Public Law 99–368  
99th Congress  

An Act  

To authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes.  

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,  

SECTION 1. SHORT TITLE.  
This Act may be cited as the “Panama Canal Commission Authorization Act, Fiscal Year 1987”.  

SEC. 2. OPERATING EXPENSES.  
There is authorized to be appropriated from the Panama Canal Commission Fund to the Panama Canal Commission (hereafter in this Act referred to as the “Commission”) for the fiscal year beginning October 1, 1986, not more than $437,250,000, for necessary expenses of the Commission incurred under the Panama Canal Act of 1979 (Public Law 96–70; 22 U.S.C. 3601 et seq.), including expenses for—  

(1) the hire of passenger motor vehicles and aircraft;  
(2) the purchase of passenger motor vehicles as may be necessary for fiscal year 1987, the number and price of which may not exceed the amount provided in appropriation Acts; except that large heavy duty passenger sedans used to transport employees of the Commission across the Isthmus of Panama may be purchased for the fiscal year 1987 without regard to price limitations set forth in applicable regulations of any department or agency of the United States;  
(3) official receptions and representation expenses, except that not more than $43,000 may be made available for such expenses, of which (A) not more than $10,000 may be made available for such expenses of the Supervisory Board of the Commission, (B) not more than $5,000 may be made available for such expenses of the Secretary of the Commission, and (C) not more than $28,000 may be made available for such expenses of the Administrator of the Commission;  
(4) the procurement of expert and consultant services as provided in section 3109 of title 5, United States Code;  
(5) a residence for the Administrator of the Commission;  
(6) uniforms, or allowances therefor, as authorized by section 5901 and 5902 of title 5, United States Code;  
(7) disbursements by the Administrator of the Commission for employee recreation and community projects; and  
(8) the operation of guide services.  

SEC. 3. CAPITAL OUTLAY.  
Of any funds appropriated pursuant to section 2 of this Act, not more than $27,480,000 (which is authorized to remain available until expended) may be made available for the acquisition, construction,
replacement, and improvement of facilities, structures, and equipment required by the Commission.

SEC. 4. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.

In addition to the amount authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Commission for the fiscal year 1987 such amounts as may be necessary for—

1. increases in salary, pay, retirement, and other employee benefits provided by law;
2. covering payments to Panama under paragraph 4(a) of article XIII of the Panama Canal Treaty of 1977, as provided by section 1341(a) of the Panama Canal Act of 1979 (22 U.S.C. 3751(a)); and
3. increased costs for fuel.

SEC. 5. AUTHORIZATION OF SIX ADDITIONAL CITIZENS OF THE REPUBLIC OF PANAMA TO RECEIVE INSTRUCTION AT THE UNITED STATES MERCHANT MARINE ACADEMY.

Strike section 1303(b)(7) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295(b)(7)) and substitute the following:

"(7)(A) The Secretary may annually permit, until September 30, 1995, upon approval of the Secretary of State, up to six additional individuals from the Republic of Panama to receive instruction at the Academy, in addition to those individuals appointed under paragraphs (3), (4), (5), and (6) of this subsection.

(B) The Secretary shall insure that the Republic of Panama reimburse the Secretary for the cost of that instruction (including the same allowances as received by cadets at the Academy appointed from the United States) as determined by the Secretary.

(C) An individual receiving instructions at the Academy under this paragraph shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the Academy appointed from the United States.

(D) An individual appointed as a cadet under paragraph (3), or receiving instruction under paragraph (4), (5), (6), or (7) of this subsection is not entitled to hold a license authorizing service on a merchant marine vessel of the United States solely by reason of graduation from the Academy."


Section 1341 of the Panama Canal Act of 1979 (22 U.S.C. 3751) is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of law, no reduction under any order issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 shall apply to the Commission if the implementation of such an order would result in a payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977 and this section.".
SEC. 7. EFFECTIVE DATE OF EXEMPTION FROM AUTOMATIC BUDGET CUTS.

The amendment made by section 6 shall take effect with respect to fiscal year 1986 and subsequent fiscal years.

Approved August 1, 1986.

LEGISLATIVE HISTORY—H.R. 4409:

HOUSE REPORTS: No. 99-536 (Comm. on Merchant Marine and Fisheries).
CONGRESSIONAL RECORD, Vol. 132 (1986):
May 1, considered and passed House.
July 17, considered and passed Senate.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 22 (1986):
Aug. 1, Presidential statement.