operation only in the coastwise trade and only to the extent described in paragraphs (b) and/or (c) of this section.

(b) A vessel owned by an 883-1 corporation may engage in coastwise transportation for hire as a service to a parent or subsidiary corporation as defined in § 68.3. Such transportation for hire must be between points of the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) A vessel owned by an 883-1 corporation may be operated under demise or bareboat charter to a common or a contract carrier subject to 49 U.S.C. chapter 101 if the corporation is a U.S. citizen as defined in 46 U.S.C. App. 802.

(1) Such common or contract carrier may not be connected either directly or indirectly by ownership or control with the 883-1 corporation.

(2) The demise or bareboat charter must be at prevailing rates.

(3) The vessels under a demise or bareboat charter may not be used in non-contiguous trade.

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.19 Application by an 883-1 corporation to document a vessel.**

(a) An application by an 883-1 corporation to document a vessel must comply with the applicable requirements in subparts A, D, E, F, G, H, I, K, and L of part 67 of this chapter.

(b) An application by an 883-1 corporation to document a vessel must include a copy of the Certificate of Compliance issued under § 68.7.

[CGD 95-014, 60 FR 31606, June 15, 1995. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

APPENDIX A TO SUBPART A OF PART 68—  
OATH FOR QUALIFICATION OF CORPORATION AS A CITIZEN OF THE UNITED STATES UNDER THE ACT OF SEPTEMBER 2, 1958 (46 U.S.C. APP. 883-1)

*Department of Homeland Security, U.S. Coast Guard*

Oath for Qualification of Corporation as a Citizen of the United States Under the Act of September 2, 1958 (46 U.S.C. app. 883-1)

**Corporation:**

Name \_\_\_\_\_

Address<sup>1</sup> \_\_\_\_\_

State where incorporated \_\_\_\_\_

**Affiant:**

Name \_\_\_\_\_

Address \_\_\_\_\_

Company \_\_\_\_\_

Title or capacity \_\_\_\_\_

I, the affiant named above, swear that I am legally authorized to make this oath on behalf of the corporation, that a majority of the officers and directors of the above-named corporation are citizens of the United States, as shown by the attached listing incorporated in and made a part of this oath which truly and correctly names all such officers and directors, giving the home address and citizenship of each; that not less than 90 percent of the employees of the corporation are residents of the United States; that the corporation is engaged primarily in a manufacturing or mineral industry in the United States or in a territory, district or possession thereof; that the aggregate book value of the vessels owned by the corporation does not exceed 10 percent of the aggregate book value of the assets of the corporation; and that the corporation purchases or produces in the United States, its territories or possessions not less than 75 percent of the raw materials used or sold in its operation.<sup>2</sup>

The above named corporation fails to qualify as a citizen within the meaning of § 67.39(c) of this chapter by reason of:<sup>3</sup>

\_\_\_\_ Non-citizen President

\_\_\_\_ Non-citizen Chairman of Board

\_\_\_\_ Failure to meet quorum requirements

\_\_\_\_ Failure to meet stock ownership requirements

Signature \_\_\_\_\_

Subscribed and sworn to before me on the day and year shown \_\_\_\_\_

<sup>1</sup>Show principal place of business of corporation.

<sup>2</sup>Attach the required list of the names of all officers and directors of the corporation, giving the home address and citizenship of each.

<sup>3</sup>Check appropriate line or lines.

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(Notary Public)

Date \_\_\_\_\_

[CGD 80–107, 47 FR 27511, June 24, 1982, as amended by USCG–2002–13058, 67 FR 61279, Sept. 30, 2002; USCG–2003–14505, 68 FR 9535, Feb. 28, 2003. Redesignated and amended by USCG–2007–28098, 71 FR 61418, 61419, Oct. 18, 2006]

**APPENDIX B TO SUBPART A OF PART 68—  
OATH OF PARENT OR SUBSIDIARY  
CORPORATION ACT OF SEPTEMBER 2,  
1958 (46 U.S.C. APP. 883–1)**

*Department of Homeland Security, U.S. Coast  
Guard*

Oath of Parent or Subsidiary Corporation,  
Act of September 2, 1958 (46 U.S.C. app. 883–  
1)

Corporation:

Name \_\_\_\_\_

Address \_\_\_\_\_

State of incorporation \_\_\_\_\_

Status (Parent)<sup>1</sup> \_\_\_\_\_ (Sub-  
sidiary)<sup>2</sup> \_\_\_\_\_

Name of associated corporation \_\_\_\_\_

Address \_\_\_\_\_

State where incorporated \_\_\_\_\_

Affiant:

Name \_\_\_\_\_

Address \_\_\_\_\_

Company \_\_\_\_\_

Title or capacity \_\_\_\_\_

I, the affiant named above, swear that the corporation first named herein is the (parent)<sup>1</sup> (subsidiary)<sup>2</sup> of the associated corporation named, that I am the duly authorized officer or agent of the corporation first named, and that the associated corporation has previously established that it is a citizen within the meaning of the Act of September 2, 1958 (46 U.S.C. app. 883–1).

Signature \_\_\_\_\_

Subscribed and sworn to before me on the  
day and year shown

<sup>1</sup>A “parent corporation” for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which controls (directly or indirectly) at least 50 percent of the voting stock of another corporation. Strike out the inapplicable term.

<sup>2</sup>A “subsidiary corporation” for the purposes of this oath is one incorporated under the laws of the United States, or any State, territory, or district of the United States, which has not less than 50 percent of its voting stock controlled (directly or indirectly) by another corporation. Strike out the inapplicable term.

(Notary Public)

[CGD 80–107, 47 FR 27511, June 24, 1982, as amended by USCG–2003–14505, 68 FR 9535, Feb. 28, 2003. Redesignated and amended by USCG–2007–28098, 71 FR 61418, 61419, Oct. 18, 2006]

**Subpart B—Documentation of  
Certain Vessels for Oil Spill  
Cleanup**

SOURCE: CGD 90–055, 57 FR 7642, Mar. 3, 1992. Redesignated by USCG–2005–20258, 71 FR 61418, Oct. 18, 2006, unless otherwise noted.

**§ 68.25 Purpose and scope.**

This subpart contains citizen ownership requirements and procedures to allow documentation of vessels which do not meet the requirements of part 67 of this chapter. The requirements are for the limited purposes of training for, implementing, and supporting oil spill cleanup operations.

[CGD 90–055, 57 FR 7642, Mar. 3, 1992. Redesignated by USCG–2005–20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.27 Definitions for purposes of this subpart.**

*Certificate of Documentation* means form CG–1270.

*Citizen* means a citizen as described in part 67 of this chapter.

*Exclusive Economic Zone* or *EEZ* means the exclusive economic zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983, including the ocean waters of the areas referred to as “eastern special areas” in Article 3(1) of the Agreement between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, signed June 1, 1990.

*Not-for-profit oil spill response cooperative* means a corporation, partnership, association, trust, joint venture, or other entity established under the laws of the United States, or of a State, with a not-for-profit status and for the limited purposes of training for, carrying out, and supporting oil spill cleanup operations or related research activities.

[CGD 90–055, 57 FR 7642, Mar. 3, 1992. Redesignated by USCG–2005–20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.29 Citizenship requirements for limited coastwise endorsement.**

(a) Notwithstanding the citizenship requirements set out in part 67 of this chapter, a Certificate of Documentation with a coastwise endorsement for the limited purposes provided in § 68.33 may be issued to a vessel owned by—

(1) A not-for-profit oil spill response cooperative if the vessel meets the requirements of paragraph (b) of this section; or

(2) A member or members of a not-for-profit oil spill response cooperative if the vessel meets the requirements of paragraphs (b) and (c) of this section.

(b) The vessel must be at least 50 percent owned by one or more of the following entities:

(1) An individual who is a native-born, naturalized or derivative citizen of the United States or otherwise qualifies as a United States citizen.

(2) A corporation incorporated under the laws of the United States or of a State where—

(i) The president and, if the president is not the chief executive officer, the chief executive officer, by whatever title, is a citizen;

(ii) The chairman of the board of directors is a citizen; and

(iii) No more of the directors are non-citizens than a minority of the number necessary to constitute a quorum.

(3) A partnership where all the general partners are citizens and at least 50 percent of the equity interest is owned by citizens.

(4) An association or joint venture where all the members are citizens.

(5) A trust where all the trustees and all the beneficiaries with an enforceable interest in the trust are citizens.

(c) The vessel must be owned by a member or members of a not-for-profit oil spill response cooperative who dedicate the vessel to the use of a not-for-profit oil spill response cooperative.

(d) A vessel which meets the criteria of this section is considered to be owned exclusively by citizens of the United States for the purposes of subsequent transfer and documentation under part 67 of this chapter.

[CGD 90-055, 57 FR 7642, Mar. 3, 1992. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.31 Vessel eligibility requirements for limited coastwise endorsement.**

(a) A vessel must comply with all the requirements of part 67 of this chapter, other than citizenship requirements, in order to be eligible for documentation under this subpart.

(b) Notwithstanding 46 U.S.C. App. 883, a vessel remains eligible for documentation under this subpart even if the vessel was formerly owned by a not-for-profit oil spill response cooperative or by one or more members of a not-for-profit oil spill response cooperative and the vessel meets the criteria of § 68.29.

[CGD 90-055, 57 FR 7642, Mar. 3, 1992. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

**§ 68.33 Privileges of a limited coastwise endorsement.**

(a) A vessel which is documented and issued a limited coastwise endorsement under this subpart may operate on the navigable waters of the United States or in the EEZ in coastwise trade only for the following purposes:

(1) To recover oil discharged into the water.

(2) To transport oil discharged into the water.

(3) To transport and deploy equipment, supplies, and personnel for recovering and transporting oil discharged into the water.

(4) To conduct training exercises to prepare for performing the functions in paragraphs (a)(1) through (a)(3) of this section.

(b) This limited coastwise endorsement also entitles the vessel to any other employment for which a registry or fishery license is not required.

(c) A vessel which is documented and issued a limited coastwise endorsement under this subpart may qualify to operate for other purposes by meeting the applicable requirements of part 67 of this chapter.

[CGD 90-055, 57 FR 7642, Mar. 3, 1992. Redesignated by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009]

**§ 68.35 Application to document a vessel under this subpart.**

(a) To qualify to document a vessel or to accept the dedication of a vessel

## § 68.37

by a member or members under this subpart, a not-for-profit oil spill response cooperative shall file with the Director, National Vessel Documentation Center the certificate under oath as set forth in appendix A to this subpart.

(b) Upon the filing of the certificate under paragraph (a) of this section, the Director, National Vessel Documentation Center will furnish the not-for-profit oil spill response cooperative with a letter of qualification. The letter of qualification is valid for a period of three years from the date of its issuance, unless there is a change in membership or structure of the not-for-profit oil spill response cooperative or a change in the citizenship status of any of its members requiring a report under § 68.37. In order to renew the letter of qualification, a new certificate under oath must be filed with the Commandant at least 30 days before the date of expiration of the letter of qualification.

(c) A not-for-profit oil spill response cooperative seeking to document a vessel for a limited coastwise endorsement under this subpart, in addition to complying with the requirements of § 68.31(a), shall supply to the National Vessel Documentation Center, a copy of the letter of qualification issued under paragraph (b) of this section.

(d) A member or members of a not-for-profit oil spill response cooperative seeking to document a vessel under this subpart shall supply to the National Vessel Documentation Center, a copy of the letter of qualification issued under paragraph (b) of this section to the not-for-profit oil spill response cooperative to which the vessel is dedicated. In addition, the not-for-profit oil spill response cooperative and the vessel owners shall all certify under oath that the vessel for which application is made is dedicated to use by the not-for-profit oil spill response cooperative. This certification must use the format and content described in appendix B to this subpart. If there is a change in the dedicated status of

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the vessel or its ownership, a report under § 68.37 must be filed.

[CGD 89–007; CGD 89–007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95–014, 60 FR 31606, June 15, 1995; USCG–1999–6216, 64 FR 53225, Oct. 1, 1999. Re-designated and amended by USCG–2005–20258, 71 FR 61418, Oct. 18, 2006]

### § 68.37 Cessation of qualifications.

(a) If the vessel is owned by a not-for-profit oil spill response cooperative and a change occurs which affects the validity of the certificate required by § 68.35(a), or the ownership of the vessel changes so that it no longer meets the criteria of § 68.29, the qualification for the privileges enumerated in § 68.33 is terminated effective as of the date and time of the change. The not-for-profit oil spill response cooperative shall report the change in writing to the Director, National Vessel Documentation Center.

(b) If the vessel is owned by a member or members of a not-for-profit oil spill response cooperative and a change occurs which affects the validity of the certificate required by § 68.35(a), or the ownership of the vessel changes so that it no longer meets the criteria of § 68.29, the qualification of the member or members for the privileges enumerated in § 68.33 is terminated effective as of the date and time of the change. The member or members shall report the change in writing to the Director, National Vessel Documentation Center.

(c) When qualifications are terminated under this section, the certificate of documentation issued under this subpart must be surrendered or exchanged in accordance with part 67 of this chapter.

[CGD 89–007; CGD 89–007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95–014, 60 FR 31606, June 15, 1995; USCG–1999–6216, 64 FR 53225, Oct. 1, 1999. Re-designated and amended by USCG–2005–20258, 71 FR 61418, Oct. 18, 2006]

**Coast Guard, Dept. of Homeland Security**

**§ 68.50**

**APPENDIX A TO SUBPART B OF PART 68—  
OATH FOR QUALIFICATION OF A NOT-  
FOR-PROFIT OIL SPILL RESPONSE  
COOPERATIVE**

*Department of Homeland Security, U.S. Coast  
Guard*

Oath for Qualification of a Not-For-Profit  
Oil Spill Response Cooperative [46 U.S.C.  
12106(d)]

Cooperative:

Name \_\_\_\_\_

Address \_\_\_\_\_

Jurisdiction where incorporated or orga-  
nized \_\_\_\_\_

Affiant:

Name \_\_\_\_\_

Address \_\_\_\_\_

Cooperative \_\_\_\_\_

Title or Capacity \_\_\_\_\_

I, the affiant, swear that I am legally au-  
thorized to make this oath and hold the ca-  
pacity so bestowed upon me as \_\_\_\_\_, on  
behalf of the \_\_\_\_\_ cooperative and  
its members, that it is a not-for-profit coop-  
erative, and that it is engaged in training  
for, carrying out, or supporting oil spill  
cleanup operations or related research ac-  
tivities.

That all members of the cooperative who  
may use the letter of qualification issued to  
this cooperative are truly and correctly  
named, including home address and citizen-  
ship of each on the attached listing incor-  
porated in and made a part of this oath.

Signature \_\_\_\_\_

Subscribed and sworn to before me on the  
day and year shown.

(Notary Public)

Date \_\_\_\_\_

[CGD 90-055, 57 FR 7642, Mar. 3, 1992, as  
amended by USCG-2003-14505, 68 FR 9535,  
Feb. 28, 2003. Redesignated by USCG-2007-  
28098, 71 FR 61418, Oct. 18, 2006]

**APPENDIX B TO SUBPART B OF PART 68—  
OATH FOR DOCUMENTATION OF VES-  
SELS FOR USE BY A NOT-FOR-PROFIT  
OIL SPILL RESPONSE COOPERATIVE**

*Department of Homeland Security, U.S. Coast  
Guard*

Oath for Documentation of Vessels For Use  
by a Not-For-Profit Oil Spill Response Co-  
operative [46 U.S.C. 12106(d)]

Cooperative:

Name \_\_\_\_\_

Address \_\_\_\_\_

Jurisdiction where incorporated or orga-  
nized \_\_\_\_\_

I, the undersigned officer of \_\_\_\_\_, a  
not-for-profit oil spill response cooperative,  
swear that I am legally authorized to make  
this oath on behalf of the cooperative, and  
its members and that the cooperative has ac-  
cepted the vessel \_\_\_\_\_.

I/we \_\_\_\_\_, am/are the owner(s) of the  
vessel. I/we further swear that the vessel has  
been dedicated to the exclusive use of the co-  
operative for the purpose of training for, car-  
rying out, or supporting oil spill cleanup op-  
erations or related research activities for  
discharges of oil into the navigable waters of  
the United States and the Exclusive Eco-  
nomic Zone and that the cooperative has ac-  
cepted the vessel.

For the Cooperative:

Name \_\_\_\_\_

Address \_\_\_\_\_

Cooperative \_\_\_\_\_

Title or Capacity \_\_\_\_\_

For Each Vessel Owner:

Name \_\_\_\_\_

Cooperative \_\_\_\_\_

Title or Capacity \_\_\_\_\_

Subscribed and sworn to before me on the  
day and year shown.

(Notary Public)

Date \_\_\_\_\_

[CGD 90-055, 57 FR 7642, Mar. 3, 1992, as  
amended by USCG-2003-14505, 68 FR 9535,  
Feb. 28, 2003. Redesignated by USCG-2007-  
28098, 71 FR 61418, Oct. 18, 2006]

**Subpart C—Vessels With a Coast-  
wise Endorsement Issued on  
or After August 9, 2004, That  
Are Demised Chartered to  
Coastwise Qualified Citizens**

SOURCE: USCG-2005-20258, 71 FR 61419, Oct.  
18, 2006, unless otherwise noted.

**§ 68.50 Purpose and applicability.**

(a) This subpart contains require-  
ments, in addition to those in part 67 of  
this chapter, for obtaining a coastwise  
endorsement for a U.S.-built vessel—

(1) That is owned by a person that  
qualifies as a citizen under § 67.35(a),  
§ 67.36(a), § 67.37, or § 67.39(a) of this  
chapter; and

(2) That is demise chartered to a  
coastwise qualified citizen under § 67.33,

## § 68.55

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§ 67.35(c), § 67.36(c), § 67.37, § 67.39(c), or § 67.41 of this chapter.

(b) This subpart applies to a vessel with a coastwise endorsement issued on or after August 9, 2004. It does not apply to a vessel under subpart D of this part.

### § 68.55 Definitions.

In addition to the terms defined in § 67.3 of this chapter, as used in this subpart—

*Affiliate* means, with respect to any person, any other person that is—

(1) Directly or indirectly controlled by, under common control with, or controlling that person; or

(2) Named as being part of the same consolidated group in any report or other document submitted to the United States Securities and Exchange Commission or the Internal Revenue Service.

*Cargo* does not include cargo to which title is held for non-commercial reasons and primarily for the purpose of evading the requirements of § 68.65(a)(2).

*Oil* has the meaning given that term in 46 U.S.C. 2101(20).

*Operation or management*, for vessels, means all activities related to the use of vessels to provide services. These activities include, but are not limited to, ship agency; ship brokerage; activities performed by a vessel operator or demise charterer in exercising direction and control of a vessel, such as crewing, victualing, storing, and maintaining the vessel and ensuring its safe navigation; and activities associated with controlling the use and employment of the vessel under a time charter or other use agreement. It does not include activities directly associated with making financial investments in vessels or the receipt of earnings derived from these investments.

*Passive investment* means an investment in which neither the investor nor any affiliate of the investor is involved in, or has the power to be involved in, the formulation, determination, or direction of any activity or function concerning the use, operation, or management of the asset that is the subject of the investment.

*Qualified proprietary cargo* means—

(1) Oil, petroleum products, petrochemicals, or liquefied natural gas cargo that is beneficially owned by the person who submits to the Director, National Vessel Documentation Center, an application or annual certification under § 68.65(a)(2), or by an affiliate of that person, immediately before, during, or immediately after the cargo is carried in coastwise trade on a vessel owned by that person;

(2) Oil, petroleum products, petrochemicals, or liquefied natural gas cargo not beneficially owned by the person who submits to the Director, National Vessel Documentation Center, an application or an annual certification under § 68.65(a)(2), or by an affiliate of that person, but that is carried in coastwise trade by a vessel owned by that person and which is part of an arrangement in which vessels owned by that person and at least one other person are operated collectively as one fleet, to the extent that an equal amount of oil, petroleum products, petrochemicals, or liquefied natural gas cargo beneficially owned by that person, or an affiliate of that person, is carried in coastwise trade on one or more other vessels, not owned by that person, or an affiliate of that person, if the other vessel or vessels are also part of the same arrangement;

(3) In the case of a towing vessel associated with a non-self-propelled tank vessel where the two vessels function as a single self-propelled vessel, oil, petroleum products, petrochemicals, or liquefied natural gas cargo that is beneficially owned by the person who owns both the towing vessel and the non-self-propelled tank vessel, or any United States affiliate of that person, immediately before, during, or immediately after the cargo is carried in coastwise trade on either of the two vessels; or

(4) Any oil, petroleum products, petrochemicals, or liquefied natural gas cargo carried on any vessel that is either a self-propelled tank vessel having a length of at least 210 meters (about 689 feet) or a tank vessel that is a liquefied natural gas carrier that—

(i) Was delivered by the builder of the vessel to the owner of the vessel after December 31, 1999; and

(ii) Was purchased by a person for the purpose, and with the reasonable expectation, of transporting on the vessel liquefied natural gas or unrefined petroleum beneficially owned by the owner of the vessel, or an affiliate of the owner, from Alaska to the continental United States.

*Sub-charter* means all types of charters or other contracts for the use of a vessel that are subordinate to a charter. The term includes, but is not limited to, a demise charter, a time charter, a voyage charter, a space charter, and a contract of affreightment.

*United States affiliate* means, with respect to any person, an affiliate the principal place of business of which is located in the United States.

**§ 68.60 Eligibility of a vessel for a coastwise endorsement under this subpart.**

(a) To be eligible for a coastwise endorsement under 46 U.S.C. 12106(e) and to operate in coastwise trade under 46 U.S.C. 12106(e) and 12110(b), a vessel must meet the following:

(1) The vessel is eligible for documentation under 46 U.S.C. 12102.

(2) The vessel is eligible for a coastwise endorsement under § 67.19(c) of this chapter and has not lost coastwise eligibility under § 67.19(d) of this chapter.

(3) The person that owns the vessel (or, if the vessel is owned by a trust or similar arrangement, the beneficiary of the trust or similar arrangement) makes the certification in § 68.65.

(4) The person that owns the vessel has transferred to a qualified U.S. citizen under 46 U.S.C. app. 802 full possession, control, and command of the vessel through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(5) The charterer must certify to the Director, National Vessel Documentation Center, that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(6) The demise charter is for a period of at least 3 years, unless a shorter period is authorized by the Director, National Vessel Documentation Center, under circumstances such as—

(i) When the vessel's remaining life would not support a charter of 3 years; or

(ii) To preserve the use or possession of the vessel.

