

Public Law 94-372
94th Congress

An Act

July 31, 1976

[H.R. 11504]

To amend section 502 of the Merchant Marine Act, 1936.

Negotiated
Shipbuilding
Contracting Act
of 1976.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Negotiated Shipbuilding Contracting Act of 1976".

SEC. 2. Section 502(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1152(a)) is amended in the third sentence thereof—

(1) by striking out "June 30, 1976" and inserting in lieu thereof "June 30, 1979";

(2) by striking out "(i) the negotiated" and all that follows through "per centum in fiscal 1976;"; and

(3) by redesignating "(ii)", "(iii)", and "(iv)" as "(1)", "(2)", and "(3)".

Construction cost,
limitation.

SEC. 3. Section 502(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1152(b)) is amended by amending the fifth, sixth, seventh, and eighth sentences thereof to read as follows: "The construction differential approved and paid by the Secretary shall not exceed 50 per centum of the cost of constructing, reconstructing, or reconditioning the vessel (excluding the cost of national defense features). If the Secretary finds that the construction differential exceeds, in any case, the foregoing percentage of such cost, the Secretary may negotiate with any bidder (whether or not such person is the lowest bidder) and may contract with such bidder (notwithstanding the first sentence of section 505) for the construction, reconstruction, or reconditioning of the vessel involved in a domestic shipyard at a cost which will reduce the construction differential to such percentage or less."

46 USC 1155.

Approved July 31, 1976.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 94-864 (Comm. on Merchant Marine and Fisheries).
SENATE REPORT No. 94-1013 accompanying S. 3171 (Comm. on Commerce).
CONGRESSIONAL RECORD, Vol. 122 (1976):

Mar. 15, considered and passed House.
June 30, S. 3171 considered and passed Senate.
July 1, considered and passed Senate, amended.
July 19, House concurred in Senate amendment.