

Public Law 88-410

AN ACT

To amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses.

August 10, 1964
[H. R. 82]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(f) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(f)), is amended by inserting at the end thereof the following:

"If, as a result of allocation under this subsection, the applicant incurs expenses for inspection and supervision of the vessel during construction and for the delivery voyage of the vessel in excess of the estimated expenses for the same services that he would have incurred if the vessel had been constructed by the lowest responsible bidder the Secretary of Commerce (with respect to construction under title V, except section 509) shall reimburse the applicant for such excess, less one-half of any gross income the applicant receives that is allocable to the delivery voyage minus one-half of the extra expenses incurred to produce such gross income, and such reimbursement shall not be considered part of the construction-differential subsidy: *Provided*, That no interest shall be paid on any refund authorized under this Act. If the vessel is constructed under section 509 the Secretary of Commerce shall reduce the price of the vessel by such excess, less one-half of any gross income (minus one-half of the extra expenses incurred to produce such gross income) the applicant receives that is allocable to the delivery voyage. In the case of a vessel that is not to receive operating-differential subsidy, the delivery voyage shall be deemed terminated at the port where the vessel begins loading. In the case of a vessel that is to receive operating-differential subsidy, the delivery voyage shall be deemed terminated when the vessel begins loading at a United States port on any essential service of the operator. In either case, however, the vessel owner shall not be compensated for excess vessel delivery costs in an amount greater than the expenses that would have been incurred in delivering the vessel from the shipyard at which it was built to the shipyard of the lowest responsible bidder. If as a result of such allocation, the expenses the applicant incurs with respect to such services are less than the expenses he would have incurred for such services if the vessel had been constructed by the lowest responsible bidder, the applicant shall pay to the Secretary of Commerce an amount equal to such reduction and, if the vessel was built with the aid of construction-differential subsidy, such payment shall not be considered a reduction of the construction-differential subsidy."

Vessels.
Construction
expenses.
52 Stat. 957;
70 Stat. 657.

49 Stat. 1995,
46 USC 1151 et
seq.

46 USC 1159.

SEC. 2. The amendment made by this Act shall be effective with respect to any contract entered into under the provisions of section 502 of the Merchant Marine Act, 1936, as amended, and the Secretary of Commerce shall, with the consent of the other parties thereto, modify any such contract entered into prior to the date of the enactment of this Act to the extent authorized by the amendment made by this Act, except that the Secretary shall not agree to any such modification which would result in a payment by the United States unless, within one year after enactment of this Act, application is made for such modification. No payment shall be made by the Secretary under the provisions of the amendment made by this Act with respect to any

Modification of
contract.

contract entered into after the date of enactment of this Act unless the recipient of such payment has agreed to the modification of any contract which was entered into prior to the date of enactment of this Act and to which such recipient was a party, and which, if modified under the authority of this section, would result in a payment to the United States.

Approved August 10, 1964.

Public Law 88-411

August 10, 1964
[H. R. 7419]

AN ACT

To authorize the conclusion of agreements with Mexico for joint construction, operation, and maintenance of emergency flood control works on the lower Colorado River, in accordance with the provisions of article 13 of the 1944 Water Treaty with Mexico, and for other purposes.

Mexico-U.S.,
flood control.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized to conclude, with the appropriate official or officials of the Government of Mexico, agreements for emergency flood control measures of international character in the reaches of the lower Colorado River between Imperial Dam and the Gulf of California, in both the United States and Mexico, such agreements to provide: (a) for the joint clearing and maintaining free of trees and brush the bed and banks of the channel; for removing sediment deposits from the river channel; and (b) for corrective actions to guard against sedimentation and consequent aggradation of the river channel incident to desilting operations at diversion dams in the two countries: *Provided*, That, prior approval of the Secretary of the Interior is required of any proposed agreement with Mexico under clause (b) of this section which would involve construction and/or operation of works on the Colorado River in the United States under the jurisdiction of the Secretary. The measures contemplated herein are for the purpose of controlling floods on the lower Colorado River in accordance with article 13 of the 1944 Water Treaty with Mexico, and accomplishment thereof by the International Boundary and Water Commission, United States Section, would be in accord with the Memorandum of Understanding "as to Functions and Jurisdiction of Agencies of the United States in Relation to the Colorado and Tijuana Rivers and the Rio Grande Below Fort Quitman, Texas, Under Water Treaty Signed at Washington, February 3, 1944," between the Department of State and the United States Section, International Boundary and Water Commission, and the Department of the Interior dated February 14, 1945.

59 Stat. 1241.

SEC. 2. The United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized to carry out those measures agreed upon for execution by the United States in the agreements concluded pursuant to section 1 of this Act.

Appropriation.

SEC. 3. There is authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, not in excess of \$300,000 for the initial cost of the work authorized in this Act, and not to exceed \$20,000 annually thereafter for necessary maintenance.

Approved August 10, 1964.