(b) To apply for a coastwise endorsement for a vessel under a demise charter, see § 68.70 and, for a barge, see § 68.75.

NOTE TO § 68.60: Section 608(b) of Public Law 108-293 provides special requirements for certain vessels in the Alaska trade.

**§ 68.65 Annual ownership certification.**

(a) At the time of initial application for documentation and at the time for annual renewal of the endorsement as required by § 67.163 of this chapter, the person that owns a vessel with a coastwise endorsement under § 68.60 must certify in writing to the Director, National Vessel Documentation Center—

(1) That the person who owns a vessel with a coastwise endorsement under § 68.60—

(i) Is a leasing company, bank, or financial institution;

(ii) Owns, or holds the beneficial interest in, the vessel solely as a passive investment;

(iii) Does not operate any vessel for hire and is not an affiliate of any person who operates any vessel for hire; and

(iv) Is independent from, and not an affiliate of, any charterer of the vessel or any other person who has the right, directly or indirectly, to control or direct the movement or use of the vessel.

(2) For vessels under paragraph (b) of this section, that—

(i) The aggregate book value of the vessels owned by that person and United States affiliates of that person does not exceed 10 percent of the aggregate book value of all assets owned by that person and its United States affiliates;

(ii) Not more than 10 percent of the aggregate revenues of that person and its United States affiliates is derived from the ownership, operation, or management of vessels;

(iii) At least 70 percent of the aggregate tonnage of all cargo carried by all vessels owned by that person and its United States affiliates and documented under 46 U.S.C. 12106 is qualified proprietary cargo;



(iv) Any cargo other than qualified proprietary cargo carried by all vessels owned by that person and its United States affiliates and documented under 46 U.S.C. 12106 consists of oil, petroleum products, petrochemicals, or liquified natural gas;

(v) No vessel owned by that person or any of its United States affiliates and documented under 46 U.S.C. 12106 carries molten sulphur; and

(vi) That person owned one or more vessels documented as of August 9, 2004, under § 67.20, as that section was in effect on that date.

(b) Paragraph (a)(2) of this section applies only to—

(1) A tank vessel having a tonnage of not less than 6,000 gross tons, as measured under 46 U.S.C. 14502 (or an alternative tonnage measured under 46 U.S.C. 14302 as prescribed under 46 U.S.C. 14104); or

(2) A towing vessel associated with a non-self-propelled tank vessel that meets the requirements of paragraph (b)(1) of this section, where the two vessels function as a single self-propelled vessel.

NOTE TO § 68.65: The Secretary of Transportation may waive or reduce the qualified proprietary cargo requirement of § 68.65(a)(2)(iii) for a vessel if the person that owns the vessel (or, if the vessel is owned by a trust or similar arrangement, the beneficiary of the trust or similar arrangement) notifies the Secretary that circumstances beyond the direct control of the person that owns the vessel or its affiliates prevent, or reasonably threaten to prevent, the person that owns the vessel from satisfying this requirement, and the Secretary does not, with good cause, determine otherwise. The waiver or reduction applies during the period of time that the circumstances exist.

**§ 68.70 Application procedure for vessels other than barges to be operated in coastwise trade without being documented.**

(a) The person that owns the vessel (other than a barge under § 68.75) and that seeks a coastwise endorsement under § 68.60 must submit the following to the National Vessel Documentation Center:

(1) Application for Initial Issue, Exchange, or Replacement of Certificate of Documentation; or Redocumentation (form CG-1258);

(2) Title evidence, if applicable;

(3) Mortgagee consent on form CG-4593, if applicable;

(4) If the application is for replacement of a mutilated document or for exchange of documentation, the outstanding Certificate of Documentation;

(5) The certification required by § 68.65(a)(1) or, if a vessel under § 68.65(b), the certification required by § 68.65(a)(2);

(6) A certification in the form of an affidavit and, if requested by the Director, National Vessel Documentation Center, supporting documentation establishing the following facts with respect to the transaction from an individual who is authorized to provide certification on behalf of the person that owns the vessel and who is an officer in a corporation, a partner in a partnership, a member of the board of managers in a limited liability company, or their equivalent. The certificate must certify that the person that owns the vessel has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built vessel through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(7) A copy of the charter, which must provide that the charterer is deemed to be the owner *pro hac vice* for the term of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for the purpose of engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship. The citizenship information may be attached to the form CG-1258 that is submitted under paragraph (a)(1) of this section and must be signed by, or on behalf of, the charterer.

(c) Whenever a charter submitted under paragraph (a)(7) of this section is amended, the vessel owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a vessel under paragraph (a) of this section enters into a sub-charter that is a demise charter with another person for the use of the vessel, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after the effective date of the sub-charter and the sub-charterer must provide detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship.

(e) Whenever the charterer of a vessel under paragraph (a) of this section enters into a sub-charter other than a demise charter with another person for the use of the vessel, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after a request by the Director to do so.

(f) A person that submits a false certification under this section is subject to penalty under 46 U.S.C. 12122 and 18 U.S.C. 1001.

**§ 68.75 Application procedure for barges to be operated in coastwise trade without being documented.**

(a) The person that owns a barge qualified to engage in coastwise trade must submit the following to the National Vessel Documentation Center:

(1) The certification required by § 68.65(a)(1) or (a)(2).

(2) A certification in the form of an affidavit and, if requested by the Director, National Vessel Documentation Center, supporting documentation establishing the following facts with respect to the transaction from an individual who is authorized to provide certification on behalf of the person that owns the barge and who is an officer in a corporation, a partner in a partnership, a member of the board of managers in a limited liability company, or their equivalent. The certificate must certify the following:

(i) That the person that owns the barge is organized under the laws of the United States or a State.

(ii) That the person that owns the barge has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and

command of the U.S.-built barge through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(iii) That the barge is qualified to engage in the coastwise trade and that it is owned by a person eligible to own vessels documented under 46 U.S.C. 12102(e).

(3) A copy of the charter, which must provide that the charterer is deemed to be the owner *pro hac vice* for the term of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship. The citizenship information must be signed by, or on behalf of, the charterer.

(c) Whenever a charter under paragraph (a) of this section is amended, the barge owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a barge under paragraph (a) of this section enters into a sub-charter that is a demise charter with another person for the use of the barge, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after the effective date of the sub-charter and the sub-charterer must provide detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship.

(e) Whenever the charterer of a barge under paragraph (a) of this section enters into a sub-charter other than a demise charter with another person for the use of the barge, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after a request by the Director to do so.

## § 68.80

(f) A person that submits a false certification under this section is subject to penalty under 46 U.S.C. 12122 and 18 U.S.C. 1001.

### § 68.80 Invalidation of a coastwise endorsement.

In addition to the events in § 67.167(c)(1) through (c)(9) of this chapter, a Certificate of Documentation together with a coastwise endorsement under this subpart becomes invalid when—

(a) The owner fails to make the certification required by § 68.65 or ceases to meet the requirements of the certification on file;

(b) The demise charter expires or is transferred to another charterer; or

(c) The citizenship of the charterer or sub-charterer changes to the extent that they are no longer qualified for a coastwise endorsement.

### Subpart D—Vessels With a Coastwise Endorsement Issued Before August 9, 2004, and Their Replacements That Are Demised Chartered to Coastwise-Qualified Citizens

SOURCE: USCG-2005-20258, 71 FR 61421, Oct. 18, 2006, unless otherwise noted.

### § 68.100 Purpose and applicability.

(a) This subpart contains requirements for the documentation of U.S.-built vessels in the coastwise trade that were granted special rights under the Coast Guard and Maritime Transportation Action of 2004 (Pub. L. 108-293).

(b) This subpart applies to—

(1) A vessel under a demise charter that was eligible for, and received, a document with a coastwise endorsement under § 67.19 of this chapter and 46 U.S.C. 12106(e) before August 9, 2004;

(2) A barge deemed eligible under 46 U.S.C. 12106(e) and 12110(b) to operate in coastwise trade without being documented before August 9, 2004; and

(3) A replacement vessel of a similar size and function for any vessel under paragraphs (b)(1) through (b)(3) of this section.

(c) Except for vessels under paragraph (d) of this section, this subpart

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applies to a certificate of documentation, or renewal of one, endorsed with a coastwise endorsement for a vessel under 46 U.S.C. 12106(e) or a replacement vessel of a similar size and function that was issued before August 9, 2004, as long as the vessel is owned by the person named in the certificate, or by a subsidiary or affiliate of that person, and the controlling interest in the owner has not been transferred to a person that was not an affiliate of the owner as of August 9, 2004.

(d) With respect to offshore supply vessels with a certificate of documentation endorsed with a coastwise endorsement as of August 9, 2004, this subpart applies until August 9, 2007. On and after August 9, 2007, subpart C of this part applies to these vessels.

### § 68.103 Definitions.

In addition to the terms defined in § 67.3 of this chapter, as used in this subpart—

*Affiliate* means a person that is less than 50 percent owned or controlled by another person.

*Group* means the person that owns a vessel, the parent of that person, and all subsidiaries and affiliates of the parent of that person.

*Offshore supply vessel* means a motor vessel of more than 15 gross tons but less than 500 gross tons as measured under 46 U.S.C. 14502, or an alternate tonnage measured under 46 U.S.C. 14302 as prescribed under 46 U.S.C. 14104, that regularly carries goods, supplies, individuals in addition to the crew, or equipment in support of exploration, exploitation, or production of offshore mineral or energy resources.

*Operation or management of vessels* means all activities related to the use of vessels to provide services. These activities include ship agency; ship brokerage; activities performed by a vessel operator or demise charterer in exercising direction and control of a vessel, such as crewing, victualing, storing, and maintaining the vessel and ensuring its safe navigation; and activities associated with controlling the use and employment of the vessel under a time charter or other use agreement. It

does not include activities directly associated with making financial investments in vessels or the receipt of earnings derived from these investments.

*Parent* means any person that directly or indirectly owns or controls at least 50 percent of another person. If an owner's parent is directly or indirectly controlled at least 50 percent by another person, that person is also a parent of the owner. Therefore, an owner may have multiple parents.

*Person* means an individual; corporation; partnership; limited liability partnership; limited liability company; association; joint venture; trust arrangement; and the government of the United States, a State, or a political subdivision of the United States or a State; and includes a trustee, beneficiary, receiver, or similar representative of any of them.

*Primarily engaged in leasing or other financing transactions* means lease financing, in which more than 50 percent of the aggregate revenue of a person is derived from banking, investing, lease financing, or other similar transactions.

*Replacement vessel means—*

(1) A temporary replacement vessel for a period not to exceed 180 days if the vessel described in §68.50 is unavailable due to an act of God or a marine casualty; or

(2) A permanent replacement vessel if—

(i) The vessel described in §68.50 is unavailable for more than 180 days due to an act of God or a marine casualty; or

(ii) A contract to purchase or construct a replacement vessel is executed not later than December 31, 2004.

*Sub-charter* means all types of charters or other contracts for the use of a vessel that are subordinate to a charter. The term includes, but is not limited to, a demise charter, a time charter, a voyage charter, a space charter, and a contract of affreightment.

*Subsidiary* means a person at least 50 percent of which is directly or indirectly owned or controlled by another person.

**§ 68.105 Eligibility of a vessel for a coastwise endorsement under this subpart.**

(a) Except as under paragraphs (b) through (e) of this section, to be eligible for a coastwise endorsement under 46 U.S.C. 12106(e) and to operate in coastwise trade under 46 U.S.C. 12106(e) and 12110(b), a vessel under a demise charter must meet the following:

(1) The vessel is eligible for documentation under 46 U.S.C. 12102.

(2) The vessel is eligible for a coastwise endorsement under §67.19(c) of this chapter, has not lost coastwise eligibility under §67.19(d) of this chapter, and was financed with lease financing.

(3) The person that owns the vessel, the parent of that person, or a subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions.

(4) The person that owns the vessel is organized under the laws of the United States or of a State.

(5) None of the following is primarily engaged in the direct operation or management of vessels:

(i) The person that owns the vessel.

(ii) The parent of the person that owns the vessel.

(iii) The group of which the person that owns the vessel is a member.

(6) The ownership of the vessel is primarily a financial investment without the ability and intent to directly or indirectly control the vessel's operations by a person not primarily engaged in the direct operation or management of vessels.

(7) The majority of the aggregate revenues of each of the following is not derived from the operation or management of vessels:

(i) The person that owns the vessel.

(ii) The parent of the person that owns the vessel.

(iii) The group of which the person that owns the vessel is a member.

(8) None of the following is primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer:

(i) The person that owns the vessel.

(ii) The parent of the person that owns the vessel.

(iii) The group of which the person that owns the vessel is a member.

(9) The person that owns the vessel has transferred to a qualified U.S. citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built vessel through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(10) The charterer must certify to the Director, National Vessel Documentation Center, that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(11) The demise charter is for a period of at least 3 years, unless a shorter period is authorized by the Director, National Vessel Documentation Center, under circumstances such as—

(i) When the vessel's remaining life would not support a charter of 3 years; or

(ii) To preserve the use or possession of the vessel.

(b) A vessel under a demise charter that was eligible for, and received, a document with a coastwise endorsement under § 67.19 of this chapter and 46 U.S.C. 12106(e) before August 9, 2004, may continue to operate under that endorsement on and after that date and may renew the document and endorsement if the certificate of documentation is not subject to—

(1) Exchange under § 67.167(b)(1) through (b)(3) of this chapter;

(2) Deletion under § 67.171(a)(1) through (a)(6) of this chapter; or

(3) Cancellation under § 67.173 of this chapter.

(c) A vessel under a demise charter that was constructed under a building contract that was entered into before February 4, 2004, in reliance on a letter ruling from the Coast Guard issued before February 4, 2004, is eligible for documentation with a coastwise endorsement under § 67.19 of this chapter and 46 U.S.C. 12106(e). The vessel may continue to operate under that endorsement and may renew the document and endorsement if the certificate of documentation is not subject to—

(1) Exchange under § 67.167(b)(1) through (b)(3) of this chapter;

(2) Deletion under § 67.171(a)(1) through (a)(6) of this chapter; or

(3) Cancellation under § 67.173 of this chapter.

(d) A barge deemed eligible under 46 U.S.C. 12106(e) and 12110(b) to operate in coastwise trade before August 9, 2004, may continue to operate in that trade after that date unless—

(1) The ownership of the barge changes in whole or in part;

(2) The general partners of a partnership owning the barge change by addition, deletion, or substitution;

(3) The State of incorporation of any corporate owner of the barge changes;

(4) The barge is placed under foreign flag;

(5) Any owner of the barge ceases to be a citizen within the meaning of part 67, subpart C, of this chapter; or

(6) The barge ceases to be capable of transportation by water.

(e) A barge under a demise charter that was constructed under a building contract that was entered into before February 4, 2004, in reliance on a letter ruling from the Coast Guard issued before February 4, 2004, is eligible to operate in coastwise trade under 46 U.S.C. 12106(e) and 12110(b). The barge may continue to operate in coastwise trade unless—

(1) The ownership of the barge changes in whole or in part;

(2) The general partners of a partnership owning the barge change by addition, deletion, or substitution;

(3) The State of incorporation of any corporate owner of the barge changes;

(4) The barge is placed under foreign flag;

(5) Any owner of the barge ceases to be a citizen within the meaning of subpart C of this part; or

(6) The barge ceases to be capable of transportation by water.

**§ 68.107 Application procedure for vessels other than barges to be operated in coastwise trade without being documented.**

(a) In addition to the items under § 67.141 of this chapter, the person that owns the vessel (other than a barge under § 68.109) and that seeks a coastwise endorsement under this subpart must submit the following to the National Vessel Documentation Center:

(1) A certification in the form of an affidavit and, if requested by the Director, National Vessel Documentation

Center, supporting documentation establishing the following facts with respect to the transaction from an individual who is authorized to provide certification on behalf of the person that owns the vessel and who is an officer in a corporation, a partner in a partnership, a member of the board of managers in a limited liability company, or their equivalent. The certificate must certify the following:

(i) That the person that owns the vessel, the parent of that person, or a subsidiary of a parent of that person is primarily engaged in leasing or other financing transactions.

(ii) That the person that owns the vessel is organized under the laws of the United States or a State.

(iii) That none of the following is primarily engaged in the direct operation or management of vessels:

(A) The person that owns the vessel.

(B) The parent of the person that owns the vessel.

(C) The group of which the person that owns the vessel is a member.

(iv) That ownership of the vessel is primarily a financial investment without the ability and intent to directly or indirectly control the vessel's operations by a person not primarily engaged in the direct operation or management of vessels.

(v) That the majority of the aggregate revenues of each of the following is not derived from the operation or management of vessels:

(A) The person that owns the vessel.

(B) The parent of the person that owns the vessel.

(C) The group of which the person that owns the vessel is a member.

(vi) That none of the following is primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer:

(A) The person that owns the vessel.

(B) The parent of the person that owns the vessel.

(C) The group of which the person that owns the vessel is a member.

(vii) That the person that owns the vessel has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built vessel

through a demise charter in which the demise charterer is considered the owner *pro hac vice* during the term of the charter.

(viii) That the vessel is financed with lease financing.

(2) A copy of the charter, which must provide that the charterer is deemed to be the owner *pro hac vice* for the term of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for the purpose of engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship. The citizenship information may be attached to the form CG-1258 that is submitted under § 67.141 of this chapter and must be signed by, or on behalf of, the charterer.

(c) Whenever a charter under paragraph (a) of this section is amended, the vessel owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a vessel under paragraph (a) of this section enters into a sub-charter that is a demise charter with another person for the use of the vessel, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after the effective date of the sub-charter and the sub-charterer must provide detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship.

(e) Whenever the charterer of a vessel under paragraph (a) of this section enters into a sub-charter other than a demise charter with another person for the use of the vessel, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after a request by the Director to do so.

(f) A person that submits a false certification under this section is subject

to penalty under 46 U.S.C. 12122 and 18 U.S.C. 1001.

**§ 68.109 Application procedure for barges to be operated in coastwise trade without being documented.**

(a) The person that owns a barge qualified to engage in coastwise trade under the lease-financing provisions of 46 U.S.C. 12106(e) must submit the following to the National Vessel Documentation Center:

(1) A certification in the form of an affidavit and, if requested by the Director, National Vessel Documentation Center, supporting documentation establishing the following facts with respect to the transaction from an individual who is authorized to provide certification on behalf of the person that owns the barge and who is an officer in a corporation, a partner in a partnership, a member of the board of managers in a limited liability company, or their equivalent. The certificate must certify the following:

(i) That the person that owns the barge, the parent of that person, or a subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions.

(ii) That the person that owns the barge is organized under the laws of the United States or a State.

(iii) That none of the following is primarily engaged in the direct operation or management of vessels:

(A) The person that owns the barge.

(B) The parent of the person that owns the barge.

(C) The group of which the person that owns the barge is a member.

(iv) That ownership of the barge is primarily a financial investment without the ability and intent to directly or indirectly control the barge's operations by a person not primarily engaged in the direct operation or management of the barge.

(v) That the majority of the aggregate revenues of each of the following is not derived from the operation or management of vessels:

(A) The person that owns the barge.

(B) The parent of the person that owns the barge.

(C) The group of which the person that owns the barge is a member.

(vi) That none of the following is primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer:

(A) The person that owns the barge.

(B) The parent of the person that owns the barge.

(C) The group of which the person that owns the barge is a member.

(vii) That the person that owns the barge has transferred to a qualified United States citizen under 46 U.S.C. app. 802 full possession, control, and command of the U.S.-built barge through a demise charter in which the demise charterer is considered the owner *pro hac vice* for the term of the charter.

(viii) That the barge is qualified to engage in the coastwise trade and that it is owned by a person eligible to own vessels documented under 46 U.S.C. 12102(e).

(ix) That the barge is financed with lease financing.

(2) A copy of the charter, which must provide that the charterer is deemed to be the owner *pro hac vice* for the term of the charter.

(b) The charterer must submit the following to the National Vessel Documentation Center:

(1) A certificate certifying that the charterer is a citizen of the United States for engaging in the coastwise trade under 46 U.S.C. app. 802.

(2) Detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship. The citizenship information must be signed by, or on behalf of, the charterer.

(c) Whenever a charter under paragraph (a) of this section is amended, the barge owner must file a copy of the amendment with the Director, National Vessel Documentation Center, within 10 days after the effective date of the amendment.

(d) Whenever the charterer of a barge under paragraph (a) of this section enters into a sub-charter that is a demise charter with another person for the use of the barge, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation

Center, within 10 days after the effective date of the sub-charter and the sub-charterer must provide detailed citizenship information in the format of form CG-1258, Application for Documentation, section G, citizenship.

(e) Whenever the charterer of a barge under paragraph (a) of this section enters into a sub-charter other than a demise charter with another person for the use of the barge, the charterer must file a copy of the sub-charter and amendments to the sub-charter with the Director, National Vessel Documentation Center, within 10 days after a request by the Director to do so.

(f) A person that submits a false certification under this section is subject to penalty under 46 U.S.C. 12122 and 18 U.S.C. 1001.

#### **§ 68.111 Invalidation of a coastwise endorsement.**

(a) In addition to the events in § 67.167(c)(1) through (c)(9) of this chapter, a Certificate of Documentation together with a coastwise endorsement in effect before February 4, 2004, becomes invalid when—

(1) The demise charter expires or is transferred to another charterer;

(2) The citizenship of the charterer or sub-charterer changes to the extent that they are no longer qualified for a coastwise endorsement; or

(3) Neither the person that owns the vessel, nor the parent of that person, nor a subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions.

(b) In addition to the events in § 67.167(c)(1) through (c)(9) of this chapter, a Certificate of Documentation together with a coastwise endorsement in effect on or after February 4, 2004, and before August 9, 2004, becomes invalid when—

(1) The demise charter expires or is transferred to another charterer;

(2) The citizenship of the charterer or sub-charterer changes to the extent that they are no longer qualified for a coastwise endorsement;

(3) Neither the person that owns the vessel, nor the parent of that person, nor any subsidiary of the parent of that person is primarily engaged in leasing or other financing transactions;

(4) The majority of the aggregate revenues of at least one of the following is derived from the operation or management of vessels:

(i) The person that owns the vessel.

