

(B) such dry dock—

(i) is owned and operated by—

(I) a shipyard located in the United States that is an eligible owner specified under section 12103(b); or

(II) an affiliate of such a shipyard; or

(ii) is—

(I) owned by the State in which the shipyard is located or a political subdivision of that State; and

(II) operated by a shipyard located in the United States that is an eligible owner specified under section 12103(b).

(2) NOTICE TO CONGRESS.—Not later than 30 days after making a determination under paragraph (1), the Secretary of the Navy shall notify the Committee on Armed Services and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Armed Services and the Committee on Commerce, Science, and Transportation of the Senate of such determination.

(c) DEFINITION.—In this section, the term “floating dry dock” means equipment with wing walls and a fully submersible deck.

(Added Pub. L. 113-291, div. C, title XXXV, § 3502(a), Dec. 19, 2014, 128 Stat. 3904; amended Pub. L. 114-328, div. C, title XXXV, § 3508, Dec. 23, 2016, 130 Stat. 2780.)

#### Editorial Notes

##### REFERENCES IN TEXT

The date of the enactment of the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015, referred to in subsec. (a)(1)(C), is the date of enactment of Pub. L. 113-291, which was approved Dec. 19, 2014.

##### AMENDMENTS

2016—Subsecs. (b), (c). Pub. L. 114-328 added subsec. (b) and redesignated former subsec. (b) as (c).

#### § 55123. Priority loading for coal

A vessel engaged in the coastwise transportation of coal produced in the United States, from a port in the United States to another port in the United States, shall be given priority in loading at any of those ports ahead of a waiting vessel engaged in the export transportation of coal produced in the United States. However, if the Secretary of Transportation finds that it is in the national interest, the Secretary may eliminate this priority loading at any port. The Secretary shall report to Congress within 30 days an action eliminating priority loading under this section.

(Pub. L. 109-304, § 8(c), Oct. 6, 2006, 120 Stat. 1642, § 55301; renumbered § 55123, Pub. L. 116-283, div. A, title X, § 1024(b)(1)(A), Jan. 1, 2021, 134 Stat. 3842.)

##### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55301 .....	46 App.:1121-1.	Pub. L. 96-387, § 5, Oct. 7, 1980, 94 Stat. 1546; Pub. L. 97-31, § 12(6), Aug. 6, 1981, 95 Stat. 159; Pub. L. 99-662, title IX, § 947, Nov. 17, 1986, 100 Stat. 4200.

#### Editorial Notes

##### AMENDMENTS

2021—Pub. L. 116-283 renumbered section 55301 of this title as this section.

### CHAPTER 553—PASSENGER AND CARGO PREFERENCES

#### SUBCHAPTER I—GENERAL<sup>1</sup>

Sec.	Renumbered.]
[55301.	
55302.	Transportation of United States Government personnel.
55303.	Motor vehicles owned by United States Government personnel.
55304.	Exports financed by the United States Government.
55305.	Cargoes procured, furnished, or financed by the United States Government.
SUBCHAPTER II—EXPORT TRANSPORTATION OF AGRICULTURAL COMMODITIES	
55311.	Findings and purposes.
55312.	Determining prevailing world market price.
55313.	Exemption of certain agricultural exports from cargo preference provisions.
55314.	Transportation requirements for certain exports sponsored by the Secretary of Agriculture.
55315.	Minimum tonnage.
[55316, 55317.	Repealed.]
55318.	Effect on other law.

#### SUBCHAPTER III—AMERICAN GREAT LAKES VESSELS

55331.	Definitions.
55332.	Designating American Great Lakes vessels.
55333.	Exemption from restriction on transporting certain cargo.
55334.	Restrictions on operations.
55335.	Revocations and terminations of designations.
55336.	Civil penalty.

#### Editorial Notes

##### AMENDMENTS

2021—Pub. L. 116-283, div. A, title X, § 1024(b)(1)(B)(i), Jan. 1, 2021, 134 Stat. 3842, which directed amendment of the analysis for subchapter I of this chapter by striking out item 55301, was executed by striking item 55301 “Priority loading for coal” from this analysis to reflect the probable intent of Congress.

