

40 USC 258a-e.

the Act approved February 26, 1931 (46 Stat. 1421; 40 U.S.C., secs. 257a-e) and the Act approved October 21, 1942 (56 Stat. 797; 40 U.S.C., sec. 258f), shall be applicable to any condemnation proceedings instituted pursuant to authority of this Act.

Transfer of jurisdiction.

(b) When any land under the jurisdiction of any department or agency of the United States may be needed for the construction or operation of the Potomac interceptor, the appropriate officer of such department or agency is authorized, upon request of the Commissioners, to transfer to the Commissioners jurisdiction over so much of such land, or of such interests therein, as the Commissioners shall request.

Approved June 12, 1960.

Public Law 86-516

AN ACT

June 12, 1960
[H. R. 5421]

To provide a program of assistance to correct inequities in the construction of fishing vessels and to enable the fishing industry of the United States to regain a favorable economic status, and for other purposes.

Fishing vessels. Construction assistance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to assist certain depressed segments of the fishing industry the Secretary of the Interior is hereby authorized to pay in accordance with this Act a subsidy for the construction of fishing vessels in the shipyards of the United States.

Subsidies. Applications.

SEC. 2. Any citizen of the United States may apply to the Secretary for a construction subsidy to aid in construction of a new fishing vessel in accordance with this Act. No such application shall be approved by the Secretary unless he determined that (1) the plans and specifications for the fishing vessel are suitable for use in the fishery in which that vessel will operate and suitable for use by the United States for National Defense or military purposes in time of war or National emergency, (2) that the applicant possesses the ability, experience, resources, and other qualifications necessary to enable him to operate and maintain the proposed new fishing vessel, (3) will aid in the development of the United States fisheries under conditions that the Secretary considers to be in the public interest, (4) that the vessel, except under force majeure will deliver its full catch to a port of the United States, (5) that the applicant will employ on the vessel only citizens of the United States or aliens legally domiciled in the United States, (6) the vessel will be documented under the laws of the United States, and (7) such other conditions as the Secretary may consider to be in the public interest.

Contracts.

SEC. 3. If the Secretary, in the exercise of his discretion, determines that the granting of a subsidy applied for is reasonably calculated to carry out the purposes of this Act, he may approve such application and enter into a contract or contracts with the applicant which will provide for payment by the United States of a construction subsidy in accordance with the purposes and provisions of this Act and in accordance with any other conditions or limitations which may be prescribed by the Secretary.

Subsidies, conditions.

SEC. 4. A construction subsidy shall be granted under this Act only to assist in the construction of a fishing vessel to be operated in (1) a fishery suffering injury from which escape clause relief has been recommended by the Tariff Commission under the Trade Agreements Assistance Act of 1951, as amended (65 Stat. 74), but where such relief has been or is hereafter denied under section 7(c) of such Act; (2) a fishery found by the Secretary to be injured or threatened with injury

by reason of increased imports, either actual or relative, of a fish or shellfish product, not the subject of a trade agreement tariff concession, which is like or directly competitive with the fishery's product; or (3) a fishery found by the Secretary to be injured or threatened with injury by reason of increased imports, either actual or relative, of a fish or shellfish product that is provided for in the Free List of the Tariff Act of 1930, whether or not the subject of a trade agreement tariff concession.

46 Stat. 590.
19 USC 1654.

Cost determina-
tion and limitation.

SEC. 5. The construction subsidy which the Secretary may pay with respect to any fishing vessel under this Act shall be an amount equal to the difference, as determined by the Maritime Administrator, between the cost of constructing such vessel in a shipyard in the United States based upon the lowest responsible domestic bid for the construction of such vessel and the estimated cost, as determined by the Maritime Administrator, of constructing such vessel under similar plans and specifications in a foreign shipbuilding center which is determined by the Maritime Administrator to furnish a fair and representative example for the determination of the estimated total cost of constructing a vessel of the type proposed to be constructed, but in no event shall the subsidy exceed $33\frac{1}{3}$ per centum of the cost of constructing such vessel in a shipyard in the United States based upon the lowest responsible domestic bid excluding the cost of any features incorporated in the vessel for national defense uses, which shall be paid by the Department of Defense in addition to the subsidy. For the purposes of this section, the Maritime Administrator shall determine, and certify to the Secretary, the lowest responsible domestic bid.