(ii) The parent of the person that owns the vessel.

(iii) The group of which the person that owns the vessel is a member; or

(5) At least one of the following is primarily engaged in the operation or management of commercial, foreign-flag vessels used for the carriage of cargo for parties unrelated to the vessel's owner or charterer:

(i) The person that owns the vessel.

(ii) The parent of the person that owns the vessel.

(iii) The group of which the person that owns the vessel is a member.

(c) When the coastwise endorsement for a vessel to which this subpart applies becomes invalid under paragraph (a)(1) or (b)(1) of this section, the vessel remains eligible for documentation under this subpart provided it is a vessel to which § 68.100(b) or (c) applies.

## **PART 69—MEASUREMENT OF VESSELS**

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- 69.211 Treatment of novel type vessels.

AUTHORITY: 46 U.S.C. 2301, 14103, 14104; Department of Homeland Security Delegation No. 0170.1.

SOURCE: CGD 87–015b, 54 FR 37657, Sept. 12, 1989, unless otherwise noted.

## Subpart A—General

### § 69.1 Purpose.

This part implements legislation concerning the measurement of vessels to determine their tonnage (part J of 46 U.S.C. subtitle II). Tonnage is used for a variety of purposes, including the application of vessel safety, security, and environmental protection regulations and the assessment of taxes and fees. This part indicates the particular measurement system or systems under which the vessel is required or eligible to be measured, describes the measurement rules and procedures for each system, identifies the organizations authorized to measure vessels under this part, and provides for the appeal of measurement organizations' decisions.

[USCG–2011–0522, 81 FR 18717, Mar. 31, 2016]

### § 69.3 Applicability.

This part applies to any vessel for which the application of an international agreement or other law of the United States to the vessel depends on the vessel's tonnage.

[USCG–2011–0522, 81 FR 18718, Mar. 31, 2016]

### § 69.5 [Reserved]

### § 69.7 Vessels transiting the Panama and Suez Canals.

For vessels that will transit the Panama Canal and/or Suez Canal, the respective canal authorities may require special tonnage certificates in addition to those issued under this part. These special certificates may be issued by measurement organizations who have received appropriate authorization from the respective canal authorities.

[USCG–2011–0522, 81 FR 18718, Mar. 31, 2016]

### § 69.9 Definitions.

As used in this part:

*Authorized measurement organization* means an entity that is authorized to measure vessels under this part.

*Commandant* means Commandant of the Coast Guard at the following address: Commanding Officer, Marine Safety Center (MSC-4), U.S. Coast Guard Stop 7430, 2703 Martin Luther King Jr. Ave. SE., Washington, DC 20593-7430.

*Convention* means the International Convention on Tonnage Measurement of Ships, 1969.

*Convention Measurement System* means the measurement system under subpart B of this part, which is based on the rules of the Convention. This Formal Measurement System uses the vessel's total enclosed volume as the principal input for tonnage calculations along with other characteristics related to the vessel's carrying capacity, including the volume of cargo spaces and number of passengers. Tonnages assigned under this system are expressed in terms of gross tonnage ITC (GT ITC) or net tonnage ITC (NT ITC).

*Deck cargo* means freight carried on the weather decks of a vessel for the purpose of its transport between two separate and distinct locations, and which is off-loaded from the vessel in its original container (if applicable) without undergoing any processing or other use while onboard the vessel.

*Dual Regulatory Measurement System* means the measurement system under subpart D of this part, which is one of three sub-systems of the Regulatory Measurement System. This Formal Measurement System is based on the rules of the Standard Regulatory Measurement System, with adjustments that allow for the assignment of two sets of Regulatory Measurement System tonnages whose use depends on the loading condition of the vessel. Tonnages assigned under this system are expressed in terms of gross register tons (GRT) or net register tons (NRT).

*Foreign flag vessel* means a vessel that is not a U.S. flag vessel.

*Formal Measurement System* means a measurement system that employs a detailed computational method using measurements of the entire vessel, and which also takes into account the use of vessel spaces. The measurement systems prescribed under subparts B, C, and D of this part are Formal Measurement Systems.

*Great Lakes* means the Great Lakes of North America and the St. Lawrence River west of a rhumb line drawn from Cap des Rosiers to West Point, Anticosti Island, and, on the north side of Anticosti Island, the meridian of longitude 63 degrees west.

*Gross register tonnage (GRT)* means the gross tonnage measurement of the vessel under the Regulatory Measurement System. Refer to § 69.20 for information on applying tonnage thresholds expressed in terms of gross register tons (also referred to as GRT).

*Gross tonnage ITC (GT ITC)* means the gross tonnage measurement of the vessel under the Convention Measurement System. In international conventions, this parameter may be referred to as "gross tonnage (GT)." Refer to § 69.20 for information on applying tonnage thresholds expressed in terms of gross tonnage ITC.

*National Vessel Documentation Center* means the organizational unit designated by the Commandant to process vessel documentation transactions and maintain vessel documentation records.

*Net register tonnage (NRT)* means the net tonnage measurement of the vessel under the Regulatory Measurement System. Refer to § 69.20 for information on applying tonnage thresholds expressed in terms of net register tons.

*Non-self-propelled vessel* means a vessel that is not a self-propelled vessel.

*Overall length* means the horizontal distance of the vessel's hull between the foremost part of a vessel's stem to the aftermost part of its stern, excluding fittings and attachments.

*Portable enclosed space* means an enclosed space that is not deck cargo, and whose method of attachment to the vessel is not permanent in nature. Examples of portable enclosed spaces include modular living quarters, housed portable machinery spaces, and deck tanks used in support of shipboard industrial processes.

*Register ton* means a unit of volume equal to 100 cubic feet.

*Regulatory Measurement System* means the measurement system that comprises subparts C, D, and E of this part (Standard, Dual, and Simplified Regulatory Measurement Systems, respectively), and is sometimes referred to as

the national measurement system of the United States. Tonnages assigned under this system are expressed in terms of gross register tons (GRT) or net register tons (NRT).

*Remeasurement* means the process by which tonnages or registered dimensions of a vessel that was previously measured are assigned or reassigned to that vessel, or are verified to be correct, as appropriate. This includes assignment of tonnages or registered dimensions under a different measurement system.

*Self-propelled vessel* means a vessel with a means of self-propulsion, including sails.

*Simplified Regulatory Measurement System* means the measurement system under subpart E of this part, which is one of three sub-systems of the Regulatory Measurement System. It is based on the rules of the Standard Regulatory Measurement System but employs a simplified computational method using hull dimensions as the principal inputs. Tonnages assigned under this system are expressed in terms of gross register tons (GRT) or net register tons (NRT).

*Standard Regulatory Measurement System* means the measurement system under subpart C of this part, which is one of three sub-systems of the Regulatory Measurement System. This Formal Measurement System is based on the rules of the British Merchant Shipping Act of 1854 and uses volumes of internal spaces as the principal inputs for tonnage calculations, allowing for exemptions or deductions of qualifying spaces according to their location and use. Tonnages assigned under this system are expressed in terms of gross register tons (GRT) or net register tons (NRT).

*Tonnage* means the volume of a vessel's spaces, including portable enclosed spaces, as calculated under a measurement system in this part, and is categorized as either gross or net. Gross tonnage refers to the volumetric measure of the overall size of a vessel. Net tonnage refers to the volumetric measure of the useful capacity of the vessel. Deck cargo is not included in tonnage.

*Tonnage threshold* means a delimitating tonnage value specified in

an international convention or a Federal statute or regulation.

*U.S. flag vessel* means a vessel of United States registry or nationality, or one operated under the authority of the United States.

*Vessel of war* means "vessel of war" as defined in 46 U.S.C. 2101.

*Vessel that engages on a foreign voyage* means a vessel:

(1) That arrives at a place under the jurisdiction of the United States from a place in a foreign country;

(2) That makes a voyage between places outside of the United States;

(3) That departs from a place under the jurisdiction of the United States for a place in a foreign country; or

(4) That makes a voyage between a place within a territory or possession of the United States and another place under the jurisdiction of the United States not within that territory or possession.

[USCG–2011–0522, 81 FR 18718, Mar. 31, 2016]

**§ 69.11 Determining the measurement system or systems for a particular vessel.**

(a) *Convention Measurement System (subpart B of this part).* (1) Except as otherwise provided in this section, this Formal Measurement System applies to any vessel for which the application of an international agreement or other law of the United States to the vessel depends on the vessel's tonnage.

(2) This system does not apply to the following vessels:

(i) A vessel of war, unless the government of the country to which the vessel belongs elects to measure the vessel under this part.

(ii) A vessel of less than 79 feet in overall length.

(iii) A U.S. flag vessel, or one of Canadian registry or nationality, or operated under the authority of Canada, and that is operating only on the Great Lakes, unless the vessel owner requests.

(iv) A U.S. flag vessel (except a vessel that engages on a foreign voyage), the keel of which was laid or was at a similar stage of construction before January 1, 1986, unless the vessel owner requests or unless the vessel subsequently undergoes a change that the

Commandant finds substantially affects the gross tonnage.

(v) A non-self-propelled U.S. flag vessel (except a non-self-propelled vessel that engages on a foreign voyage), unless the vessel owner requests the application.

(b) *Standard Regulatory Measurement System (subpart C of this part)*. This Formal Measurement System applies to a vessel not measured under the Convention Measurement System for which the application of an international agreement or other law of the United States to the vessel depends on the vessel's tonnage. Upon request of the vessel owner, this system also applies to a U.S. flag vessel that is also measured under the Convention Measurement System.

(c) *Dual Regulatory Measurement System (subpart D of this part)*. This Formal Measurement System may be applied, at the vessel owner's option, instead of the Standard Regulatory Measurement System.

(d) *Simplified Regulatory Measurement System (subpart E of this part)*. This system may be applied, at the vessel owner's option, instead of the Standard Regulatory Measurement System to the following vessels:

(1) A vessel that is under 79 feet in overall length.

(2) A vessel of any length that is non-self-propelled.

(3) A vessel of any length that is operated only for pleasure.

[USCG-2011-0522, 81 FR 18719, Mar. 31, 2016]

#### **§ 69.13 Applying provisions of a measurement system.**

(a) Except as noted under paragraph (c) of this section, all provisions of a measurement system as prescribed in this part that are applicable to the vessel must be observed. Coast Guard interpretations of these provisions are published by, and may be obtained from, Commanding Officer, Marine Safety Center (MSC-4).

(b) The provisions of more than one measurement system must not be applied interchangeably or combined, except where specifically authorized under this part.

(c) Unless otherwise provided for by law, the tonnage measurement rules and procedures that immediately pre-

date the rules and procedures prescribed in this part may be applied, at the option of the vessel owner, to the following vessels:

(1) A vessel which has not been measured and which was contracted for on or before May 2, 2016.

(2) A vessel which has been measured, but which has undergone modifications contracted for on or before May 2, 2016.

[USCG-2011-0522, 81 FR 18719, Mar. 31, 2016]

#### **§ 69.15 Authorized measurement organizations.**

(a) Except as noted under paragraphs (c) and (d) of this section, measurement or remeasurement of all vessels under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems must be performed by an authorized measurement organization meeting the requirements of § 69.27. A current listing of authorized measurement organizations may be obtained from the Commanding Officer, Marine Safety Center (MSC-4).

(b) Measurement or remeasurement of all vessels under subpart E of this part must be performed by the Coast Guard.

(c) Measurement or remeasurement of all U.S. Coast Guard vessels and all U.S. Navy vessels of war must be performed by the Coast Guard.

(d) At the option of the Commandant, the Coast Guard may measure any vessel under this part.

(e) The appropriate tonnage certificate, as provided for under this part, is issued by the authorized measurement organization as evidence of the vessel's measurement under this part.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 92-058, 57 FR 59938, Dec. 17, 1992; CGD 92-053, 59 FR 50508, Oct. 4, 1994; CGD 95-014, 60 FR 31606, June 15, 1995; CGD 97-057, 62 FR 51045, Sept. 30, 1997; USCG-2007-29018, 72 FR 53965, Sept. 21, 2007; USCG-2009-0702, 74 FR 49230, Sept. 25, 2009; USCG-2013-0671, 78 FR 60149, Sept. 30, 2013; USCG-2011-0522, 81 FR 18719, Mar. 31, 2016]

#### **§ 69.17 Application for measurement services.**

(a) The vessel owner is responsible for having the vessel measured or remeasured under this part. Applications

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for Formal Measurement may be obtained from any measurement organization and, once completed, are submitted to the authorized measurement organization that will perform the measurement services. Applications for Simplified Measurement may be obtained from the Commanding Officer, Marine Safety Center (MSC-4) and, once completed, are submitted or retained as described in § 69.205. The contents of the application are described in this part under the requirements for each system.

(b) Applications for measurement under more than one system may be combined.

(c) For vessels under construction, the application should be submitted before the vessel is advanced in construction. Usually, this means as soon as the decks are laid, holds cleared of encumbrances, engines installed, and accommodations partitioned.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 97–057, 62 FR 51045, Sept. 30, 1997; USCG–2011–0522, 81 FR 18719, Mar. 31, 2016]

### § 69.19 Remeasurement.

(a) If a vessel that is already measured is to undergo a structural alteration, a change to its service, or if the use of its space is to be changed, a remeasurement may be required. For vessels measured under a Formal Measurement System, owners must report immediately to an authorized measurement organization any intent to structurally alter the vessel or to change its service or the use of its space. The measurement organization advises the owner if remeasurement is necessary. For all other vessels, owners must report the intent to structurally alter the vessel to Commanding Officer, Marine Safety Center (MSC-4), for a remeasurement determination. Remeasurement is initiated by completing and submitting, where applicable, the appropriate application for measurement services. Spaces not affected by the alteration or change need not be remeasured.

(b) Remeasurement must also be performed as follows:

(1) When there is a perceived error in the application of this part, the vessel owner should contact the responsible

measurement organization, or Commanding Officer, Marine Safety Center (MSC-4), as appropriate. Remeasurement is performed to the extent necessary to verify and correct the error.

(2) At the vessel owner's option, to reflect the latest tonnage measurement rules and associated interpretations under this part.

(c) For vessels measured under a Formal Measurement System, if a remeasurement or adjustment of tonnage is required, the authorized measurement organization will issue a new tonnage certificate. For all other vessels, Commanding Officer, Marine Safety Center (MSC-4) will take action, as appropriate.

(d) A vessel of less than 79 feet in overall length measured under a Formal Measurement System may be remeasured at the owner's request under the Simplified Regulatory Measurement System.

[USCG–2011–0522, 81 FR 18719, Mar. 31, 2016]

### § 69.20 Applying tonnage thresholds.

(a) *General.* Tonnage thresholds are applied using the vessel's tonnage assigned under this part, and as provided for by paragraphs (b) through (d) of this section. In general, and except as under paragraphs (b) and (c) of this section, tonnage thresholds expressed in terms of "gross tonnage," "gross tonnage ITC," or "GT ITC" are applied using Convention Measurement System tonnage (if assigned) and thresholds expressed in terms of "gross tons," "registered gross tons," or "GRT" are applied using the Regulatory Measurement System tonnage (if assigned). Similarly, in general, and except as under paragraphs (b) and (c) of this section, tonnage thresholds expressed in terms of "net tonnage," "net tonnage ITC," or "NT ITC" are applied using Convention Measurement System tonnage (if assigned) and thresholds expressed in terms of "net tons," "registered net tons," or "NRT" are applied using the Regulatory Measurement System tonnage (if assigned).

(b) *Thresholds found in international conventions.* Unless otherwise provided for by law, apply tonnage thresholds in international conventions as follows:

(1) For vessels measured under the Convention Measurement System,

apply all tonnage thresholds using Convention Measurement System tonnage, except as provided for under the following international tonnage grandfathering provisions, which may be applied at the option of the vessel owner:

(i) Under *Article 3(2)(d) of the Convention*:

(A) For a U.S. flag vessel, this Article allows associated tonnage thresholds in effect on or before July 18, 1994 to be applied, at the vessel owner's option, using Regulatory Measurement System tonnage to a vessel whose keel was laid on or before July 18, 1982, and which did not subsequently undergo alterations resulting in a change in its tonnage of a magnitude deemed by the Commandant to constitute a substantial variation in its tonnage.

(B) For a foreign flag vessel, this Article allows associated tonnage thresholds in effect on or before July 18, 1994, to be applied, at the vessel owner's option, using the foreign country's national measurement system tonnage to a vessel whose keel was laid on or before July 18, 1982, and which did not subsequently undergo alterations resulting in a change in its tonnage of a magnitude deemed by that country to constitute a substantial variation in its tonnage.

(ii) Under *International Maritime Organization (IMO) Resolutions A.494 (XII) of November 19, 1981 and A.541 (XIII) of November 17, 1983*:

(A) For a U.S. flag vessel, these resolutions allow tonnage thresholds in effect on July 18, 1994 to be applied using the gross register tonnage (Regulatory Measurement System), to a vessel whose keel was laid on or after July 18, 1982 but before July 19, 1994, and which did not subsequently undergo alterations resulting in a change substantially affecting its tonnage as deemed by the Commandant.

(B) For a foreign flag vessel, these resolutions allow tonnage thresholds in effect on July 18, 1994 to be applied, at the vessel owner's option, using the foreign country's national measurement system tonnage, to a vessel whose keel was laid on or after July 18, 1982, but on or before July 18, 1994, and which did not undergo alterations after July 18, 1994 of a magnitude deemed by

that country to constitute a substantial variation in its tonnage subject to the provisions of these resolutions.

(iii) Any other international grandfathering provisions as authorized under appropriate International Maritime Organization instruments to which the United States is a party, or which are otherwise recognized or accepted by the United States.

(2) For all other vessels, apply all tonnage thresholds using Regulatory Measurement System tonnage.

(c) *Thresholds found in Federal statutes and regulations.* Unless otherwise provided for by law, apply tonnage thresholds in Federal statutes and regulations as follows:

(1) For vessels measured under the Convention Measurement System only, apply all thresholds using Convention Measurement System tonnage.

(2) For vessels measured under the Regulatory Measurement System only, apply all thresholds using Regulatory Measurement System tonnage.

(3) For all other vessels, apply thresholds in effect before July 19, 1994 using the vessel's Regulatory Measurement System tonnage, and all other thresholds using the vessel's Convention Measurement System tonnage.

(d) *Alternate tonnage thresholds.* 46 U.S.C. 14104 authorizes the Coast Guard to establish tonnage thresholds based on the Convention Measurement System as an alternative to tonnage thresholds based on the Regulatory Measurement System. Although 46 U.S.C. 14104 addresses only thresholds in Federal statutes, it does not preclude establishing alternate tonnage thresholds for Federal regulations that currently specify thresholds that were based on the Regulatory Measurement System, where appropriate.

(1) If an alternate tonnage threshold is prescribed or authorized by Federal statute or regulation, apply the alternate tonnage threshold using the Convention Measurement System tonnage.

(2) A vessel regulated under paragraph (d) of this section must not be measured under the Regulatory Measurement System.

[USCG-2011-0522, 81 FR 18720, Mar. 31, 2016]

## § 69.21

### § 69.21 Right of appeal.

Any person directly affected by a decision or action taken under this part, by or on behalf of the Coast Guard, may appeal therefrom in accordance with subpart 1.03 of this chapter.

[CGD 88-033, 54 FR 50380, Dec. 6, 1989]

### § 69.23 Fees.

Measurement organizations are authorized to charge a fee for measurement services. Information on fees is available directly from the organizations.

[CGD 97-057, 62 FR 51045, Sept. 30, 1997]

### § 69.25 Penalties.

(a) *General violation.* The vessel owner, charterer, managing operator, agent, master, and individual in charge of a vessel in violation of a regulation in this part are each liable to the United States Government for a civil penalty of not more than \$30,000. Each day of a continuing violation is a separate violation. The vessel also is liable in rem for the penalty.

(b) *False Statements.* A person knowingly making a false statement or representation in a matter in which a statement or representation is required by this part is liable to the United States Government for a civil penalty of not more than \$30,000 for each false statement or representation. The vessel also is liable in rem for the penalty.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18720, Mar. 31, 2016]

### § 69.27 Delegation of authority to measure vessels.

(a) Under 46 U.S.C. 14103, the Coast Guard is authorized to delegate to a "qualified person" the authority to measure and certify U.S. flag vessels under this part.

(b) Authority to measure and certify U.S. flag vessels under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems may be delegated to an organization that—

(1) Is a full member of the International Association of Classification Societies (IACS);

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(2) Is incorporated under the laws of the United States, a State of the United States, or the District of Columbia;

(3) In lieu of the requirements in paragraphs (b)(1) and (2) of this section, is a recognized classification society under the requirements of 46 CFR part 8.

(4) Is capable of providing all measurement services under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems for vessels domestically and internationally;

(5) Maintains a tonnage measurement staff that has practical experience in measuring U.S. flag vessels under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems; and

(6) Enters into a written agreement, as described in paragraph (d) of this section.

(c) Applications for delegation of authority under this section must be forwarded to the Commandant and include the following information on the organization:

(1) Its name and address.

(2) Its organizational rules and structure.

(3) The location of its offices that are available to provide measurement services under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems.

(4) The name, qualifications, experience, and job title of each full-time or part-time employee or independent contractor specifically designated by the organization to provide measurement services under the Convention Measurement System and Standard and Dual Regulatory Measurement Systems.

(5) Its tonnage measurement training procedures.

(d) If, after reviewing the application, the Coast Guard determines that the organization is qualified to measure and certify U.S. vessels on behalf of the Coast Guard, the organization must enter into a written agreement with the Coast Guard which—

(1) Defines the procedures for administering and implementing the tonnage

measurement and certification processes, including the roles and responsibilities of each party;

(2) Outlines the Coast Guard's oversight role;

(3) Prohibits the organization from using an employee or contractor of the organization to measure and certify the tonnage of a vessel if that employee or contractor is acting or has acted as a tonnage consultant for that same vessel; and

(4) Requires the organization to—

(i) Accept all requests to perform delegated services without discrimination and without regard to the vessel's location, unless prohibited from doing so under the laws of the United States or under the laws of the jurisdiction in which the vessel is located;

(ii) Physically inspect each vessel before issuing a tonnage certificate;

(iii) Provide the Coast Guard with current schedules of measurement fees and related charges;

(iv) Maintain a tonnage measurement file for each U.S. vessel that the organization measures and permit access to the file by any person authorized by the Commandant;

(v) Permit observer status representation by the Coast Guard at all formal discussions that may take place between the organization and other vessel tonnage measurement organizations pertaining to tonnage measurement of U.S. vessels or to the systems under which U.S. vessels are measured;

(vi) Comply with and apply all laws and regulations relating to tonnage measurement of U.S. vessels within the scope of authority delegated; and

(vii) Comply with all other provisions, if any, of the written agreement.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 97-057, 62 FR 51045, Sept. 30, 1997; CGD 95-010, 62 FR 67536, Dec. 24, 1997; USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.28 Acceptance of measurement by a foreign country.