2013—Pub. L. 113-67, div. A, title VI, § 602(b), Dec. 26, 2013, 127 Stat. 1188, struck out items 55316 “Financing the transportation of agricultural commodities” and 55317 “Termination of subchapter”.

#### SUBCHAPTER I—GOVERNMENT IMPELLED TRANSPORTATION

#### Editorial Notes

##### AMENDMENTS

2021—Pub. L. 116-283, div. A, title X, § 1024(b)(2), Jan. 1, 2021, 134 Stat. 3842, substituted “GOVERNMENT IMPELLED TRANSPORTATION” for “GENERAL” in heading.

#### [§ 55301. Renumbered § 55123]

#### § 55302. Transportation of United States Government personnel

(a) IN GENERAL.—An officer or employee of the United States Government traveling by sea on

<sup>1</sup> So in original. Does not conform to subchapter heading.

official business overseas or to or from a territory or possession of the United States shall travel and transport personal effects on a vessel documented under the laws of the United States if such a vessel is available, unless the necessity of the mission requires the use of a foreign vessel.

(b) REGULATIONS.—The Administrator of General Services shall prescribe regulations under which agencies may not pay for or reimburse an officer or employee for travel or transportation expenses incurred on a foreign vessel in the absence of satisfactory proof of the necessity of using the vessel.

(Pub. L. 109–304, § 8(c), Oct. 6, 2006, 120 Stat. 1642.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55302 .....	46 App.:1241(a).	June 29, 1936, ch. 858, title IX, § 901(a), 49 Stat. 2015; Aug. 26, 1954, ch. 936, 68 Stat. 832; Pub. L. 104–316, title I, § 125, Oct. 19, 1996, 110 Stat. 3839.

In subsection (a), the words “by sea” are added for clarity. The words “a territory or possession of the United States” are substituted for “any of the possessions of the United States” for consistency in the revised title.

#### Executive Documents

##### EXEMPTIONS

Functions authorized by Foreign Assistance Act of 1961 as exempt, see Ex. Ord. No. 11223, eff. May 12, 1965, 30 F.R. 6635, set out under section 2393 of Title 22, Foreign Relations and Intercourse.

#### § 55303. Motor vehicles owned by United States Government personnel

Notwithstanding any other law, privately-owned American shipping services may be used to transport motor vehicles owned by personnel of the United States Government whenever transportation of those vehicles at Government expense is otherwise authorized by law.

(Pub. L. 109–304, § 8(c), Oct. 6, 2006, 120 Stat. 1642.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55303 .....	46 App.:1241(c).	June 29, 1936, ch. 858, title IX, § 901(c), as added May 28, 1956, ch. 325, 70 Stat. 187.

#### § 55304. Exports financed by the United States Government

It is the sense of Congress that any loans made by an instrumentality of the United States Government to foster the exporting of agricultural or other products shall provide that the products may be transported only on vessels of the United States unless, as to any or all of those products, the Secretary of Transportation, after investigation, certifies to the instrumentality that vessels of the United States are not available in sufficient number, in sufficient tonnage capacity, on necessary schedules, or at reasonable rates.

(Pub. L. 109–304, § 8(c), Oct. 6, 2006, 120 Stat. 1642.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55304 .....	46 App.:1241–1.	Mar. 26, 1934, ch. 90, 48 Stat. 500; June 29, 1936, ch. 858, § 204, 49 Stat. 1987; Pub. L. 97–31, § 12(127), Aug. 6, 1981, 95 Stat. 165.

This section codifies the Joint Resolution of March 26, 1934 (ch. 90, 48 Stat. 500) (also commonly known as Public Resolution 17). The codification of this provision is not intended to change its status as a “Sense of Congress” provision in any way. The words “Reconstruction Finance Corporation or” are omitted as obsolete because the Reconstruction Finance Corporation was abolished by section 6 of Reorganization Plan No. 1 of 1957 (5 App. U.S.C.).