SEC. 6. Any fishing vessel for which a construction subsidy is paid under this Act shall be constructed under the supervision of the Maritime Administrator. The Maritime Administrator shall submit the plans and specifications for the proposed vessel to the Department of Defense for examination thereof and suggestions for such changes therein as may be deemed necessary or proper in order that such vessel shall be suitable for economical and speedy conversion into a naval or military auxiliary or otherwise suitable for the use of the United States Government in time of war or national emergency. If the Secretary of Defense approves such plans and specifications as submitted, or as modified, in accordance with the provisions of this subsection, he shall certify such approval to the Administrator. No construction subsidy shall be paid by the Secretary under this Act unless all contracts between the applicant for such subsidy and the shipbuilder who is to construct such vessel contain such provisions with respect to the construction of the vessel as the Maritime Administrator determines necessary to protect the interests of the United States.

Submission of
plans to Secretary
of Defense.

SEC. 7. All construction with respect to which a construction subsidy is granted under this Act shall be performed in a shipyard in the United States as a result of competitive bidding, after due advertising, with the rights reserved in the applicant, and in the Maritime Administrator, to disapprove any or all bids. In all such construction the shipbuilder, subcontractor, material men, and suppliers shall use, so far as practicable, only articles, materials, and supplies of the growth, production, and manufacture of the United States as defined in paragraph K of section 401 of the Tariff Act of 1930. No shipbuilder shall be deemed a responsible builder unless he possesses the experience, ability, financial resources, equipment, and other qualifications necessary properly to perform the proposed contract. The submitted bid shall be accompanied by all detailed estimates on which it is based, and the Maritime Administrator may require that the builder or any subcontractor submit any other pertinent data relating to such bids.

Conditions of
construction.

46 Stat. 708.
19 USC 1401.

Acquisition of
ownership by U.S.

SEC. 8. (a) Every contract executed by the Secretary pursuant to section 3 of this Act shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of any fishing vessel on which a construction subsidy was paid, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon) less the depreciated amount of construction subsidy theretofore paid incident to the construction of such vessel, or the fair and reasonable scrap value of such vessel as determined by the Maritime Administrator, whichever is the greater. Such determination shall be final. In computing the depreciated value of such vessel, depreciation shall be computed on each vessel on the schedule accepted or adopted by the Internal Revenue Service for income tax purposes.

(b) The provisions of section 2 and subsection (a) of this section relating to the requisition or the acquisition of ownership by the United States shall run with the title of each fishing vessel and be binding on all owners thereof.

Payment for use
in other fisheries.

SEC. 9. If any fishing vessel is operated during its useful life, as determined by the Secretary, in any fishery other than the particular fishery for which it was designed the owner of such vessel shall repay to the Secretary, in accordance with such terms and conditions as the Secretary shall prescribe, an amount which bears the same proportion to the total construction subsidy paid under this Act with respect to such vessel as the proportion that the number of years during which such vessel was not operated in the fishery for which it was designed bears to the total useful life of such vessel as determined by the Secretary for the purposes of this section. Obligations under this provision shall run with the title to the vessel.

Definitions.

SEC. 10. The Secretary shall make such rules and regulations as may be necessary to carry out the purposes of this Act.

SEC. 11. As used in this Act the terms—

(1) "Secretary" means the Secretary of the Interior,

(2) "fishing vessel" means any vessel designed to be used in catching fish, processing or transporting fish loaded on the high seas, or any vessel outfitted for such activity,

(3) "citizen of the United States" includes a corporation, partnership, or association if it is a citizen of the United States within the meaning of section 2 of the Shipping Act, 1916, as amended,

(4) "construction" includes designing, inspecting, outfitting, and equipping, and

(5) "Maritime Administrator" means the Maritime Administrator in the Department of Commerce.

39 Stat. 729.
46 USC 802.

Appropriation.

SEC. 12. There is authorized to be appropriated the sum of not more than \$2,500,000 annually to carry out the purposes of this Act.

Expiration date.

SEC. 13. No application for a subsidy for the construction of a fishing vessel may be accepted by the Secretary after the day which is three years after the date of enactment of this Act.

Approved June 12, 1960.