(a) The Commandant must accept the measurement of a foreign flag vessel by a foreign country as complying with subpart B of this part if:

(1) The vessel was measured under the terms of the Convention and the foreign country is party to the Convention; or

(2) The Commandant finds that the laws and regulations of that country related to measurement are similar to those of subpart B of this part.

(b) The Commandant may accept the measurement of a foreign flag vessel by a foreign country as complying with subpart C, D, or E of this part if the Commandant finds that the laws and regulations of that country related to measurement are substantially similar to those of subpart C, D, or E, respectively, of this part.

[USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.29 OMB control numbers assigned under the Paperwork Reduction Act.

(a) *Purpose.* This section collects and displays the control numbers assigned to information collection and record keeping requirements in this part by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). The Coast Guard intends that this part comply with 44 U.S.C. 3507(f), which requires that agencies display the current control number assigned by the Director of OMB for each approved agency information collection requirement.

(b) *Display—*

Section of 46 CFR part 69	Currently assigned OMB control No.
69.17 .....	1625-0022
69.19 .....	1625-0022
69.21 .....	1625-0022
69.27 .....	1625-0022
69.55 .....	1625-0022
69.105 .....	1625-0022
69.121(d) .....	1625-0022
69.159 .....	1625-0022
69.179 .....	1625-0022
69.205 .....	1625-0022

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2004-18884, 69 FR 58346, Sept. 30, 2004]

### Subpart B—Convention Measurement System

#### § 69.51 Purpose.

This subpart prescribes the requirements for measuring a vessel in order to comply with the International Convention on Tonnage Measurement of



## § 69.53

Ships, 1969 (Convention), and 46 U.S.C. chapter 143.

### § 69.53 Definitions.

As used in this subpart—

*Amidships* means the midpoint of the registered length, as “registered length” is defined in this section.

*Boundary bulkhead* means the bulkhead or partition that separates an enclosed interior space from the surrounding weather. In general, the exterior bulkhead of a deck structure is the boundary bulkhead.

*Cargo space* means an enclosed space appropriated for the transport of cargo which is to be discharged from the vessel. The term does not include a space which qualifies as an excluded space under § 69.61.

*Enclosed space* is defined in § 69.59.

*Excluded space* is defined in § 69.61.

*Line of the upper deck* means a longitudinal line at the underside of the upper deck or, if that deck is stepped, the longitudinal line of the underside of the lowest portion of that deck parallel with the upper portions of that deck.

*Molded depth* means the vertical distance amidships between the following points:

(a) From the line of the upper deck at the vessel's side or, if the vessel has rounded gunwales, from the intersection of the line of the upper deck extended to the molded line of the shell plating as though the gunwales were of angular design.

(b) To the top of the flat keel, to the lower edge of the keel rabbet if the vessel is of wood or composite structure, or to the point where the line of the flat of the bottom extended inward cuts the side of the keel if the vessel's lower part is hollow or has thick garboards.

*Molded draft* means—

(a) For vessels assigned a load line under parts 42, 44, 45, or 47 of this chapter, the draft corresponding to the Summer Load Line (other than a timber load line);

(b) For passenger vessels assigned a load line under part 46 of this chapter, the draft corresponding to the deepest subdivision load line assigned;

(c) For vessels to which parts 42, 44, 45, 46, or 47 of this chapter do not apply

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but which otherwise have been assigned a load line, the draft corresponding to the Summer Load Line so assigned;

(d) For vessels to which no load line has been assigned but the draft of which is restricted under any Coast Guard requirement, the maximum draft permitted under the restriction; and

(e) For other vessels, 75 per cent of the molded depth.

*Passenger* means a person on board a vessel other than—

(a) The master, a member of the crew, or other person employed or engaged in any capacity in the business of the vessel; and

(b) A child under one year of age.

*Registered breadth* means the maximum breadth of a vessel measured amidships to the molded line of the frame in a vessel with a metal shell and to the outer surface of the hull in all other vessels.

*Registered length* means either 96 per cent of the length on a waterline at 85 percent of the least molded depth measured from the top of the flat keel or the length from the fore side of the stem to the axis of the rudder stock on that waterline, whichever is greater. In vessels designed with a rake of keel, this length is measured on a waterline parallel to the design waterline.

*Upper deck* means the uppermost complete deck exposed to weather and sea, which has permanent means of weathertight closing of all openings in the weather part of the deck, and below which all openings in the sides of the vessel are fitted with permanent means of watertight closing.

*Weathertight* means secure against penetration of water into the vessel in any sea condition.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG–2011–0522, 81 FR 18721, Mar. 31, 2016]

### § 69.55 Application for measurement services.

Applications for measurement under this subpart must include the following information and plans:

(a) Type of vessel.

(b) Vessel's name and official number (if assigned).

(c) Builder's name and the vessel hull number assigned by builder.

(d) Place built and delivery date (or scheduled delivery date).

(e) Date keel was laid.

(f) Overall length, breadth, and depth of vessel.

(g) Lines plan.

(h) Booklet of offsets at stations.

(i) Capacity plans for tanks and cargo compartments.

(j) Hydrostatic curves.

(k) Construction plans showing measurements and scantlings of deck structures, hatches, appendages, recesses, and other enclosed spaces.

(l) Arrangement plans.

[CGD 89-007; CGD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31606, June 15, 1995; USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.57 Gross tonnage ITC.

Gross tonnage ITC (GT ITC) is determined by the following formula  $GT\ ITC = K_1 V$ , in which  $V$  = total volume of all enclosed spaces in cubic meters and  $K_1 = 0.2 + 0.02 \log_{10} V$ .

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.59 Enclosed spaces.

*Enclosed space* means a space which is bounded by the vessel's hull, by fixed or portable partitions or bulkheads, or by decks or coverings other than permanent or movable awnings. No break in a deck, nor any opening in the vessel's hull, in a deck or in a covering of a space, or in the partitions or bulkheads of a space, nor the absence of a partition or bulkhead precludes the space from being included in the enclosed space. Portable enclosed spaces, regardless of method of attachment to the vessel, are treated as enclosed spaces as defined in this paragraph.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.61 Excluded spaces.

(a) *Excluded space* means an enclosed space which is excluded from the total volume of all enclosed spaces ( $V$ ) in calculating gross tonnage ITC. Spaces that are below the upper deck and open

to the sea, as well as those spaces listed in paragraphs (b) through (f) of this section, are excluded spaces, except as under paragraph (g) of this section.

(b) A space that is within a structure and that is opposite an end opening extending from deck to deck (except for a curtain plate of a height not exceeding by more than one inch the depth of the adjoining deck beams) and having a breadth equal to or greater than 90 percent of the breadth of the deck at the line of the opening is an excluded space, subject to the following:

(1) Only the space between the actual end opening and a line drawn parallel to the line or face of the opening at a distance from the opening equal to one-half of the breadth of the deck at the line of the opening is excluded. (See § 69.75, figure 1.)

(2) If, because of any arrangement (except convergence of the outside plating as shown in § 69.75, figure 3), the breadth of the space is less than 90 percent of the breadth of the deck, only the space between the line of the opening and a parallel line drawn through the point where the athwartship breadth of the space is equal to 90 percent or less of the breadth of the deck is excluded. (See § 69.75, figures 2 and 4.)

(3) When any two spaces, either of which is excluded under paragraphs (b)(1) or (b)(2) of this section, are separated by an area that is completely open except for bulwarks or open rails, these two spaces must not be excluded if the separation between the two spaces is less than the least half breadth of the deck in way of the separation. (See § 69.75, figures 5 and 6.)

(4) When the deck at the line of an opening has rounded gunwales, the breadth of the deck is the distance between the tangent points indicated in § 69.75, figure 11.

(c) A space that is open to the weather and that is under an overhead deck covering with no connection on the space's exposed sides between the covering and the deck other than the stanchions necessary for the covering's support is an excluded space. An open rail or bulwark fitted at the vessel's side does not disqualify the space from being an excluded space if the height between the top of the rail or bulwark and the overhead structure or curtain

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plate (if fitted) is not less than 2.5 feet or one-third of the height of the space, whichever is greater. (See § 69.75, figure 7.)

(d) A space in a side-to-side structure directly in way of opposite side openings not less than 2.5 feet in height or one-third of the height of the structure, whichever is greater, is an excluded space. If the opening is only on one side of the structure, the space to be excluded is limited inboard from the opening to a maximum of one-half of the breadth of the deck in way of the opening. (See § 69.75, figure 8.)

(e) A space in a structure immediately below an uncovered opening in the deck overhead is an excluded space, if the opening is exposed to the weather and the space to be excluded is limited to the area of the opening. (See § 69.75, figure 9.)

(f) A recess in the boundary bulkhead of a structure which is exposed to the weather and which has an opening that extends from deck to deck without a

means of closing is an excluded space, if the interior width of the space is not greater than the width of the opening and extension of the space into the structure is not greater than twice the width of the opening. (See § 69.75, figure 10.)

(g) Any space described in paragraphs (a) through (f) of this section which fulfills at least one of the following conditions is not an excluded space:

(1) The space is fitted with shelves or other means designed for securing cargo or stores.

(2) The opening that would otherwise permit the space to be excluded space is fitted with a means of closure.

(3) Other features of the space make it possible for the space to be closed.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG–2011–0522, 81 FR 18721, Mar. 31, 2016]

**§ 69.63 Net tonnage ITC.**

Net tonnage ITC (NT ITC) is determined by the formula:

$$\text{NT ITC} = K_2 V_c \left( \frac{4d}{3D} \right)^2 + K_3 \left( N_1 + \frac{N_2}{10} \right),$$

in which:

$V_c$  = total volume of cargo spaces in cubic meters.

$$K_2 = 0.2 + 0.02 \log_{10} V_c$$

$$K_3 = 1.25 \left( \frac{\text{GT ITC} + 10,000}{10,000} \right)$$

$D$  = molded depth amidships in meters, as "molded depth" is defined in § 69.53.

$d$  = molded draft amidships in meters, as "molded draft" is defined in § 69.53.

$N_1$  = number of passengers in cabins with not more than eight berths, as "passenger" is defined in § 69.53.

$N_2$  = number of other passengers, as "passenger" is defined in § 69.53.

GT ITC = gross tonnage ITC as determined under § 69.57.

$N_1$  plus  $N_2$  must equal the total number of passengers the vessel is permitted to carry as indicated on the ship's Passenger Certificate. If  $N_1$  plus  $N_2$  is less than 13, both  $N_1$  and  $N_2$  are zero.

$\left( \frac{4d}{3D} \right)^2$  must not be greater than unity.

$K_2 V_c \left( \frac{4d}{3D} \right)^2$  must not be less than 0.25 GT ITC.

NT ITC must not be less than 0.30 GT ITC.

[USCG-2011-0522, 81 FR 18721, Mar. 31, 2016]

#### § 69.65 Calculation of volumes.

(a) Volumes  $V$  and  $V_c$  used in calculating gross tonnage ITC and net tonnage ITC, respectively, must be measured and calculated according to accepted naval architectural practices for the spaces concerned.

(b) Measurements must be taken, regardless of the fitting of insulation or the like, to the inner side of the shell or structural boundary plating in vessels constructed of metal, and to the outer surface of the shell or to the inner side of structural boundary surfaces in all other vessels.

[USCG-2011-0522, 81 FR 18722, Mar. 31, 2016]

#### § 69.67 Marking of cargo spaces.

Cargo spaces used in determining volume ( $V_c$ ) for calculating net tonnage must be permanently marked with the letters "CC" (cargo compartment) which are at least four inches in height and positioned so as to be visible at all times.

#### § 69.69 Tonnage certificates.

(a) On request of the vessel owner, the authorized measurement organization must issue an International Tonnage Certificate (1969) as evidence of the vessel's measurement under this subpart for a vessel that is 24 meters (79.0 feet) or more in registered length, will engage on a foreign voyage, and is

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not a vessel of war. The Certificate is delivered to the vessel owner or master and must be maintained on board the vessel when it is engaged on a foreign voyage. For a vessel for which a re-measurement under § 69.71 resulted in a net tonnage ITC decrease due to changes other than alterations or modifications to the vessel deemed by the Commandant to be of a major character, an International Tonnage Certificate (1969) reflecting the decreased net tonnage ITC will not be reissued until 12 months have elapsed from the date of measurement indicated on the current certificate.

(b) If an International Tonnage Certificate (1969) is not issued for a vessel measured under this part, the measurement organization must issue a U.S. Tonnage Certificate as evidence of the vessel's measurement under this subpart, which must also indicate the vessel's measurement under any other subpart of this part. There is no requirement to maintain the U.S. Tonnage Certificate on board the vessel.

(c) For a vessel that transfers flag to a foreign country that is party to the Convention, the International Tonnage Certificate (1969) remains valid for a period not to exceed 3 months after the flag transfer, or until an International Tonnage Certificate (1969) is issued under authority of the foreign country to replace it, whichever is earlier.

[USCG-2011-0522, 81 FR 18722, Mar. 31, 2016]

### **§ 69.71 Change of net tonnage.**

(a) When a vessel is altered so that the net tonnage is increased, the new net tonnage must be applied immediately.

(b) A vessel concurrently assigned load lines under both the International Convention on Load Lines and either the International Convention for the Safety of Life at Sea (SOLAS) or other international agreement must be assigned only one net tonnage. The net tonnage assigned must be the net ton-

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nage applicable to the load line assigned under the International Convention on Load Lines, SOLAS or other international agreement for the trade in which the vessel is engaged.

(c) When a vessel is altered so that the net tonnage is decreased or the vessel's trade is changed so that the load line assigned for that trade under paragraph (b) of this section is no longer appropriate and results in a decrease in its net tonnage, a new International Tonnage Certificate (1969) incorporating that net tonnage may not be issued until twelve months after the date on which the current Certificate was issued. However, if one of the following apply, a new Certificate may be issued immediately:

(1) The vessel is transferred to the flag of another nation.

(2) The vessel undergoes alterations or modifications which the Commandant deems to be of a major character, such as the removal of a superstructure which requires an alteration of the assigned load line.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2011-0522, 81 FR 18722, Mar. 31, 2016]

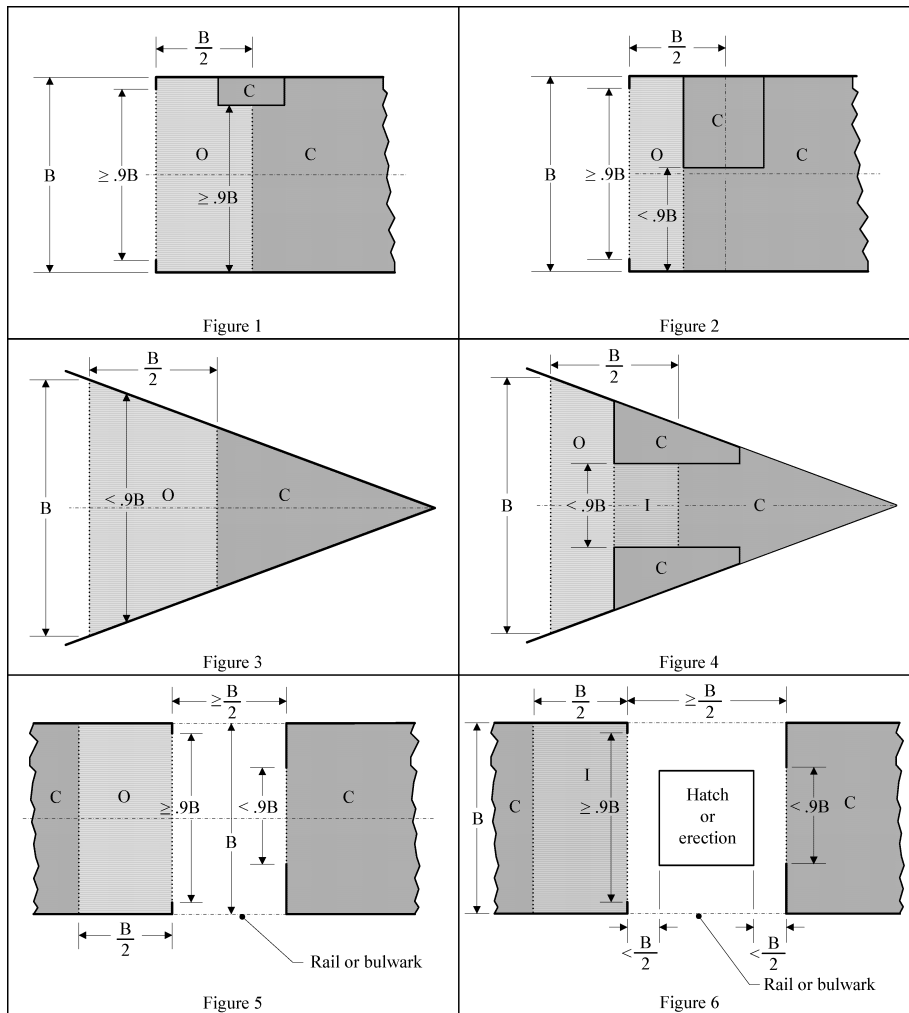
### **§ 69.73 Treatment of novel type vessels.**

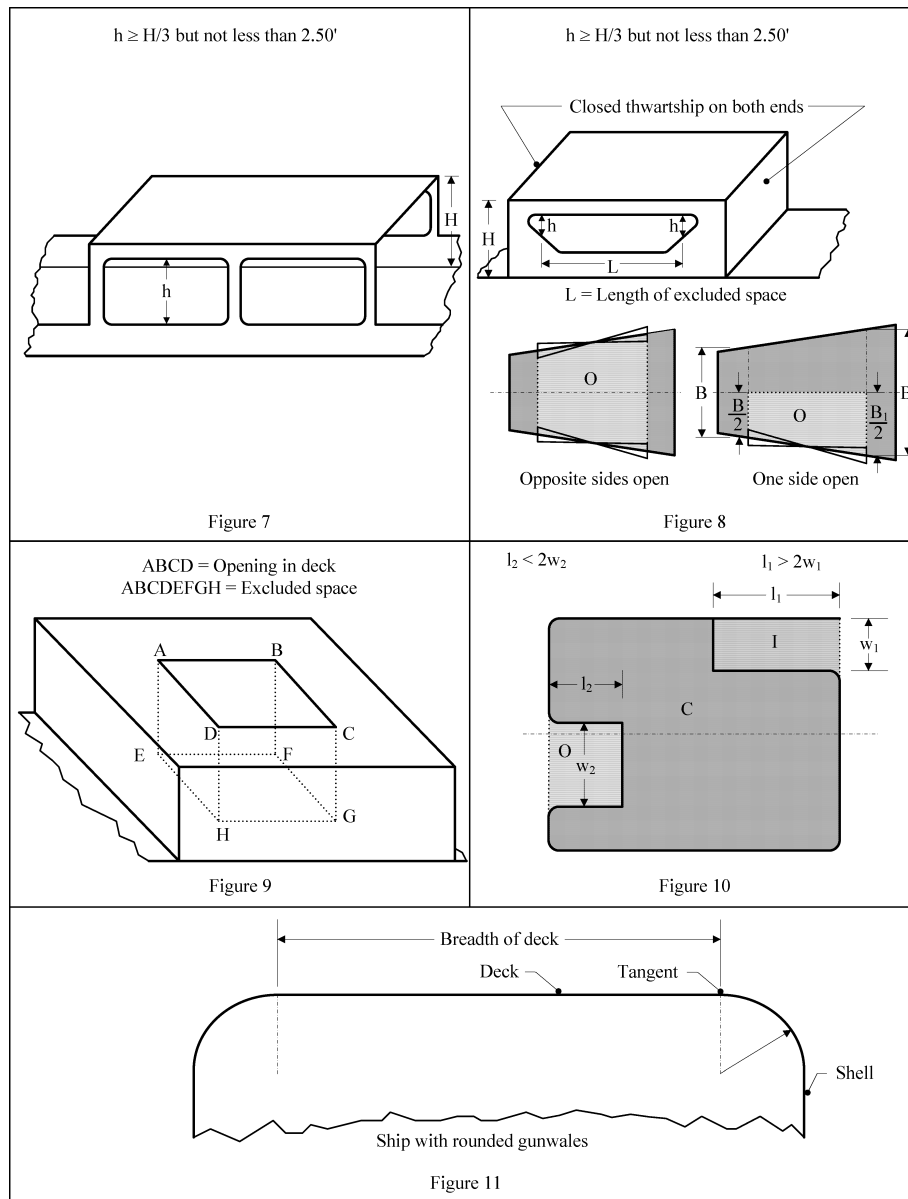
(a) When application of this subpart to a novel type vessel produces unreasonable or impractical results, the Commandant may determine a more suitable method of measurement.

(b) Requests for a determination must be submitted to the Commandant, explaining the reasons for seeking a determination, and including a description of the spaces in question, if applicable.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 97-057, 62 FR 51045, Sept. 30, 1997; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2011-0522, 81 FR 18722, Mar. 31, 2016]

### **§ 69.75 Figures.**





[USCG-2011-0522, 81 FR 18722, Mar. 31, 2016]

### Subpart C—Standard Regulatory Measurement System

#### § 69.101 Purpose.

This subpart prescribes the procedures for measuring a vessel under the

Standard Regulatory Measurement System described in 46 U.S.C. 14512.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18724, Mar. 31, 2016]

### § 69.103 Definitions.

As used in this subpart—

*Between-deck* means the space above the line of the tonnage deck and below the line of the deck next above.

*Break* means the space between the line of a deck and the upper portion of that deck, in cases where that deck is stepped and continued at a higher elevation.