#### § 55305. Cargoes procured, furnished, or financed by the United States Government

(a) DEFINITION.—In this section, the term “privately-owned commercial vessel of the United States” does not include a vessel that, after September 21, 1961, was built or rebuilt outside the United States or documented under the laws of a foreign country, until the vessel has been documented under the laws of the United States for at least 3 years.

(b) MINIMUM TONNAGE.—When the United States Government procures, contracts for, or otherwise obtains for its own account, or furnishes to or for the account of a foreign country, organization, or persons without provision for reimbursement, any equipment, materials, or commodities, or provides financing in any way with Federal funds for the account of any persons unless otherwise exempted, within or without the United States, or advances funds or credits, or guarantees the convertibility of foreign currencies in connection with the furnishing or obtaining of the equipment, materials, or commodities, the appropriate agencies shall take steps necessary and practicable to ensure that at least 50 percent of the gross tonnage of the equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) which may be transported on ocean vessels is transported on privately-owned commercial vessels of the United States, to the extent those vessels are available at fair and reasonable rates for commercial vessels of the United States, in a manner that will ensure a fair and reasonable participation of commercial vessels of the United States in those cargoes by geographic areas.

(c) WAIVERS.—The President, the Secretary of Defense, or Congress (by concurrent resolution or otherwise) may waive this section temporarily by—

(1) declaring the existence of an emergency justifying a waiver; and

(2) notifying the appropriate agencies of the waiver.

(d) PROGRAMS OF OTHER AGENCIES.—

(1) Each department or agency that has responsibility for a program under this section shall administer that program with respect to this section under regulations and guidance issued by the Secretary of Transportation. The Secretary, after consulting with the depart-

ment or agency or organization or person involved, shall have the sole responsibility for determining if a program is subject to the requirements of this section.

(2) The Secretary—

(A) shall conduct an annual review of the administration of programs determined pursuant to paragraph (1) as subject to the requirements of this section;

(B) may direct agencies to require the transportation on United States-flagged vessels of cargo shipments not otherwise subject to this section in equivalent amounts to cargo determined to have been shipped on foreign carriers in violation of this section;

(C) may impose on any person that violates this section, or a regulation prescribed under this section, a civil penalty of not more than \$25,000 for each violation willfully and knowingly committed, with each day of a continuing violation following the date of shipment to be a separate violation; and

(D) may take other measures as appropriate under the Federal Acquisition Regulations issued pursuant to section 25(c)(1)<sup>1</sup> of the Office of Federal Procurement Policy Act (41 U.S.C. 1303(a)(1)) or contract with respect to each violation.

(e) SECURITY OF GOVERNMENT-IMPELLED CARGO.—

(1) In order to ensure the safety of vessels and crewmembers transporting equipment, materials, or commodities under this section, the Secretary of Transportation shall direct each department or agency (except the Department of Defense), when responsible for the carriage of such equipment, materials, or commodities, to reimburse, subject to the availability of appropriations, the owners or operators of vessels of the United States carrying such equipment, materials, or commodities for the cost of providing armed personnel aboard such vessels if the vessels are transiting high-risk waters.

(2) In this subsection, the term “high-risk waters” means waters so designated by the Commandant of the Coast Guard in the maritime security directive issued by the Commandant and in effect on the date on which an applicable voyage begins, if the Secretary of Transportation—

(A) determines that an act of piracy occurred in the 12-month period preceding the date the voyage begins; or

(B) in such period, issued an advisory warning that an act of piracy is possible in such waters.

(Pub. L. 109-304, § 8(c), Oct. 6, 2006, 120 Stat. 1642; Pub. L. 110-417, div. C, title XXXV, § 3511(a), (b), Oct. 14, 2008, 122 Stat. 4769; Pub. L. 112-213, title V, § 503, Dec. 20, 2012, 126 Stat. 1575; Pub. L. 113-281, title III, § 306, Dec. 18, 2014, 128 Stat. 3044; Pub. L. 115-232, div. C, title XXXV, § 3546(s), Aug. 13, 2018, 132 Stat. 2327.)

