Public Law 86-473

AN ACT

May 14, 1960
[H. R. 8042]

To authorize the Secretary of Commerce to resell any two of four C1–SAY–1 type vessels to the Government of the Republic of China for use in Chinese trade in Far East and Near East waters exclusively.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce is authorized to sell, within one year after enactment hereof, on an "as is, where is" basis, to the Government of the Republic of China, any two of the four C1–SAY–1 vessels, EMPIRE ANVIL, EMPIRE BATTLEAX, EMPIRE CUTLASS, and EMPIRE SPEARHEAD, subject to the further terms and provisions of this bill. Such vessels shall be sold only if (1) the Department of State finds that such sale will contribute to the economic development of the Republic of China and will serve the interests of the United States, (2) the Department of Defense finds that such sale would be compatible with the interests of the United States, and (3) the Government of the Republic of China gives assurances acceptable to the Secretary of Commerce that each vessel sold under this Act shall (a) remain documented under the laws of the Republic of China for ten years after such sale, or so long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period, (b) be used only in trade between Taiwan and ports in the Far East and ports east of the Suez Canal, and not engage in trade prohibited to United States flag vessels under Department of Commerce Transportation Orders T–1 and T–2 or any modification thereof, and (c) be returned to the ownership of the United States, upon request of the Government of the United States, during any national emergency declared by the President of the United States and during any war in which the United States is participating, the compensation for the vessel to be the value of the vessel but not exceeding the statutory sales price of the vessel under the Merchant Ship Sales Act of 1946 ($1,100,000) depreciated at the rate of 10 per centum per annum from the date of sale under this Act to the date ownership of the vessel is returned to the United States, or the scrap value of the vessel, whichever is higher. No downpayment of any part of the purchase price shall be required at the time of the sale. The sale price of the vessels shall be the statutory sales price, less payments heretofor made from 1948 to 1951 on account of the purchase of the four named vessels, and less depreciation computed at the rate of 3½ per centum per annum from the date of default under the original contract to the date of sale under this Act. The purchase price shall be payable in not more than ten equal annual installments with interest on the unpaid balance at a rate determined by the Secretary of Commerce after consultation with the National Advisory Council on International Monetary and Fiscal Problems. The obligation of the Government of the Republic of China to pay the purchase price and interest thereon shall be secured by a mortgage on the vessel with terms satisfactory to the Secretary of Commerce. All repairs and betterments required to fit the vessels for their intended use shall be done in a shipyard in the United States at the expense of the purchaser.

Sale of C1-SAY-1 vessels.

50 USC app. 1735 note.

Approved May 14, 1960.

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