*Camber* means the perpendicular rise or crown of a deck at the centerline of the vessel measured above the skin of the vessel at the vessel's sides.

*Ceiling* means the permanent planking or plating fitted directly on the inboard side of frames, floors, or double bottom and includes cargo battens and refrigeration insulation but does not include false ceiling which stands off from the framing.

*Coaming* means both the vertical plating around a hatch or skylight and the sill below an opening in a bulkhead.

*Deckhouse* means a structure that is on or above the uppermost complete deck and that does not extend from side to side of the vessel. The term includes cabin trunks and closed-in spaces over the holds of vessels.

*Depth of frame* means the perpendicular depth of a bottom frame and the athwart distance between the inboard and outboard faces of a side frame.

*Double bottom* means a space at the bottom of a vessel between the inner and outer bottom plating and used solely for water ballast.

*Double bottom for water ballast* means a space at the bottom of a vessel between the inner and outer bottom plating, used solely for water ballast.

*Floor* means a vertical plate or timber extending from bilge to bilge in the bottom of a vessel. In a wooden vessel, "floor" means the lowermost timber connecting the main frames at the keel when that timber extends the full depth of the frames to which it is fastened. In a double bottom, floors usu-

ally extend from the outer to the inner bottom.

*Gross register tonnage* is defined in § 69.107(a).

*Hatch* means an opening in a deck through which cargo is laden or discharged.

*Line of the normal frames* means the imaginary horizontal line that connects the inboard faces of the smallest normal frames.

*Line of the ordinary frames* means the line of intersection of the imaginary surface or surfaces tangent to the inboard faces of the ordinary frames (or the inside of the vessel's skin, if there are no ordinary frames), and the imaginary plane running transversely through the vessel at the tonnage station of interest.

*Line of tonnage deck* means the line determined under § 69.109(e).

*Line of uppermost complete deck* means the line determined under § 69.111(b).

*Net register tonnage* is defined in § 69.107(b).

*Normal frame* means a frame, regardless of size, used to stiffen a structure.

*Ordinary frame* means a primary side or bottom frame or floor used for strengthening the hull.

*Registered breadth* is defined in § 69.53.

*Registered depth* means "molded depth" as defined in § 69.53.

*Registered length* is defined in § 69.53.

*Shelter deck* means the uppermost deck that would have qualified as the uppermost complete deck had it not been fitted with a middle line opening.

*Step* means a cutoff in a deck or in the bottom, top, or sides of a space resulting in varying heights of a deck or varying heights or widths of a space.

*Superstructure* means all permanently closed-in structures, including all portable enclosed spaces, on or above the line of the uppermost complete deck or, if the vessel has a shelter deck, on or above the line of the shelter deck. Examples of superstructure spaces include forecastles, bridges, poops, deckhouses, breaks, portable tanks, and modular quarters units.

*Tonnage deck* is defined in § 69.109(c).

*Tonnage interval* means the longitudinal distance between transverse sections of a vessel's under-deck, between-deck, or superstructure when divided



## § 69.105

into an even number of equal parts for purposes of volume integration.

*Tonnage length* is defined in § 69.109(f).

*Tonnage station* means the longitudinal location of each transverse section where breadth and depth measurements are taken when calculating under-deck volumes under this subpart. Tonnage stations are numbered consecutively from fore to aft, beginning with the number one.

*Uppermost complete deck* is defined in § 69.108.

*Zone of influence method* means a Simpson's first rule integration method for determining volumes of under-deck spaces that limits the sectional areas associated with these spaces to the sectional areas at adjacent under-deck tonnage stations, depending on their proximity to those stations. For stations for which the under-deck sectional areas are multiplied by four, the zone of influence extends two-thirds of a tonnage interval on either side of the under-deck station, and for the remaining stations, the zone of influence extends one-third of a tonnage interval on either side of the station.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18724, Mar. 31, 2016]

## § 69.105 Application for measurement services.

Applications for measurement services under this subpart must include the following information and plans:

- (a) Type of vessel.
- (b) Vessel's name and official number (if assigned).
- (c) Builder's name and the vessel hull number assigned by the builder.
- (d) Place built and delivery date (or scheduled delivery date).
- (e) Date keel was laid.
- (f) Overall length, breadth, and depth of vessel.
- (g) Lines plan.
- (h) Booklet of offsets.
- (i) Capacity plans for tanks
- (j) Construction plans showing measurements and scantlings of hull and superstructure.
- (k) Tonnage drawing showing tonnage length in profile and tonnage sections.

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- (1) Arrangement plans.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 95-014, 60 FR 31606, June 15, 1995; USCG-2011-0522, 81 FR 18725, Mar. 31, 2016]

## § 69.107 Gross and net register tonnage.

(a) The vessel's gross register tonnage is the sum of the following tonnages, less the tonnages of certain spaces exempt under § 69.117:

- (1) Under-deck tonnage (§ 69.109).
- (2) Between-deck tonnage (§ 69.111).
- (3) Superstructure tonnage (§ 69.113).
- (4) Excess hatchway tonnage (§ 69.115(c)).

(5) Tonnage of framed-in propelling machinery spaces included in calculating gross tonnage (§ 69.121(d)(1)).

(b) The vessel's net register tonnage is the gross register tonnage less deductions under §§ 69.119 and 69.121.

(c) The authorized measurement organization must issue a U.S. Tonnage Certificate as evidence of a vessel's measurement under this subpart, which must also indicate the vessel's measurement under the Convention Measurement System in subpart B of this part, if applicable. There is no requirement to maintain the U.S. Tonnage Certificate on board the vessel.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18725, Mar. 31, 2016]

## § 69.108 Uppermost complete deck.

(a) *Defined.* "Uppermost complete deck" means the uppermost deck which extends from stem to stern and from side to side at all points of its length and is bound by the vessel's hull.

(b) *Restrictions.* The uppermost complete deck must not:

- (1) Extend above any space exempted as open space under paragraph (d) of § 69.117;
- (2) Extend below the design waterline, except in the case of vessels such as submersibles, where the entire uppermost complete deck is submerged during normal operations; or
- (3) Rest directly on consecutive or alternating ordinary bottom frames or floors for a distance of over one-half of the tonnage length.

(c) *Deck discontinuities.* Decking athwartships of the following deck discontinuities is not considered to be part of the uppermost complete deck:

(1) Through-deck openings that are not protected from the sea and the weather, such as would be provided by hatch covers or a surrounding superstructure that encloses the opening and whose area is more than 10 percent of the total deck area from stem to stern as viewed from above.

(2) Middle line openings conforming to the requirements of § 69.117(e)(2).

(3) Deck recesses that are not through-hull for which the depth of the deck recess at its deepest point is more than five feet below adjacent portions of the deck, and whose area (as viewed from above) is more than 10 percent of the total deck area from stem to stern, as viewed from above.

(4) Notches bounded by a deck below that wrap around from the ends to the sides of the vessel for which the depth at the deepest point is more than five feet below adjacent portions of the deck, the area is more than one percent of the total deck area from stem to stern as viewed from above, the length of the notch in the direction of the vessel's longitudinal axis exceeds 10 feet at any point across its width, and the width of the notch in the direction of the vessel's longitudinal axis exceeds two feet at any point along its length.

[USCG-2011-0522, 81 FR 18725, Mar. 31, 2016]

#### § 69.109 Under-deck tonnage.

(a) *Defined.* “Under-deck tonnage” means the tonnage of the space below the line of the tonnage deck, as that volume is calculated under this section.

(b) *Method of calculating tonnage.* Under-deck tonnage is calculated by applying Simpson's first rule using the tonnage length and the areas of the transverse sections prescribed by this section.

(c) *Identifying the tonnage deck.* In vessels with two or less enumerated decks, the tonnage deck is the uppermost complete deck. In vessels with more than two enumerated decks, the tonnage deck is the second enumerated deck from the keel as determined in paragraph (d) of this section.

(d) *Enumerating the decks to identify the second deck from the keel.* The uppermost complete deck is an enumerated deck. Decks below the uppermost complete deck that extend from stem to stern and side to side at all points along their lengths are also enumerated, provided they are not disqualified by either of the following deck discontinuities:

(1) A through-deck opening that is not fitted with a cover (or equivalent) and whose area is more than 10 percent of the total deck area, as viewed from above.

(2) A deck recess that is not through-hull for which the depth at its deepest point is more than five feet below adjacent portions of the deck and whose area as viewed from above is more than 10 percent of the total deck area from stem to stern, as viewed from above.

(e) *Identifying the line of the tonnage deck.* (1) If the tonnage deck runs in a continuous line from stem to stern, the line of the tonnage deck is the longitudinal line at the underside of the tonnage deck.

(2) If the tonnage deck is stepped, the line of the tonnage deck is the longitudinal line of the underside of the lowest portion of that deck parallel with the upper portions of that deck. Steps that do not extend from side to side or are less than three feet in length are ignored when establishing the line of the tonnage deck. (See § 69.123, figures 1 and 2.) Spaces between the line of the tonnage deck and the higher portions of that deck are not included in under-deck tonnage.

(f) *Tonnage length.* (1) “Tonnage length” means the length of a horizontal straight line measured at the centerline of the vessel from the point forward where the line of the tonnage deck intersects the line of the inboard faces of the ordinary side frames to the point aft where the line of the tonnage deck intersects the inboard face of the ordinary transom frames or cant frames. (See § 69.123, figure 3.)

(2) For a vessel having a headblock or square end with framing which extends from the tonnage deck to the bottom of the vessel, the tonnage length terminates on the inboard face of the headblock or ordinary end frames. (See § 69.123, figure 4.)

(3) For a vessel having a square bow or stern and tonnage deck with camber, the effect of the camber on the tonnage length must be considered. The tonnage length must be measured below the tonnage deck at a distance equal to one-third of round camber and one-half of straight pitch camber.

(4) The forward and after termini of the tonnage length must be a distance of no more than eight and one-half feet from the associated inboard surface of the skin of the hull at the bow and stern as measured at the centerline of the vessel, and the after terminus must not be forward of the centerline of the rudderstock.

(g) *Division of vessel into transverse sections.* (1) Except as under paragraph (m)(1)(iii) of this section, the tonnage length is divided into an even number of equal parts as indicated in the following table:

Class	Tonnage length	Divisions
1 .....	50 ft. or less .....	6
2 .....	Over 50 ft. but not exceeding 100 ft	8
3 .....	Over 100 ft. but not exceeding 150 ft.	10
4 .....	Over 150 ft. but not exceeding 200 ft.	12
5 .....	Over 200 ft. but not exceeding 250 ft.	14
6 .....	Over 250 ft. ....	16

(2) Transverse sections are cut at each end of the tonnage length and at each point of division of the tonnage length, whose location is referred to as a tonnage station, and assigned sequential tonnage station numbers, beginning at the stem. Intervals and one-third intervals between the points of division are measured to the nearest thousandth of a foot. (See § 69.123 figures 5 and 6.)

(h) *Depths of transverse sections.* (1) Transverse section depths are measured at each point of division of the tonnage length at the centerline of the vessel from a point below the line of the tonnage deck equal to one-third of the camber or to one-half of the pitch of the beam down to the upper side of the ordinary frames, floors, longitudinals, or tank top of a double bottom for water ballast, as the case may be.

(2) When a depth falls at a point where the tank top of a double bottom

for water ballast has a straight fall from centerline to the wings, the depth terminates at one-half of the height of fall. (See § 69.123 figure 8.)

(3) When a depth falls at a point where the tank top of a double bottom for water ballast rises from the centerline to the wings, the depth terminates at one-half the dead rise. (See § 69.123, figure 9.)

(4) The depth at the midpoint of the tonnage length or, when a vessel is measured in parts, the depth at the midpoint of each part determines the number of equal parts into which each depth is divided, as follows:

(i) If the midpoint depth is 16 feet or less, each depth is divided into four equal parts. If the midpoint depth exceeds 16 feet, each depth is divided into six equal parts. (See § 69.123, figure 7.)

(ii) The interval between the points of division of a depth and one-third intervals are carried to the nearest hundredth of a foot.

(i) *Breadths of transverse sections.* (1) Transverse section breadths are measured horizontally at each point of division of each depth and also at the upper and lower points of each depth. Breadths are measured to the inboard face of the ordinary frames or to the line of the ordinary frames. Breadths are measured parallel to each other and at right angle to the vessel's centerline. (See § 69.123, figure 7.)

(2) Upper breadths are not reduced by measuring to deck-beam brackets. In cases of camber when an upper breadth passes through the deck (see § 69.123, figure 7), the breadth is measured to the line of the side frames at the under side of the deck projected vertically up to the height of the upper breadth.

(3) Bottom breadths are measured only as far as the flat of the floor extends. (See § 69.123, figures 7 and 10.) When bottom frames rise immediately from the flat keel, bottom breadths are equal to the breadth of the flat keel. Where there is no double bottom for water ballast and where there is dead rise of the bottom out to the sides of the vessel, bottom breadths are equal to the part of the bottom plating not affected by dead rise.

(4) Bottom breadths falling in way of a double bottom, the top of which rises or falls from centerline to the wings,

are measured between the inboard faces of the frame brackets which connect the double bottom with the frames. (See § 69.123, figures 8 and 9.)

(j) *Measuring spaces having ceiling.* The maximum allowance for terminating measurements on ceiling is three inches on the bottom frames or tank top and three inches on each side frame. When ceiling is less than three inches thick, only the actual thickness is allowed. When ceiling is fitted on a platform directly above the bottom frames, depths are measured down through the platform to the upper side of the frames and the allowable ceiling on the platform is then deducted.

(k) *Area of transverse sections.* (1) A transverse section at an end of the tonnage length may not yield area, except in vessels (such as barges) with an upright bow or stern.

(2) The breadths of each transverse section are numbered from above, the upper being "1", the second down being "2", and so on to the lowest.

(3) Multiply the even numbered breadths by four and the odd numbered breadths by two, except for the first and last breadths, which are multiplied by one.

(4) Add together the products from paragraph (k)(3) of this section.

(5) Multiply the sum from paragraph (k)(4) of this section by one-third of the interval between the breadths. The product is the area of the transverse section.

(l) *Tonnage.* (1) Number the transverse sections successively "1", "2", and so forth, beginning at the bow.

(2) Multiply the area of the even numbered sections by four and the area of the odd numbered sections by two, except the first and last sections, which are multiplied by one.

(3) Add together the products from paragraph (l)(2) of this section and multiply the sum by one-third of the interval between the sections. The product is the volume under-deck.

(4) The volume under-deck is divided by 100 and is, subject to exemptions, the under-deck tonnage.

(m) *Steps in double bottom for water ballast.* (1) The tonnage length of a vessel having a step exceeding six inches in height in its double bottom for water ballast is divided into longitu-

dinal parts at the step. Each part is subdivided as follows to determine the number of transverse sections:

(i) Parts 20 feet or under in length are divided into two equal parts.

(ii) Parts over 20 feet and under 40 feet in length are divided into four equal parts.

(iii) Parts 40 feet or over are divided as provided in paragraph (g)(1) of this section.

(2) The tonnage of each part is calculated separately. The sum of the tonnages of the parts is the under-deck tonnage.

(n) *Spaces open to the sea.* In calculating the tonnage of spaces below the uppermost complete deck, subtract from each breadth measurement the portion of that measurement that spans a space, or a portion thereof, that is open to the sea.

(o) *Open vessels.* (1) An open vessel is a vessel without an uppermost complete deck.

(2) The line of the tonnage deck for an open vessel is the upper edge of the upper strake. Depths of transverse sections are taken from this line.

(3) Any vessel, other than one having a mechanically refrigerated hold, that is not an open vessel and that has a tonnage length of less than 50 feet is measured as an open vessel, if the distance between the line of its tonnage deck and the upper edge of the upper strake is more than one-sixth of the midship depth. "Midship depth" means the depth measured from the line of the upper edge of the upper strake to the point in the bottom used for measuring tonnage depths.

(p) *General requirements on ordinary frames—*(1) *Construction.* An ordinary frame must not be penetrated by an intersecting frame used to strengthen the vessel's hull, except in a vessel of wooden construction. Ordinary frames must be of the same material, or have the same material properties, as the adjacent hull, and attach to the adjacent hull to at least the same extent as adjacent ordinary and normal frames. If comprised of different elements, the elements must be joined to each other to the same extent that the frame is joined to the hull. The frame, or portions thereof, not meeting these requirements must be treated as if not

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there when establishing the line of the ordinary frames.

(2) *Frame spacing and extension.* Ordinary frames used to establish the line of the ordinary frames must be spaced on centers that are a maximum of four feet apart. These frames must extend for a length of at least one tonnage interval that begins at, ends at, or crosses the associated tonnage station. For a longitudinally-framed vessel, the frames must begin and end at a transverse ordinary frame or at the vessel's hull.

(3) *Different sized framing.* When an ordinary frame has a different depth of frame than an adjacent ordinary frame, the line of the ordinary frames is established using the set of alternating frames that yields the smallest sectional area at the associated tonnage station, with the sectional area based on the frame with the smallest depth of frame in the chosen alternating set.

(4) *Frame openings.* If an opening in an ordinary frame is oversized, or is penetrated by a frame other than an ordinary frame, the line of the ordinary frames is established as if the frame material above and inboard of the opening is not there. Similarly, frame material separating adjacent openings that are within the longest linear dimension of either opening must be treated as if not there when establishing the line of the ordinary frames. An opening is oversized if the opening is:

- (i) Circular in shape with a diameter exceeding 18 inches;
- (ii) Oval in shape of a size greater than 15 × 23 inches (*i.e.*, either the minor axis exceeds 15 inches or the major axis exceeds 23 inches, and the oval's area exceeds 255 square inches (345 square inches in a fuel tank)); or
- (iii) Any shape other than circular or oval, whose area exceeds 255 square inches (345 square inches in a fuel tank).

(5) *Asymmetrical framing.* Where ordinary frames are configured such that the line of the ordinary frames would be asymmetrical about the centerline of the vessel, breadth measurements are determined by taking half-breadths on the side of the vessel that yields the greatest sectional area at the associated tonnage station, and multiplying

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those half-breadths by a factor of two to yield the full breadths.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989; 54 FR 40240, Sept. 29, 1989; USCG–2014–0688, 79 FR 58281, Sept. 29, 2014; USCG–2011–0522, 81 FR 18725, Mar. 31, 2016]

### § 69.111 Between-deck tonnage.

(a) *Defined.* “Between-deck tonnage” means the tonnage of the space above the line of the tonnage deck and below the line of the uppermost complete deck.

(b) *Identifying the line of the uppermost complete deck.* (1) If the uppermost complete deck runs in a continuous line from stem to stern, the line of the uppermost complete deck is the longitudinal line of the underside of the uppermost complete deck.

(2) If the uppermost complete deck is stepped, the line of the uppermost complete deck is the longitudinal line of the underside of the lowest portion of that deck parallel with the upper portions of that deck. Steps that do not extend from side to side or are less than three feet in length are ignored when establishing the line of the uppermost complete deck. Spaces between the line of the uppermost complete deck and the higher portions of the deck are included in superstructure tonnage.

(c) *Method for calculating tonnage.* The tonnage of each level of the between-deck space is calculated separately, as follows:

(1) The length of each level is measured at the mid-height between the line of the deck above and the line of the deck below. Measure from the point forward where the continuation of the line of the normal frames intersects the center line of the vessel aft to the forward face of the normal transom framing.

(2) Divide the length under paragraph (c)(1) of this section into the same number of equal parts into which the tonnage length is divided under § 69.109(g)(1).

(3) Measure at mid-height the inside breadth of the space to the line of the normal frames at each end and at each point of division of the length. Number the breadths successively “1”, “2”, and so forth beginning at the bow.

(4) Multiply the even numbered breadths by four and the odd numbered breadths by two, except the first and last, which are multiplied by one.

(5) Add together the products under paragraph (c)(4) of this section and multiply the sum by one-third of the interval between the points at which the breadths are taken. The product is the square foot area of the space at mid-height.

(6) Multiply the area of the space at mid-height by the average of the heights taken each point of division of the space. The product divided by 100 is the tonnage of that space.

(7) The between-deck tonnage is the sum of the tonnage of each level within the between-deck space.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 97-057, 62 FR 51045, Sept. 30, 1997; USCG-2011-0522, 81 FR 18726, Mar. 31, 2016]

#### § 69.113 Superstructure tonnage.

(a) *Defined.* “Superstructure tonnage” means the tonnage of all superstructure spaces.

(b) *Method of calculating tonnage.* The tonnage of all structures on each level on or above the uppermost complete deck (or shelter deck, if applicable) is calculated separately as follows:

(1) Measure the length of each structure along its centerline at mid-height to the line of the normal frames. (See § 69.123, figure 11.)

(2) Divide the length under paragraph (b)(1) of this section into an even number of equal parts most nearly equal to those into which the tonnage length is divided under § 69.109.

(3) Measure at mid-height the inside breadth to the line of the normal frames at each end and at each point of division of the length. Number the breadths successively “1”, “2”, and so forth, beginning at the extreme forward end of the structure. If an end of the structure is in the form of a continuous arc or curve, the breadth at that end is one-half the nearest breadth. If an end is in the form of an arc or curve having a decided flat, the breadth at the end is two-thirds of the nearest breadth.

(4) Multiply the even numbered breadths by four and the odd numbered

by two, except the first and last breadth, which are multiplied by one.

(5) Add together the products under paragraph (b)(4) of this section and multiply the sum by one-third of the interval between the points at which the breadths are taken. The product is the square foot area of the structure at mid-height.

(6) Multiply this area by the average of the heights taken at each point of division of the structure between its decks or the line of its decks. The product divided by 100 is the tonnage of that structure.

(c) A structure having steps in its deck or side must be measured in parts.

(d) The superstructure tonnage is the sum of tonnages of each level above the line of the uppermost complete deck (or shelter deck, if applicable).

(e) When a structure is located over a cut-away portion of the tonnage deck, the structure's height is measured from the under side of its overhead deck to the line of the tonnage deck. If the tonnage deck has no camber, allow for camber in the overhead deck.

(f) For structures of a standard geometric shape, a simple geometric formula that yields an accurate volume may be used. All measurements are terminated at the line of the normal frames.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2014-0688, 79 FR 58281, Sept. 29, 2014; USCG-2011-0522, 81 FR 18726, Mar. 31, 2016]

#### § 69.115 Excess hatchway tonnage.

(a) Hatchways that are above the tonnage deck and are either open to the weather or within open structures are measured to determine excess hatchway tonnage. Hatchways that are in between-deck spaces, on decks within closed-in structures, or on open structures are not measured.