<sup>1</sup> See References in Text note below.

# HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
55305(a) .....	46 App.:1241(b)(1) (2d, last provisos).	June 29, 1936, ch. 858, title IX, § 901(b), as added Aug. 26, 1954, ch. 936, 68 Stat. 832; Pub. L. 87-266, Sept. 21, 1961, 75 Stat. 565; Pub. L. 91-469, § 27, Oct. 21, 1970, 84 Stat. 1034; Pub. L. 97-31, § 12(126), Aug. 6, 1981, 95 Stat. 165.
55305(b) .....	46 App.:1241(b)(1) (words before 1st proviso).	
55305(c) .....	46 App.:1241(b)(1) (1st proviso).	
55305(d) .....	46 App.:1241(b)(2).	

In this section, the words “commercial vessels of the United States” are substituted for “United States-flag commercial vessels” for consistency in the revised title.

In subsection (a), the words “the provisions of this subsection shall not apply to cargoes carried in the vessels of the Panama Canal Company” are omitted as obsolete. The words “Nothing herein shall repeal or otherwise modify the provisions of section 1241-1 of this Appendix” are omitted as unnecessary. The last proviso in 46 App. U.S.C. 1241(b)(1) is omitted as obsolete.

## Editorial Notes

### REFERENCES IN TEXT

Section 25(c)(1) of the Office of Federal Procurement Policy Act, referred to in subsec. (d)(2)(D), was classified to section 421(c)(1) of former Title 41, Public Contracts, and was repealed and restated as section 1303(a)(1) of Title 41, Public Contracts, by Pub. L. 111-350, §§ 3, 7(b), Jan. 4, 2011, 124 Stat. 3677, 3855. For disposition of sections of former Title 41, see Disposition Table preceding section 101 of Title 41.

### AMENDMENTS

2018—Subsec. (d)(2)(D). Pub. L. 115-232 substituted “1303(a)(1)” for “421(c)(1)”.

2014—Subsec. (e)(1). Pub. L. 113-281, § 306(1), substituted “reimburse, subject to the availability of appropriations, the owners or operators of vessels” for “provide armed personnel aboard vessels” and “commodities for the cost of providing armed personnel aboard such vessels” for “commodities”.

Subsec. (e)(2), (3). Pub. L. 113-281, § 306(2), added par. (2) and struck out former pars. (2) and (3) which read as follows:

“(2) The Secretary of Transportation shall direct each department or agency responsible to provide armed personnel under paragraph (1) to reimburse, subject to the availability of appropriations, the owners or operators of applicable vessels for the cost of providing armed personnel.

“(3) In this subsection, the term ‘high-risk waters’ means waters so designated by the Commandant of the Coast Guard in the Port Security Advisory in effect on the date on which an applicable voyage begins.”

2012—Subsec. (e). Pub. L. 112-213 added subsec. (e).

2008—Subsec. (b). Pub. L. 110-417, § 3511(a), substituted “foreign country, organization, or persons” for “foreign country”, “commodities, or provides financing in any way with Federal funds for the account of any persons unless otherwise exempted, within” for “commodities, within”, and “furnishing or obtaining” for “furnishing”.

Subsec. (d). Pub. L. 110-417, § 3511(b), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “An agency having responsibility under this section shall administer its programs with respect to this section under regulations prescribed by the Secretary of Transportation. The Secretary shall review the administration of those programs and report annually to Congress on their administration.”

## Statutory Notes and Related Subsidiaries

## REGULATIONS

Pub. L. 110-417, div. C, title XXXV, §3511(c), Oct. 14, 2008, 122 Stat. 4770, provided that: “The Secretary of Transportation shall prescribe such rules as are necessary to carry out section 55305(d) of title 46, United States Code. The Secretary may prescribe interim rules necessary to carry out section 55305(d) of such title. An interim rule prescribed under this subsection shall remain in effect until superseded by a final rule.”