(b) The tonnage of a hatchway is its length times breadth times mean depth divided by 100. Mean depth is measured from the under side of the hatch cover to the top of the deck beam.

(c) From the sum of the tonnage of the hatchways under this section, subtract one-half of one percent of the vessel's gross register tonnage exclusive of the hatchway tonnage. The remainder

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is added as excess hatchway tonnage in calculating the gross register tonnage.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG–2011–0522, 81 FR 18727, Mar. 31, 2016]

### § 69.117 Spaces exempt from inclusion in tonnage.

(a) *Purpose.* This section lists spaces which are exempt from inclusion in tonnage.

(b) *Spaces on or above the line of the uppermost complete deck.* The following spaces or portions of spaces on or above the line of the uppermost complete deck are exempt if the spaces or portions are reasonable in extent and adapted and used exclusively for the purpose indicated:

(1) Spaces for anchor gear, including capstan, windlass, and chain locker, are exempt.

(2) Companions and booby-hatches protecting stairways or ladderways leading to spaces below are exempt, whether or not the spaces below are exempt.

(3) Galley or other spaces fitted with a range or oven for cooking food to be consumed on board the vessel are exempt.

(4) Spaces designed to provide light or air to propelling machinery are exempt, as follows:

(i) When propelling machinery is located entirely on or above the line of the uppermost complete deck, the entire propelling machinery space and all fuel bunker spaces that are also located above that line are exempt as light or air spaces. (See exception in § 69.121(d)(1) for framed-in spaces.)

(ii) When part of the propelling machinery projects above the line of the uppermost complete deck into a space used exclusively to provide light or air to the propelling machinery, the entire space is exempt as light or air space. When any portion of this space is used for purposes other than providing light or air, only the portion of the space used for light or air, the space occupied by the propelling machinery itself, and a propelling machinery working space allowance under § 69.121 limited to two feet, if available, on each side of the propelling machinery are exempt.

(iii) Any part of an escape shaft, or a companion sheltering an escape shaft,

above the line of the uppermost complete deck is exempt as light or air space.

(iv) Space that would otherwise be exempt as a light or air space is not exempt when propelling machinery is boxed-in and does not extend above the line of the uppermost complete deck. Any portion of the boxed-in space above the line of the uppermost complete deck is exempt.

(5) Skylights affording light or air to a space below, other than to propelling machinery spaces. Space immediately below the line of the deck on which a skylight is located is exempt only when there is an opening in the next lower deck directly below the skylight to permit light or air to an even lower deck.

(6) Machinery spaces, other than for propelling machinery under § 169.121.

(7) Spaces for steering gear.

(8) Water closet spaces that are fitted with at least a toilet and are intended for use by more than one person.

(9) The space in a wheelhouse necessary for controlling the vessel.

(c) *Passenger spaces.* (1) As used in this section, the term “passenger” includes officers and enlisted men on military vessels who are not assigned ship’s duties and not entered on the ship’s articles.

(2) As used in this section, “passenger space” means a space reserved exclusively for the use of passengers and includes, but is not limited to, berthing areas, staterooms, bathrooms, toilets, libraries, writing rooms, lounges, dining rooms, saloons, smoking rooms, and recreational rooms. The space need not be part of or adjacent to a berthing area to be considered a passenger space. Spaces used by both passengers and crew members (e.g., first aid stations), or used for passenger support but not accessible to passengers at all times (e.g., vaults on a gaming vessel) cannot be exempted as passenger space.

(3) A passenger space located on, or above the first deck above the uppermost complete deck is exempt from tonnage. To qualify as the first deck above the uppermost complete deck, the deck must be at least six inches above the uppermost complete deck at all points along its length.

(d) *Open structures.* (1) Structures that are located on or above the line of the uppermost complete deck that are under cover (sheltered), but open to the weather are exempt from tonnage as open space. The following additional requirements apply:

(i) If a structure is divided into compartments, only those compartments which are open to the weather are exempt from tonnage under the provisions of this section.

(ii) Open space cannot progress vertically through openings in a deck within the structure.

(iii) A space that is outside a structure's boundary bulkhead as defined in § 69.53 is considered open to the weather provided the space is eligible to be treated as an excluded space under the provisions of § 69.61, regardless of whether or not the space is fitted with means designed for securing cargo or stores.

(2) A structure is considered open to the weather when an exterior end bulkhead of the structure is open and, except as provided in paragraphs (d)(4), (5), and (6) of this section, is not fitted with any means of closing. To be considered open to the weather, the end bulkhead must not have a coaming height of more than two feet in way of any required opening nor any permanent obstruction within two and one-half feet of the opening, it must be fitted with a deck or platform that is a minimum of two and one-half feet wide on the exterior side of the opening, and it must have one of the following:

(i) Two openings, each at least three feet wide and at least four feet high in the clear, one on each side of the centerline of the structure. If the openings lead to two separate interior compartments, there must be circulation of open space between the two compartments via a single such opening, or series of such openings, in the intermediate bulkhead(s).

(ii) One opening at least four feet wide and at least five feet high in the clear.

(iii) One opening at least 20 square feet in the clear with a breadth in excess of four feet and a height of not less than three feet.

(3) A compartment within an open structure is considered open to the

weather only when an interior bulkhead of that compartment has an opening or openings that meet the requirements for end bulkheads under paragraphs (d)(2)(i) and (iii) of this section. Other compartments within the structure are not considered open to the weather. The following additional requirements apply:

(i) For the interior compartment to be considered open to the weather, any compartment or series of compartments from which the open space progresses must have an opening or openings meeting the requirements for end bulkhead openings, except that the opening(s) need not be located in the forward or after end of the compartment.

(ii) Open space may not progress from a space that is open under the provisions of paragraph (d)(1)(iii) of this section unless the space may also be considered open under another provision of this section.

(4) An interior or exterior opening that is temporarily closed by shifting boards dropped into channel sections at the sides of the opening is considered open to the weather if battening, caulking, or gaskets of any material are not used.

(5) An interior or exterior opening that is temporarily closed by cover plates or boards held in place only by hook bolts (see § 69.123, Figure 12) is considered open to the weather—

(i) If hook bolts used to secure cover plates or boards are spaced at least one foot apart and hook over a stiffener installed around the perimeter of the opening;

(ii) If the cover plates or boards fit tightly against the weather side of the bulkhead; and

(iii) If battening, caulking, or gaskets of any material are not used.

(6) An interior or exterior opening that is temporarily closed by cover plates or boards held in place only by bolts and crosspieces is considered open to the weather—

(i) If the bolts are not installed through the bulkhead;

(ii) If the bolts and crosspieces are not held in place by cleats or other attachments to or through the bulkhead;



(iii) If the cover plates or boards fit tightly against the weather side of the bulkhead; and

(iv) If battening, caulking, or gaskets of any material are not used.

(7) Notwithstanding the opening size requirements of paragraph (d)(2) of this section, a structure with its aft end entirely open from the under side of its overhead stiffeners down to the deck, to the line of the deck, or to a coaming not exceeding three inches in height and open athwartship between the in-board faces of the side stiffeners is considered open to the weather. The opening may be covered by a wire mesh screen or temporarily closed by canvas secured at the top and lashed or buttoned in place.

(8) A structure is considered open to the weather if:

(i) Both sides of the structure are open and not fitted with any means of closing other than temporary covers meeting the requirements of paragraphs (d)(4), (5), and (6) of this section;

(ii) The openings are directly across from each other, are not separated by a bulkhead or bulkheads, and do not have any permanent obstruction within two and one-half feet of either opening; and

(iii) The openings have a continuous height of at least three feet, or the full height of the structure, whichever is less, and either extend the full length of the structure or each have an area of 60 square feet.

(e) *Open space between the shelter deck and the uppermost complete deck.* (1) Space that is between the shelter deck and the uppermost complete deck and that is under cover (sheltered) but open to the weather is exempt from tonnage when all openings in the uppermost complete deck are provided with a watertight means of closing.

(2) A space is considered “open to the weather” under paragraph (e)(1) of this section when the shelter deck above the space has a middle line opening which conforms to the following:

(i) The middle line opening must be at least four feet long in the clear and at least as wide as the after cargo hatch on the shelter deck, but not less than one-half the width of the vessel at the midpoint of the length of the opening. The opening may have rounded

corners not exceeding a nine inch radius. When a greater radius is required by the Coast Guard or a Coast Guard recognized classification society under § 42.05–60 of this chapter, notification of that requirement must be submitted to the Commandant.

(ii) The middle line opening must be located so that the distance between the aft edge of the middle line opening and the vessel’s stern is not less than one-twentieth of the tonnage length of the vessel and the distance between the fore edge of the opening and the vessel’s stem is not less than one-fifth of the tonnage length of the vessel.

(iii) The middle line opening must not be within a structure of any type.

(iv) If the middle line opening is guarded by rails or stanchions, the rails and stanchions must not be used to secure or assist in securing a cover over the opening.

(v) The coaming of the middle line opening must not exceed one foot mean height above the shelter deck. Bolts must not pass through the stiffeners or flanges on the coaming, nor may there be any other attachments on the coaming for fastening a cover. Portable wood covers may be fitted over the middle line opening if held in place only by lashings fitted to the under side of the covers. Metal covers may be fitted if held in place only by hook bolts spaced not less than 18 inches apart that pass through the cover and hook over angle stiffeners or flanges fitted to the outside of the coaming. Battening, caulking, seals, or gaskets of any material may not be used in association with any middle line opening cover.

(vi) The space below the middle line opening must have a minimum length of four feet throughout its entire breadth and height and be in the clear at all times.

(vii) A scupper having a five inch minimum inside diameter and fitted with a screw down non-return valve geared to and operated from the shelter deck must be fitted on each side of the upper deck in way of the middle line opening.

(3) When the shelter deck space forward or aft of the middle line opening is divided by interior bulkheads, only those compartments with at least two

openings that progress to the middle line opening are considered “open to the weather” under paragraph (e)(1) of this section. Each required opening must be at least three feet wide and at least four feet high in the clear, must not have a coaming height of more than two feet, and must not be fitted (except as provided in paragraphs (d)(4), (d)(5), and (d)(6) of this section) with any means of closing. Other compartments within the shelter deck space are not considered “open to the weather” under paragraph (e)(1) of this section.

(f) *Water ballast spaces.* A space, regardless of location, adapted only for water ballast and not available for stores, supplies, fuel, or cargo (other than water to be used for underwater drilling, mining, and related purposes, including production), upon request, may be exempt from tonnage if the following are met:

(1) The space must be available at all times only for water ballast that is piped through a system independent of other systems (except fire fighting and bilge suction systems). Pumps, pipes, and other equipment for loading and unloading water ballast must be of a size suitable for the efficient handling of the water ballast within a reasonable time frame. All manholes providing access to a water ballast space must be oval or circular and not greater than 34 inches in diameter. Except for those on a deck exposed to the weather, the manholes may have a coaming not exceeding six inches in height. Existing hatches over spaces being converted to water ballast spaces must have a watertight cover plate welded to the hatch and a manhole, as described in this paragraph, fitted in the plating.

(2) The primary purpose of the water ballast must be to afford a means of maintaining the vessel's stability, immersion, trim, pre-loading conditions, or seakeeping capabilities.

(3) If the space is in a vessel that is subject to inspection under 46 U.S.C. 3301, the space must be considered when determining the adequacy of the vessel's stability under 46 CFR chapter I.

(4) If the total of all water ballast spaces to be exempted from tonnage

exceeds 30 percent of the vessel's gross register tonnage (as calculated under this subpart without any allowance for water ballast), a justification of the operating conditions that require the water ballast must be submitted to the measuring organization for approval. Although a single condition may justify all water ballast spaces, several conditions may be necessary in other cases. However, a particular tank is not justified by a condition if another tank already justified by another condition could be used as effectively. The justification must—

- (i) Designate the vessel's service;
- (ii) Explain for what purpose under paragraph (f)(2) of this section the water ballast is being used;
- (iii) Include the capacity, tank arrangement, and piping plans for the vessel;
- (iv) Include a statement certifying that the space will be used exclusively for water ballast as prescribed by this section;
- (v) If water ballast is used for stability, describe each loading condition and the resultant metacentric height (GM) and include calculations;
- (vi) If water ballast is used for immersion or trim, describe those conditions and include loading and trim calculations;
- (vii) If water ballast is used for pre-loading, describe how it is used and include strength and weight calculations; and
- (viii) If water ballast is used for seakeeping, describe each loading condition, GM, period of roll, and, if speed is involved, speed versus trim and draft and include calculations.

(5) If the water ballast space or its use, purpose, or piping are changed, the vessel owner or operator must report the change promptly to a measurement organization listed in § 69.15 for a determination as to whether a tonnage re-measurement is required. Changes in vessel service must also be reported if a water ballast justification was required to be submitted for the vessel.

(g) *Methods for measuring exempt spaces.* (1) If the exempt space is located within the superstructure, the exempt space is measured using the same procedures used to measure superstructure tonnage under § 69.113.

(2) If the exempt space is located between-deck, the space is measured using the same procedures used for between-deck tonnage under § 69.111(c), except that the length of the exempt space is divided into the even number of spaces most equal to the number of spaces into which the between-deck was divided.

(3) If the exempt space is located under-deck, the space is measured using the same procedures used for under-deck tonnage under § 69.109, except that the length of the exempt space is divided into the even number of spaces most equal to the number of spaces into which the under-deck was divided, and the zone of influence method must be applied if the ordinary frames upon which the under-deck breadth measurements are based do not have the same depth of frame.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989; 54 FR 40240, Sept. 29, 1989; CGD 97–057, 62 FR 51045, Sept. 30, 1997; CGD 95–028, 62 FR 51203, Sept. 30, 1997; USCG–1999–5118, 64 FR 47404, Aug. 31, 1999; USCG–2011–0522, 81 FR 18727, Mar. 31, 2016]

**§ 69.119 Spaces deducted from tonnage.**

(a) *Purpose.* This section lists the requirements for spaces (other than propelling machinery spaces under § 69.121) which, though included in calculating gross register tonnage (*i.e.*, are not exempt under § 69.117), are deducted from tonnage in deriving net register tonnage.

(b) *General.* (1) A deductible space must be used exclusively for, and be reasonable in size for, its intended purpose.

(2) When a space is larger than necessary for the safe and efficient operation of deductible equipment, only the space occupied by the equipment plus a two foot maximum working space on each side of the equipment, if available, is deductible.

(3) Space specified in this section may be located anywhere within the vessel, unless otherwise specified.

(c) *Anchor gear.* A space below the line of the uppermost complete deck occupied by the anchor gear, capstan, windlass, and chain locker is deductible. A fore peak used exclusively as

chain locker is measured by the method prescribed under § 69.117(g)(3).

(d) *Boatswain's stores.* A space containing oils, blocks, hawsers, rigging, deck gear, or other boatswain's stores for daily use is deductible. The maximum deduction allowed for vessels less than 100 gross register tons is one ton and, for vessels 100 gross register tons or over, is one percent of the gross register tonnage, not to exceed 100 tons.

(e) *Chart room.* A space for keeping charts and nautical instruments and for plotting the vessel's course is deductible. For a combined wheelhouse and chart room, that part not exempted as wheelhouse under § 69.117(b)(9) is deductible. For small vessels in which the only space for a chart room is in a cabin or saloon, one half the space not to exceed 1.5 tons is deductible as chart room.

(f) *Donkey engine and boiler.* Donkey engine and boiler space is deductible when connected with the main (non-cargo) pumps of the vessel, except as follows:

(1) If the space is within the engine room or within the casing above the engine room and if the donkey engine is an auxiliary to the main propelling machinery, the space is an engine room deduction under § 69.121(b).

(2) If the space is above the line of the uppermost complete deck and if the donkey engine is not an auxiliary to the main propelling machinery, the space is exempt under § 69.117(b).

(g) *Spaces for the exclusive use of officers or crew.* (1) The following spaces, regardless of their location (unless otherwise noted), are deductible if not used by passengers:

(i) Sleeping rooms.

(ii) Bathrooms with a bath tub or shower but without a water closet.

(iii) Water closets below the line of the uppermost complete deck serving more than one person, with or without a bath tub or shower. Water closets, regardless of location, that serve only one person or that are accessible only through a stateroom or bedroom serving one person are considered as part of the space they serve and are deductible only if that space is deductible.

(iv) Clothes drying rooms.

(v) Drinking water filtration or distilling plant below the line of the uppermost complete deck.

(vi) Hospitals.

(vii) Mess rooms.

(viii) Office of the chief engineer.

(ix) Oil skin lockers.

(x) Pantries.

(xi) Recreation rooms.

(xii) Smoking rooms.

(xiii) Galleys below the line of the uppermost complete deck.

(2) Shops for engineers, carpenters, plumbers, or butchers and offices for clerks, pursers, or postmasters are not deductible, wherever located.

(h) *Master's cabin*. The master's sleeping room, dressing room, bathroom, observation room, reception room, sitting room, water closet, and office are deductible.

(i) *Radio room*. Spaces in which radio apparatus is installed and messages are sent and received and which may provide off-duty operator accommodations are deductible.

(j) *Steering gear*. Spaces for steering gear below the line of the uppermost complete deck are deductible.

(k) *Generators*. Spaces for generators below the line of the uppermost complete deck are deductible regardless of what space the generators serve. These spaces may include other equipment necessary for the generator's operation.

(l) *Pump room*. Spaces below the line of the uppermost complete deck containing pumps that are not capable of handling cargo and that are not fuel oil transfer pumps considered part of the propelling machinery under § 69.121(b)(2)(v) are deductible.

(m) *Sail stowage*. A space for stowing sails on a vessel propelled only by sails is deductible up to two and one-half percent of the vessel's gross register tonnage.

(n) *Waste material space*. (1) A tank or collection space, regardless of location, used for the carriage or collection of sewage, garbage, galley waste, trash, slop-oil mixture, tank cleaning residue, bilge residue, or other waste material generated aboard the vessel is deductible.

(2) Space below the line of the uppermost complete deck used exclusively to separate, clarify, purify, or otherwise

process waste material generated aboard the vessel is deductible.

(o) *Passageways*. A passageway or companionway is deductible—

(1) If it serves deductible spaces only; or

(2) If it serves deductible spaces and is also the sole means of access to one of the following non-deductible spaces:

(i) Lockers of less than two tons each, containing medicine, linen, mops, or other items for the free use of the crew.

(ii) A ship's office.

(iii) Spare rooms (not exceeding two) used by a pilot, customs officer, reserve engineer, or employee or agent of the vessel's owner or operator.

(p) *Markings for deductible spaces*. (1) Each space deducted under this section must be marked with the words "Certified \_\_\_\_\_" (inserting the space designation, such as "Seaman", "Generator", "Office of Chief Engineer", "Hospital", or "Anchor Gear"). If a deductible space berths more than one crew member, the marking must indicate the number of crew members berthed, such as "Certified \_\_\_\_\_ Seamen" (inserting the number of crew).

(2) The abbreviations "Cert." for "certified" and "W.C." for "water closet" may be used.

(3) The markings must be in Roman letters and Arabic numerals at least ½ inch in height, must be painted in a light color on a dark background, must be embossed, center-punched, carved, or permanently cut in a bulkhead or metal plate, and must be placed in a legible location over a doorway on the inside of the space. A metal plate, if used, must be permanently fastened in place by welding, riveting, lock screws, or a Coast Guard-approved bonding agent.

(q) *Method for measuring deductible spaces*. (1) A rectangular space must be measured by taking the product of its length, breadth, and height.

(2) A space with curved sides on or above the tonnage deck is measured according to § 69.109.

(3) Space less than 15 feet in length may be measured by any practical method.

(4) Spaces below the tonnage deck exceeding 15 feet in length and bounded by a curved surface conforming to the

side of the vessel must be measured by the formula used for measuring the superstructure under § 69.113.

(5) The height of a space located on a platform in the hull must be measured from the top of the bottom hull frames, if the platform is used only to form a flat surface at the bottom of the space, if the platform is not more than one foot above the top of the bottom frames, and if the space below the platform is not usable.

(6) The height of a space is measured through any ceiling, paneling, false overhead, or other covering, to the space's structural boundary, unless the space enclosed by the covering is available for a non-deductible use.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989; 54 FR 40240, Sept. 29, 1989; CGD 92–058, 57 FR 59938, Dec. 17, 1992; USCG–2011–0522, 81 FR 18727, Mar. 31, 2016]

**§ 69.121 Engine room deduction.**

(a) *General.* The engine room deduction is either a percentage of the vessel's total propelling machinery spaces or a percentage of the vessel's gross register tonnage.

(b) *Propelling machinery spaces.* (1) Propelling machinery spaces are the spaces occupied by the main propelling machinery and auxiliary machinery and spaces reasonably necessary for the operation and maintenance of the machinery. Propelling machinery spaces do not include spaces for fuel tanks, spaces exempt from tonnage under § 69.117, and spaces not used or not available for use in connection with the propelling machinery.

(2) Propelling machinery spaces are—

(i) Space below the crown. The crown is the top of the main space of the engine room to which the heights of the main space are taken. The crown is either the underside of a deck or, if the side bulkheads are sloping, the uppermost point at which the slope terminates. (See § 69.123, figures 13 and 14.)

(ii) Framed-in space located between the crown and the uppermost complete deck and used for propelling machinery or for the admission of light or air to propelling machinery spaces. (See § 69.123, figures 13 and 14.)

(iii) Shaft tunnel space and thrust block recess space.

(iv) Space below the uppermost complete deck used for escape shafts or trunked ladderways leading from the aft end of the shaft tunnel to the deck above.

(v) Space containing a fuel oil transfer pump located in a separate space and not used for bunkering the vessel. When the pump serves both ballast and fuel oil, only one-half of the pump's space is considered a propelling machinery space.

(vi) Spaces containing fuel oil settling tanks used solely for the main boilers. The space must not exceed one percent of the vessel's gross tonnage.

(vii) Spaces for engineers' stores and workshops located below the uppermost complete deck and either open to a propelling machinery space or separated from a propelling machinery space only by a screen bulkhead. The space must not exceed three-quarters of one percent of the vessel's gross register tonnage.