## SUBCHAPTER II—EXPORT TRANSPORTATION OF AGRICULTURAL COMMODITIES

## § 55311. Findings and purposes

(a) FINDINGS.—Congress finds that—

(1) a productive and healthy agricultural industry and a strong and active United States maritime industry are vitally important to the economic well-being and security of the United States;

(2) both industries must compete in international markets increasingly dominated by foreign trade barriers and the subsidization practices of foreign governments; and

(3) increased agricultural exports and the use of merchant vessels of the United States contribute positively to the United States balance of trade and generate employment opportunities in the United States.

(b) PURPOSES.—The purposes of this subchapter are to—

(1) enable the Secretary of Agriculture to plan export programs effectively, by clarifying the ocean transportation requirements applicable to those programs;

(2) take immediate and positive steps to promote the growth of the cargo-carrying capacity of the United States merchant marine;

(3) expand international trade in United States agricultural commodities and products and develop, maintain, and expand markets for United States agricultural exports;

(4) improve the efficiency of administration of both the commodity purchasing and selling activities and the ocean transportation activities associated with export programs sponsored by the Secretary;

(5) stimulate and promote the agricultural and maritime industries of the United States and encourage cooperative efforts by both industries to address their common problems; and

(6) provide for the appropriate disposition of these findings and purposes.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1643.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55311 .....	46 App.:1241d.	Pub. L. 99-198, title XI, §1141, Dec. 23, 1985, 99 Stat. 1490.

In subsection (a)(1), the word “security” is substituted for “national security objectives” to eliminate unnecessary words.

In subsection (b), the words “Secretary of Agriculture” in paragraph (1) and “Secretary” in paragraph (4) are substituted for “Department of Agriculture” be-

cause all functions of the Department are vested in the Secretary under 7 U.S.C. 2202 and 6911 and Reorganization Plan No. 2 of 1953 (5 App. U.S.C.).

## § 55312. Determining prevailing world market price

(a) AGRICULTURAL COMMODITIES AND PRODUCTS.—The prevailing world market price for agricultural commodities or their products shall be determined under this subchapter under procedures prescribed by the Secretary of Agriculture. The Secretary shall prescribe the procedures by regulation, with notice and opportunity for public comment under section 553 of title 5.

(b) SERVICES AND NON-AGRICULTURAL COMMODITIES AND PRODUCTS.—If a determination of the prevailing world market price of any other type of materials, goods, equipment, or service is required to determine whether a barter or exchange transaction is subject to section 55314(b)(6) or (7) of this title, the determination shall be made by the Secretary of Agriculture in consultation with the heads of other appropriate agencies.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1644.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55312 .....	46 App.:1241f(e).	June 29, 1936, ch. 858, title IX, §901b(e), as added Pub. L. 99-198, title XI, §1142, Dec. 23, 1985, 99 Stat. 1492.

## § 55313. Exemption of certain agricultural exports from cargo preference provisions

Sections 55304 and 55305 of this title do not apply to export activities of the Secretary of Agriculture or the Commodity Credit Corporation under which—

(1) agricultural commodities or their products acquired by the Corporation are made available to United States exporters, users, processors, or foreign purchasers for the purpose of developing, maintaining, or expanding export markets for United States agricultural commodities or their products at prevailing world market prices;

(2) payments are made available to United States exporters, users, or processors or, except as provided in section 55314 of this title, cash grants are made available to foreign purchasers, for the purpose described in paragraph (1);

(3) commercial credit guarantees are blended with direct credits from the Corporation to reduce the effective rate of interest on export sales of United States agricultural commodities or their products;

(4) credit or credit guarantees for not more than 3 years are extended by the Corporation to finance or guarantee export sales of United States agricultural commodities or their products; or

(5) agricultural commodities or their products owned or controlled by or under loan from the Corporation are exchanged or bartered for materials, goods, equipment, or services at least equal in value to the agricultural commodities or their products for which