(viii) Framed-in space located above the line of the uppermost complete deck and used for propelling machinery or for the admission of light or air to a propelling machinery space, when requested under paragraph (d) of this section.

(ix) If the propelling machinery is boxed-in below the tonnage deck, the boxed-in space plus the spaces outside of the boxing for the shaft, auxiliary engines, and related propelling machinery. If a portion of the boxed-in space extends above a platform or partial deck that is below the uppermost complete deck, that portion is also considered part of the propelling machinery space.

(c) *Methods for measuring propelling machinery spaces.* (1) If the propelling machinery space is bulkheaded off or is not larger than necessary for the safe operation and maintenance of the propelling machinery, the entire space, or, if bulkheaded off, the portion bulkheaded off, is measured for the engine room deduction.

(2) If the propelling machinery space is not bulkheaded off or is larger than necessary for the safe operation and maintenance of the propelling machinery, only the space occupied by the propelling machinery itself plus a working space of two feet, if available,

on each side of the propelling machinery is measured for the engine room deduction. If the working space overlaps another working space not related to the propelling machinery, only one-half of the overlapping working space is included in the propelling machinery space. The height of the working space is measured as provided in paragraph (c) of this section.

(3) If the propelling machinery is located in more than one space, each space must be measured separately.

(4) If the propelling machinery is located in a space with a step in the bottom or side lines, each stepped portion of the space must be measured separately.

(5) The length of a space under paragraph (c)(1) of this section is measured from the bulkhead just forward of the propelling machinery to the bulkhead just aft of the propelling machinery. The length of a space under paragraph (c)(2) of this section is measured from the forward edge of the working space to the aft edge of the working space.

(6) If the boundaries of the propelling machinery space form a rectangle, the product of the length, breadth, and height, divided by 100, is the tonnage of the space.

(7) If the boundaries of the propelling machinery space are continuous fair lines, heights are measured at the fore and aft ends and at the center of the space from the bottom frames, floors, or tank top of a double bottom up to the line of the crown. A breadth is measured at half-height of each height. The product of the length, mean breadth, and mean height, divided by 100, is the tonnage of the space.

(8) If the propelling machinery space is in the aft end of the hull, extends from side to side of the hull, and has a continuous bottom line, the length of the space is divided into the even number of equal parts most nearly equal to the number of parts that the tonnage length under § 69.109(g) was divided. The tonnage is then calculated by the same method used for calculating the under-deck tonnage in § 69.109(l).

(9) The tonnage of a framed-in space located between the crown and the uppermost complete deck and used for propelling machinery or for the admission of light or air to the propelling

machinery space, is the product of its length, breadth, and height, divided by 100.

(10) The tonnage of a shaft tunnel, or a thrust block recess, having a flat top is the product of its length, breadth, and height, divided by 100. If the shaft tunnel or thrust block recess top is not flat, the space above must be calculated by using the appropriate geometrical formula. If the space aft of the shaft tunnel extends from side to side of the vessel, the tonnage of the space is found by the formula for measuring peak tanks in § 69.109(l).

(11) The length and breadth of the space for a shaft tunnel, or a thrust block recess, when not cased is that which is necessary for maintenance of the shaft. The height allowed for thrust block recess space must not exceed seven feet. The mean height allowed for the shaft tunnel space must not exceed six feet. In a multi-screw vessel where the shaft tunnel or thrust block recess space is open from side to side, measure only the space used for purposes of propelling the vessel.

(12) When the propelling machinery is on a bed at the vessel's bottom, the height of the propelling machinery space is measured from the top of the bottom frames or floors.

(d) *Request to treat certain framed-in engine room spaces as part of a propelling machinery space.* (1) Under § 69.117(b)(4), framed-in spaces located above the line of the uppermost complete deck and used for propelling machinery or for admitting light or air to a propelling machinery space are exempt from inclusion in tonnage. However, upon written request to a measurement organization listed in § 69.15, the vessel owner may elect to have these spaces included in calculating the gross register tonnage, then deducted from the gross register tonnage as propelling machinery spaces under paragraph (b)(2)(viii) of this section when calculating the net register tonnage.

(2) The framed-in space must be safe, seaworthy, and used only for propelling machinery or for the admission of light or air to the propelling machinery space. The length of the space must not exceed the length of the propelling machinery space and the breadth must

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not exceed one-half of the extreme inside midship breadth of the vessel. Portions of the framed-in space that are plated over are not included in the propelling machinery space.

(3) To exercise the option in paragraph (d)(1) of this section, all of the framed-in space need not be treated as propelling machinery space, but only that portion required to entitle the vessel to have 32 percent of its gross register tonnage deducted as an engine room deduction under paragraph (e) of this section.

(e) *Calculating the engine room deduction.* (1) The engine room deduction is based on a percentage of the vessel's gross register tonnage or a percentage of the total propelling machinery space.

(2) For vessels propelled in whole or in part by screw—

(i) If the total propelling machinery space is 13 percent or less of the vessel's gross register tonnage, deduct  $\frac{32}{13}$  times the total propelling machinery space;

(ii) If the total propelling machinery space is more than 13 but less than 20 percent of the vessel's gross register tonnage, deduct 32 percent of the vessel's gross register tonnage; or

(iii) If the total propelling machinery space is 20 percent or more of the vessel's gross register tonnage, deduct either 32 percent of the vessel's gross register tonnage or 1.75 times the total propelling machinery space, whichever the vessel owner elects.

(3) For vessels propelled in whole or in part by paddle-wheel—

(i) If the total propelling machinery space is 20 percent or less of the vessel's gross register tonnage, deduct  $\frac{37}{20}$  times the total propelling machinery space;

(ii) If the total propelling machinery space is more than 20 but less than 30 percent of the vessel's gross register tonnage, deduct 37 percent of the vessel's gross register tonnage; or

(iii) If the total propelling machinery space is 30 percent or more of the vessel's gross register tonnage, deduct either 37 percent of the vessel's gross register tonnage or 1.5 times the total propelling machinery space, whichever the vessel owner elects.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989; 54 FR 40240, Sept. 29, 1989; USCG–2011–0522, 81 FR 18728, Mar. 31, 2016]

## § 69.123 Figures.

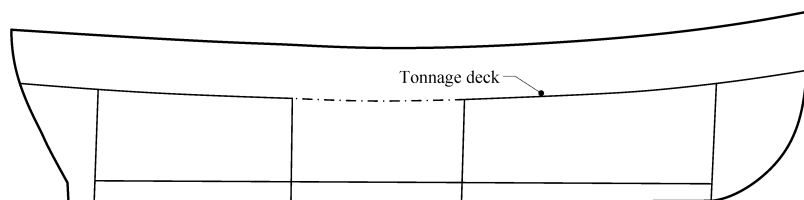


Figure 1

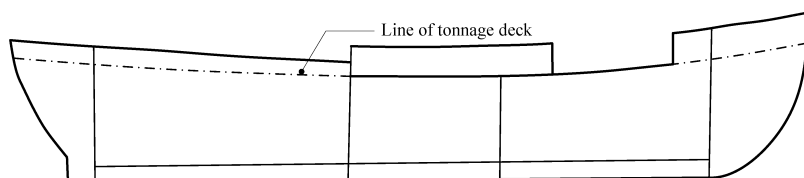


Figure 2

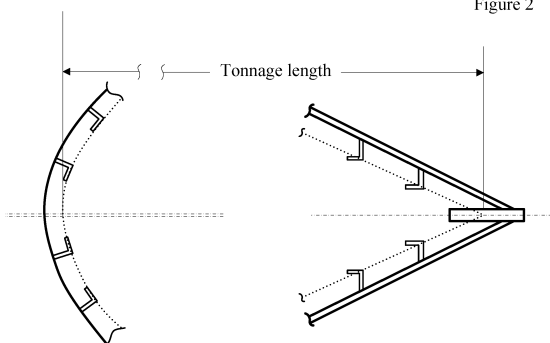


Figure 3

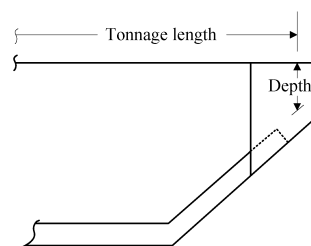


Figure 4

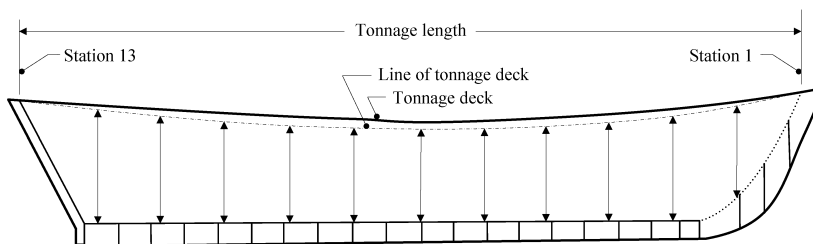


Figure 5



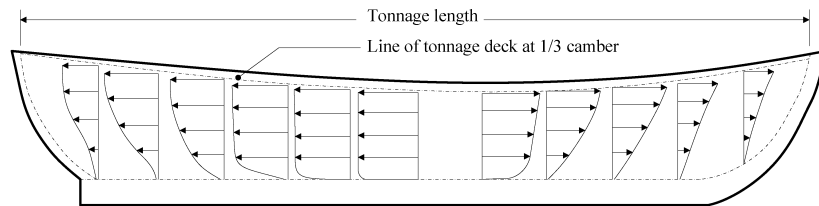


Figure 6

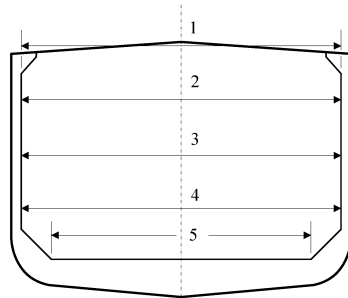


Figure 7

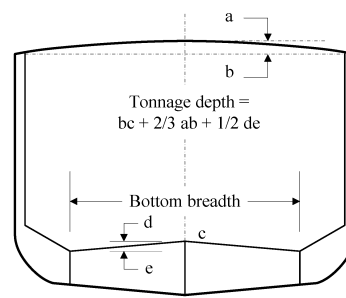


Figure 8

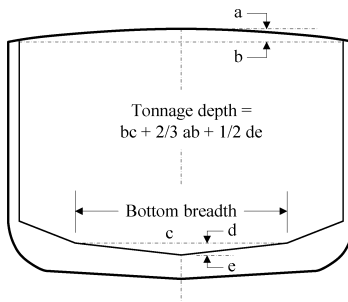


Figure 9

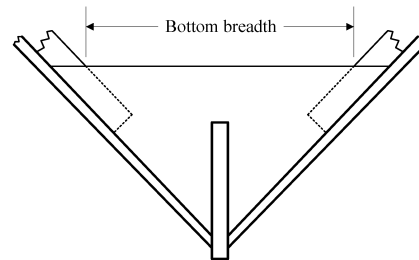


Figure 10

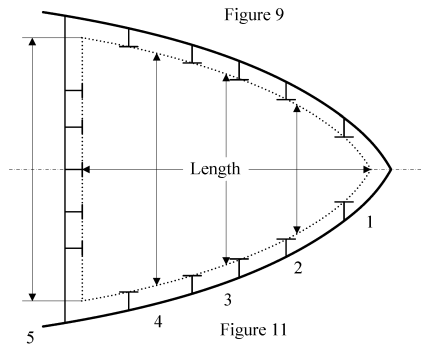


Figure 11

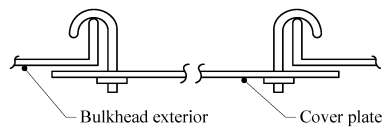


Figure 12

H = Height of main space.  
H' = Height between crown and upper deck.  
L/A = Light or air space above the upper deck.

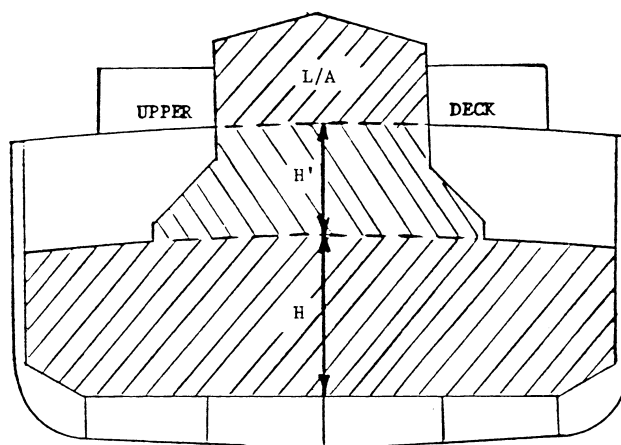


Figure 13

H = Height of main space.  
H' = Height between crown and upper deck.  
L/A = Light or air space above the upper deck.

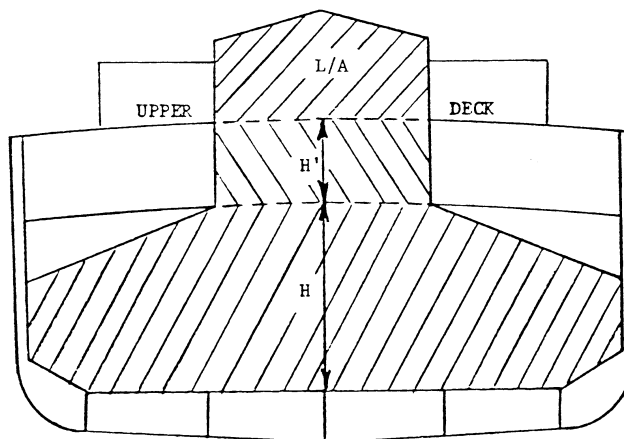


Figure 14

## § 69.151

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18728, Mar. 31, 2016]

### Subpart D—Dual Regulatory Measurements System

#### § 69.151 Purpose.

This subpart prescribes measurement requirements for the assignment of either one gross and one net register tonnage or two gross and two net register tonnages to vessels under this subpart.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.153 Application of other laws.

(a) If a vessel is assigned two gross register tonnages under § 69.175(b), the higher gross register tonnage is the tonnage used when applying inspection, manning, and load line laws and regulations to the vessel.

(b) Tonnage marks are not to be construed as additional load line marks. Whether or not a tonnage mark is submerged under § 69.171 has no effect on the applicability of load line laws and regulations.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.155 Measurement requirements.

Except as otherwise required by this subpart, the measurement requirements under the Standard Regulatory Measurement System in subpart C of this part apply to the measurement of vessels under this subpart.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.157 Definitions.

Terms used in this subpart that are defined in § 69.103 have the same meaning as in § 69.103, except the terms listed below. As used in this subpart,—

*Gross register tonnage* is defined in § 69.161(a).

*Line for fresh and tropical waters* means the line described in § 69.177(b)(2).

*Line of the second deck* means the line described in § 69.181.

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*Line of the uppermost complete deck* means a longitudinal line at the underside of the uppermost complete deck or, if that deck is stepped, the longitudinal line of the underside of the lowest portion of that deck parallel with the upper portions of that deck.

*Net register tonnage* is defined in § 69.161(b).

*Second deck* means the next deck below the uppermost complete deck that meets the following:

(a) Is continuous athwartships and in a fore-and-aft direction at least between peak bulkheads, even though the deck may have interruptions or openings due to propelling machinery spaces, to hatch and ventilation trunks not extending longitudinally completely between main transverse bulkheads, to ladder and stairway openings, to chain lockers, or to cofferdams.

(b) Is fitted as an integral and permanent part of the vessel.

(c) Has proper covers to all main hatchways.

(d) Does not have steps the total of which exceed 48 inches in height.

*Tonnage deck* means, for a vessel with only one deck, the uppermost complete deck and, for a vessel with a second deck, the second deck.

*Tonnage mark* means the line described in § 69.177(a)(2).

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.159 Application for measurement services.

Applications for measurement services under this subpart must include the application information and plans required under § 69.105. The application must indicate whether a line for fresh and tropical waters is requested under § 69.177(b) and, for vessels with more than one deck, indicate whether one or two sets of tonnages are desired under § 69.175.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.161 Gross and net register tonnages.

(a) *Gross register tonnage* means the tonnage of a vessel, less certain spaces

exempt under § 69.169, and is the sum of the following:

- (1) Under-deck tonnage (§ 69.163).
- (2) Between-deck tonnage (§ 69.165)
- (3) Superstructure tonnage (§ 69.167)
- (4) Excess hatchway tonnage (§ 69.115)
- (5) Tonnage of framed-in propelling machinery spaces included in calculating gross register tonnage (§ 69.121(d)(1)).

(b) *Net register tonnage* means gross register tonnage less deductions under § 69.119 and § 69.121.

(c) The authorized measurement organization must issue a U.S. Tonnage Certificate as evidence of a vessel's measurement under this subpart, which must also indicate the vessel's measurement under the Convention Measurement System in subpart B of this part, if applicable. There is no requirement to maintain the U.S. Tonnage Certificate on board the vessel.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.163 Under-deck tonnage.

The under-deck tonnage provisions in § 69.109 apply; except that, under this subpart, spaces between the line of the tonnage deck and the tonnage deck itself due to a stepped tonnage deck are included in under-deck tonnage.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.165 Between-deck tonnage.

The between-deck tonnage provisions in § 69.111 apply, except that, under this subpart, between-deck space extends from the tonnage deck to the uppermost complete deck, rather than from the line of the tonnage deck to the line of the uppermost complete deck.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.167 Superstructure tonnage.

The superstructure tonnage provisions in § 69.113 apply; except that, under this subpart, spaces between the line of the uppermost complete deck and the uppermost complete deck itself due to a stepped uppermost complete

deck are not included in the superstructure tonnage.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.169 Spaces exempt from inclusion in tonnage.

The tonnage of the following spaces is exempt from inclusion in tonnage:

- (a) Spaces listed in § 69.117(b) when located within the superstructure.
- (b) Spaces listed in § 69.117(c)(1) through (c)(3) when located above, but not on, the uppermost complete deck.
- (c) Spaces listed in § 69.117(f), regardless of location.
- (d) Spaces available for carrying dry cargo and stores when located on or above the uppermost complete deck.
- (e) When a vessel is assigned a tonnage mark and the tonnage mark is not submerged,—

(1) Spaces listed in § 69.117(b) when located between the uppermost complete deck and the second deck;

(2) Spaces listed in § 69.117(c)(1) through (c)(3) when located on the uppermost complete deck; and

(3) Spaces available for carrying dry cargo and stores when located between the uppermost complete deck and the second deck.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 92-058, 57 FR 59938, Dec. 17, 1992; USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

#### § 69.171 When the tonnage mark is considered submerged.

For the purpose of this subpart, a tonnage mark is considered submerged when—

(a) In salt or brackish water, the upper edge of the tonnage mark is submerged; and

(b) In fresh or tropical water, the upper edge of the line for fresh and tropical waters is submerged.

#### § 69.173 Register Tonnage assignments for vessels with only one deck.

A vessel without a second deck is assigned only one gross and one net register tonnage. In calculating the gross register tonnage, only the exemptions in § 69.169 (a) through (d) are allowed.

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Markings under § 69.177 are not permitted on these vessels.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG–2011–0522, 81 FR 18731, Mar. 31, 2016]

### § 69.175 Tonnage assignments for vessels with a second deck.

(a) At the option of the vessel owner, a vessel having a second deck is assigned either two gross and two net register tonnages or one gross and one net register tonnage corresponding to the lower gross and net register tonnages.

(b) If two gross and two net register tonnages are assigned, the higher tonnages (i.e. those based only on exemptions under § 69.169 (a) through (d)) are applicable when the upper edge of the tonnage mark is submerged and the lower tonnages (i.e. those based only on all exemptions under § 69.169) are applicable when the upper edge of the tonnage mark is not submerged.

(c) If only the low gross and low net register tonnages, as calculated under paragraph (b) of this section, are assigned, these tonnages are applicable at all times. On these vessels, a load line must be assigned at a level below the line of the second deck, and the tonnage mark must be located in accordance with § 69.177(a)(6) at the level of the uppermost part of the load line grid.

[CGD 87–015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG–2011–0522, 81 FR 18731, Mar. 31, 2016]

### § 69.177 Markings.

(a) *Tonnage mark.* (1) All vessels with a second deck that are measured under this subpart must have, on each side of the vessel, a tonnage mark, and an inverted triangle identifying the tonnage mark, as described and located under this section. (See the figure in § 69.183(a).) Vessels with only one deck are not assigned markings under this section.

(2) The tonnage mark is a horizontal line 15 inches long and one inch wide. The tonnage mark must be designated by a welded bead or other permanent mark 15 inches long placed along the top edge of the tonnage mark.

(3) Above the tonnage mark is placed an inverted equilateral triangle, each side of which is 12 inches long and one inch wide, with its apex touching the upper edge of the center of the tonnage mark.

(4) If the vessel has a load line mark, the longitudinal location of the center of the tonnage mark must be between 21 inches and six feet six inches aft of the vertical centerline of the load line ring. (See the figures in § 69.183 (b) and (c).) If the vessel does not have a load line mark, the center of the tonnage mark must be located amidships.

(5) Except as under paragraph (a)(6) of this section, the upper edge of the tonnage mark must be located below the line of the second deck at the distance indicated in Table 69.177(a)(5). (See the figure in § 69.183(b).)

TABLE 69.177(a)(5)—MINIMUM DISTANCE IN INCHES BETWEEN THE TONNAGE MARK AND THE LINE OF THE SECOND DECK

L (in feet)	L divided by D								
	12	13	14	15	16	17	18	19	20
220 and under .....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
230 .....	3.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
240 .....	4.7	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
250 .....	6.3	3.3	2.0	2.0	2.0	2.0	2.0	2.0	2.0
260 .....	8.0	4.8	2.1	2.0	2.0	2.0	2.0	2.0	2.0
270 .....	9.9	6.4	3.5	2.0	2.0	2.0	2.0	2.0	2.0
280 .....	11.8	8.1	4.9	2.1	2.0	2.0	2.0	2.0	2.0
290 .....	13.9	9.9	6.5	3.5	2.0	2.0	2.0	2.0	2.0
300 .....	16.0	11.7	8.1	4.9	2.1	2.0	2.0	2.0	2.0
310 .....	18.3	13.7	9.8	6.4	3.5	2.0	2.0	2.0	2.0
320 .....	20.7	15.8	11.7	8.1	4.9	2.1	2.0	2.0	2.0
330 .....	23.2	18.0	13.6	9.8	6.4	3.5	2.0	2.0	2.0
340 .....	25.9	20.4	15.7	11.6	8.1	4.9	2.1	2.0	2.0
350 .....	28.7	22.9	17.9	13.6	9.8	6.5	3.6	2.0	2.0
360 .....	31.7	25.5	20.2	15.7	11.7	8.2	5.0	2.2	2.0
370 .....	34.7	28.3	22.7	17.9	13.6	9.9	6.6	3.7	2.0
380 .....	38.0	31.1	25.3	20.2	15.7	11.8	8.3	5.2	2.4

TABLE 69.177(a)(5)—MINIMUM DISTANCE IN INCHES BETWEEN THE TONNAGE MARK AND THE LINE OF THE SECOND DECK—Continued

L (in feet)	L divided by D								
	12	13	14	15	16	17	18	19	20
390	41.3	34.1	27.9	22.6	17.9	13.8	10.1	6.8	3.8
400	44.8	37.2	30.7	25.0	20.1	15.8	11.9	8.4	5.3
410	48.2	40.3	33.5	27.7	22.6	18.1	14.0	10.4	7.2
420	51.5	43.4	36.4	30.4	25.2	20.6	16.4	12.7	9.7
430	54.8	46.5	39.4	33.3	27.9	23.2	19.0	15.2	11.8
440	58.4	49.9	42.6	36.4	30.9	26.0	21.7	17.8	14.4
450	62.1	53.4	46.0	39.6	33.9	29.0	24.6	20.6	17.1
460	65.9	57.0	49.5	42.9	37.1	32.1	27.6	23.5	19.9
470	69.8	60.7	53.0	46.3	40.4	35.2	30.6	26.5	22.8
480	73.7	64.4	56.5	49.7	43.7	38.4	33.7	29.5	25.7
490	77.5	68.1	60.0	53.0	46.9	41.5	36.7	32.4	28.5
500	81.2	71.6	63.4	56.2	50.0	44.5	39.6	35.2	31.2
510	84.9	75.1	66.7	59.4	53.0	47.4	42.4	37.9	33.9
520	88.4	78.4	69.9	62.4	55.9	50.2	45.1	40.5	36.4
530	91.8	81.6	72.9	65.3	58.7	52.9	47.7	43.0	38.8
540	95.2	84.8	75.9	68.1	61.4	55.5	50.2	45.4	41.2
550	98.4	87.8	78.8	70.9	64.0	58.0	52.6	47.8	43.4
560	101.6	90.8	81.6	73.6	66.6	60.5	55.0	50.1	45.6
570	104.8	93.8	84.4	76.3	69.2	62.9	57.3	52.3	47.8
580	107.9	96.8	87.2	78.9	71.7	65.3	59.6	54.5	49.9
590	111.0	99.7	90.0	81.5	74.2	67.7	61.9	56.7	52.0
600	114.0	102.5	92.6	84.0	76.5	69.9	64.0	58.8	54.0
610	117.0	105.3	95.2	86.5	78.9	72.1	66.2	60.8	56.0
620	120.0	108.0	97.8	88.9	81.2	74.4	68.3	62.8	58.0
630	122.9	110.7	100.4	91.3	83.5	76.6	70.4	64.8	59.9
640	125.7	113.4	102.9	93.7	85.8	78.7	72.4	66.8	61.7
650	128.6	116.1	105.4	96.1	88.0	80.8	74.4	68.7	63.6
660	131.4	118.7	107.8	98.3	90.1	82.8	76.3	70.6	65.3
670	134.2	121.2	110.2	100.6	92.2	84.8	78.3	72.4	67.1
680	136.9	123.8	112.8	102.9	94.3	86.8	80.2	74.2	68.9
690	139.6	126.3	115.0	105.1	96.4	88.8	82.1	76.0	70.6
700	142.3	128.8	117.3	107.3	98.5	90.8	83.9	77.8	72.3
710	144.9	131.3	119.6	109.4	100.5	92.7	85.7	79.5	73.9
720	147.5	133.7	121.8	111.5	102.5	94.6	87.5	81.2	75.5
730	150.1	136.1	124.0	113.6	104.5	96.5	89.3	82.9	77.1
740	152.7	138.5	126.2	115.7	106.5	98.3	91.5	84.5	78.7
750	155.3	140.8	128.5	117.8	108.4	100.1	92.8	86.1	80.3
760	157.8	143.1	130.6	119.7	110.3	101.9	94.4	87.8	81.7
770	160.2	145.4	132.7	121.7	112.1	103.6	96.0	89.3	83.2
780	162.6	147.6	134.8	123.7	113.9	105.3	97.6	90.8	84.7
790	165.1	149.9	136.9	125.6	115.7	107.0	99.2	92.3	86.1
800	167.5	152.1	138.9	127.4	117.4	108.6	100.8	93.8	87.4

L = the length in feet of the line of the second deck at the centerline of the vessel from the inner surface of the frames at the vessel's stem to the inner surface of the frames at the vessel's stern.

D = The vertical distance in feet from the top of the flat keel of the vessel to the line of the second deck.

EXAMPLE (1) For a vessel in which L = 450 feet and L/D = 15 feet, read down from the L/D column "15" and to the right on the column "450" to where the two columns intersect at 39.6. The tonnage mark must be located 39.6 inches below the line of the second deck.

EXAMPLE (2) If L or L/D is an intermediate number, the distance "a" between the tonnage mark and the line of the second deck must be obtained by linear interpolation. For a vessel in which L = 424.80 feet and L/D = 15.17:

L	Table L/D = 15	Actual L/D = 15.17	Table L/D = 16
Table 420	30.4	.....	25.2
Actual 424.80	r	a	s
Table 430	33.3	.....	27.9

Interpolation:  
 $r = 30.4 + 0.48 (33.3 - 30.4) = 31.79$   
 $s = 25.2 + 0.48 (27.9 - 25.2) = 26.50$   
 $a = r - 0.17 (r - s) = 31.79 - 0.17 (31.79 - 26.50) = 30.89$   
 inches

(6) For the following vessels with a load line mark, the upper edge of the tonnage mark must be located at the level of the uppermost part of the load line grid:

(i) Vessels assigned only one gross and one net register tonnage under § 69.175(c).

(ii) Vessels for which a load line assigning authority certifies that the vessel's load line mark was located as though the second deck were the freeboard deck.

(b) *Line for fresh and tropical waters.*

(1) Except as under paragraph (b)(4) of this section, a horizontal line for fresh and tropical waters may be assigned at the vessel owner's request.

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(2) The line must be nine inches long and one inch wide and located above and to the left of the tonnage mark at a distance equal to one forty-eighth of the distance from the top of the flat keel to the tonnage mark. The tonnage mark and the line for fresh and tropical waters must be connected by a vertical line one inch wide. (See the figure in § 69.183(a).)

(3) The line for fresh and tropical waters must be designated by a welded bead or other permanent mark nine inches long placed along the upper edge of the line.

(4) For vessels with a load line mark, if the load line assigning authority certifies that the load line mark was located as though the second deck were the freeboard deck, a line for fresh and tropical waters must not be placed on the vessel.

(c) *Freeboard deck mark.* A vessel assigned two gross and two net register tonnages which has more than one deck and no load line mark assigned must have a mark on each side of the vessel with the same dimensions and location as the freeboard deck line mark under § 42.13-20 of this chapter, except that the mark must be located directly above the tonnage mark.

(d) *The line of the second deck.* The line of the second deck must not be marked on the side of the vessel, except in the case of a freeboard deck line mark placed at the location of the second deck if the second deck is the actual freeboard deck for purposes of a vessel's load line assignment.

(e) *Color of markings.* All markings under this section must be maintained in either a light color on a dark back-

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ground or a dark color on a light background.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

### § 69.179 Certification of markings.

(a) Before a certificate of measurement is issued for a vessel requiring a tonnage mark, a certification by a measurement organization under § 69.15 that all markings meet the requirements of this subpart is required.

(b) The Coast Guard, at any time, may verify markings under this subpart.

### § 69.181 Locating the line of the second deck.

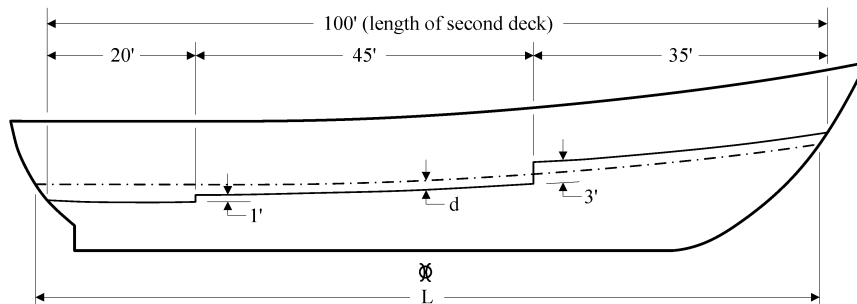
(a) If the second deck is not stepped, the line of the second deck is the longitudinal line of the underside of the second deck at the side of the hull.

(b) If the second deck is stepped (as in the examples following this paragraph), the line of the second deck is a longitudinal line extended parallel to each portion of the second deck and located at the height of the underside of the amidships portion of the second deck at the side of the hull—

(1) Plus, for each stepped portion of the second deck higher than the second deck at amidships, a distance equal to the length of the stepped portion divided by the total length of the second deck times the height that the step is above the height of the amidship portion of the second deck; and

(2) Minus, for each stepped portion of the second deck lower than the second deck at amidships, a distance equal to the length of the stepped portion divided by the total length of the second deck times the height that the amidship portion of the second deck is above the height of the step.

Example: (1)

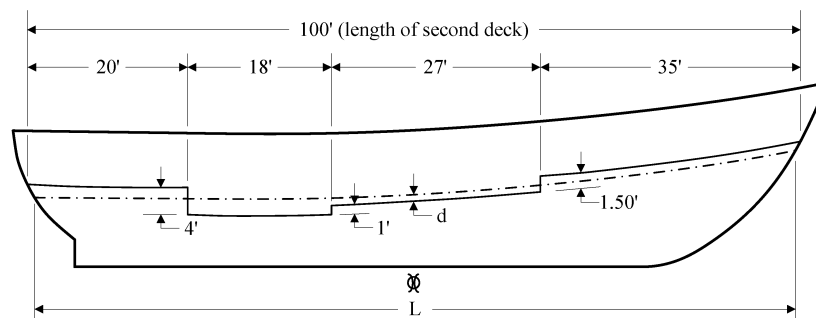


L = Length of the line of the second deck.

d = Distance from amidship portion of second deck to line of second deck.

$$d = \frac{35 \times 3}{100} - \frac{20 \times 1}{100} = +0.85 \text{ feet.}$$

Example: (2)



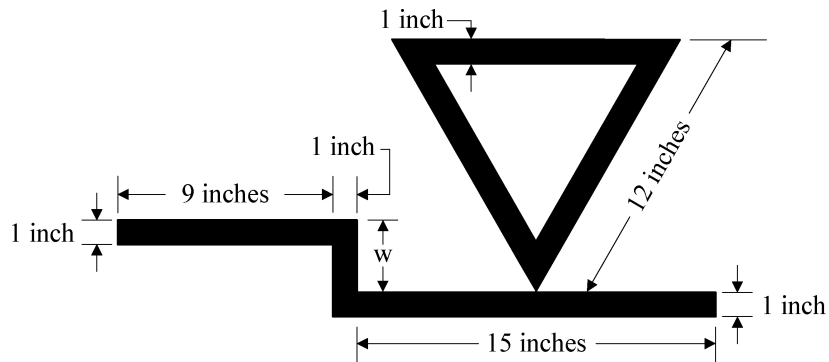
$$d = \frac{20 \times 3}{100} + \frac{35 \times 1.5}{100} - \frac{18 \times 1}{100} = +0.945 \text{ feet.}$$

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18731, Mar. 31, 2016]

### § 69.183 Figures.

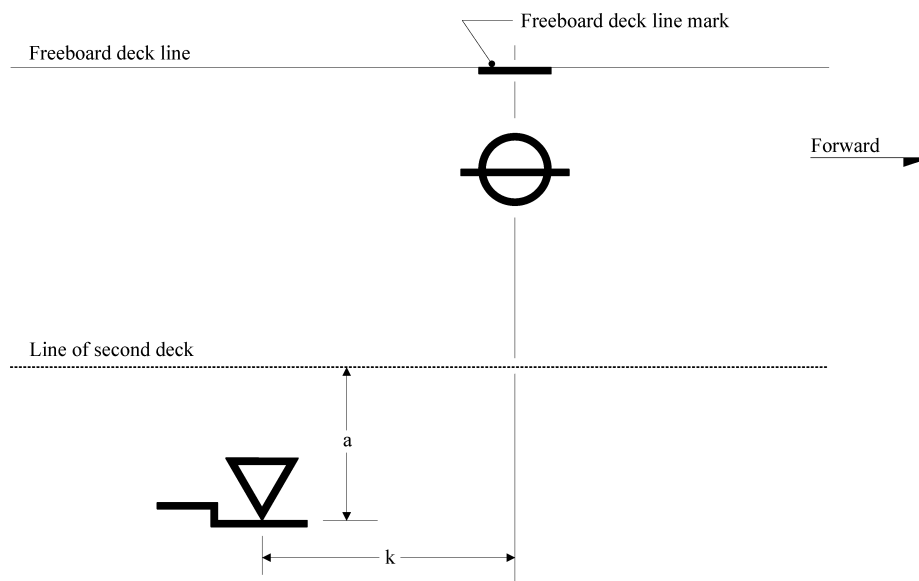
(a) *Tonnage mark with an equilateral triangle and a line for fresh and tropical waters.*





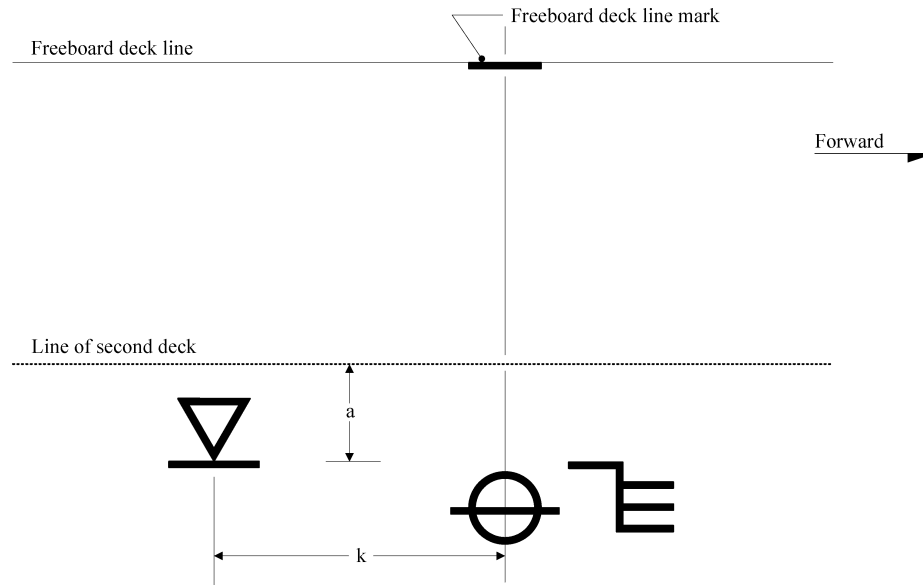
$W = \frac{1}{48}$  of the distance from the top of the flat keel to the tonnage mark. (See § 69.177(b)(2).)

(b) *Tonnage mark location if the load line mark is not placed as though the second deck were the freeboard deck.*



$k$  = a distance between 21 inches and six feet six inches.  
 $a$  = distance derived from Table 69.177(a)(5).

(c) *Tonnage mark location if the load line mark is placed as though the second deck were the freeboard deck.*



$k$  = a distance between 21 inches and six feet six inches.

$a$  = the distance between the line of the second deck and the uppermost part of the load line grid.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18732, Mar. 31, 2016]

### Subpart E—Simplified Regulatory Measurement System

#### § 69.201 Purpose.

This subpart prescribes the procedures for measuring a vessel under the Simplified Regulatory Measurement System described in 46 U.S.C. chapter 145, subchapter III.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18732, Mar. 31, 2016]

#### § 69.203 Definitions.

As used in this subpart and in Coast Guard Form CG-5397 under § 69.205—

*Overall breadth* means the horizontal distance taken at the widest part of the hull, excluding rub rails, from the outboard side of the skin (outside planking or plating) on one side of the hull to the outboard side of the skin on the other side of the hull.

*Overall depth* means the vertical distance taken at or near midships from a line drawn horizontally through the uppermost edges of the skin (outside planking or plating) at the sides of the hull (excluding the cap rail, trunks, cabins, and deckhouses) to the outboard face of the bottom skin of the hull, excluding the keel. For a vessel that is designed for sailing and has a keel faired to the hull, the keel is included in “overall depth” if the distance to the bottom skin of the hull cannot be determined reasonably.

*Overall length* means the horizontal distance between the outboard side of the foremost part of the stem and the outboard side of the aftermost part of the stern, excluding rudders, outboard motor brackets, and other similar fittings and attachments.

*Registered breadth* means—

(a) For a single-hull vessel, the vessel’s overall breadth; and

(b) For a multi-hull vessel, the horizontal distance taken at the widest part of the complete vessel between the outboard side of the skin (outside planking or plating) on the outboardmost side of one of the outboardmost hulls to the outboard side of the skin on the outboardmost

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side of the other outboardmost hull, excluding rubrails.

*Registered depth* means—

(a) For a single-hull vessel, the vessel's overall depth; and

(b) For a multi-hull vessel, the overall depth of the deepest hull.

*Registered length* means—

(a) For a single-hull vessel, the vessel's overall length; and

(b) For a multi-hull vessel, the horizontal distance between the outboard side of the foremost part of the stem of the foremost hull and the outboard side of the aftermost part of the stern of the aftermost hull, excluding fittings or attachments.

*Vessel designed for sailing* means a vessel which has the fine lines of a sailing craft and is capable of being propelled by sail, whether or not the vessel is equipped with an auxiliary motor, a decorative sail, or a sail designed only to steady the vessel.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989; 54 FR 40240, Sept. 29, 1989; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999]

### § 69.205 Application for measurement services.

(a) Except as noted under paragraph (c) of this section, to apply for measurement under this subpart, the vessel owner must complete an Application for Simplified Measurement (form CG-5397). If the vessel is documented, or intended to be documented, as a vessel of the United States under part 67 of this chapter, the vessel owner must submit the application form to the National Vessel Documentation Center. Otherwise, the form is not further processed, but may be retained, at the vessel owner's option, as evidence of the tonnage measurement under this part.

(b) The Application for Simplified Measurement (form CG-5397) must include the following information:

(1) Vessel's name and number (e.g., official number, International Maritime Organization (IMO) number, or Coast Guard number).

(2) Vessel hull identification number or other number assigned by builder.

(3) Hull material.

(4) Hull shape.

(5) Overall length, breadth, and depth of vessel and each of the vessel's individual hulls.

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(6) Location of any propelling machinery (e.g., inside or outside of the hull).

(7) Dimensions of the principal deck structure, if its volume exceeds the volume of the hull.

(c) At the vessel owner's option, a Builder's Certification and First Transfer of Title (form CG-1261), which includes the same information specified in paragraph (b) of this section may be submitted to the National Vessel Documentation Center instead of the Application for Simplified Measurement for a vessel that is documented, or intended to be documented, as a vessel of the United States under part 67 of this chapter.

[USCG-2011-0522, 81 FR 18733, Mar. 31, 2016]

### § 69.207 Measurements.

(a) All lengths and depths must be measured in a vertical plane at centerline and breadths must be measured in a line at right angles to that plane. All dimensions must be expressed in feet and inches to the nearest inch or in feet and tenths of a foot to the nearest tenth of a foot.

(b) For a multi-hull vessel, each hull must be measured separately for overall length, breadth, and depth and the vessel as a whole must be measured for registered length, breadth, and depth.

(c) The Coast Guard may verify dimensions of vessels measured under this subpart.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by USCG-2011-0522, 81 FR 18734, Mar. 31, 2016]

### § 69.209 Gross and net register tonnages.

(a) *Gross register tonnage.* (1) Except as in paragraphs (a)(2) through (a)(5) of this section, the gross register tonnage of a vessel designed for sailing is one-half of the product of its overall length, overall breadth, and overall depth (LBD) divided by one hundred (i.e., 0.50 LBD/100), and the gross register tonnage of a vessel not designed for sailing is 0.67 LBD/100.

(2) The gross tonnage of a vessel with a hull that approximates in shape a rectangular geometric solid (barge-shape) is 0.84 LBD/100.

(3) The gross tonnage of a multi-hull vessel is the sum of all the hulls as calculated under this section.

(4) If the volume of the principal deck structure of a vessel is as large as, or larger than, the volume of the vessel's hull, the volume of the principal deck structure in tons of 100 cubic feet is added to the tonnage of the hull to establish the vessel's gross tonnage. The volume of the principal deck structure of a vessel is determined by the product of its average dimensions.

(5) If the overall depth of a vessel designed for sailing includes the keel, only 75 percent of that depth is used for gross tonnage calculations.

(b) *Net register tonnage.* (1) For a vessel having propelling machinery in its hull—

(i) The net register tonnage is 90 percent of its gross register tonnage, if it is a vessel designed for sailing; or

(ii) The net register tonnage is 80 percent of its gross register tonnage, if it is not a vessel designed for sailing.

(2) For a vessel having no propelling machinery in its hull, the net register tonnage is the same as its gross register tonnage.

(c) *Certification of measurement.* For a vessel that is documented as a vessel of the United States under part 67 of this chapter, the vessel's Certificate of Documentation serves as evidence of measurement under this subpart. For all other vessels, a completed Application for Simplified Measurement (form CG-5397) serves as evidence of the tonnage measurement under this part.

[CGD 87-015b, 54 FR 37657, Sept. 12, 1989, as amended by CGD 97-057, 62 FR 51045, Sept. 30, 1997; USCG-2011-0522, 81 FR 18734, Mar. 31, 2016]

#### § 69.211 Treatment of novel type vessels.

Refer questions regarding the application of the tonnage measurement rules under this subpart to novel type vessels to the Commandant.

[USCG-2011-0522, 81 FR 18734, Mar. 31, 2016]