

§ 3784. Transfer of property to Republic of Panama

(a) Conveyance of Panama Railroad

(1) On October 1, 1979, the Secretary of State may convey to the Republic of Panama the Panama Railroad and such property located in the area which, immediately before such date, comprised the Canal Zone and which is not within the land and water areas the use of which is made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements.

(2) Property transferred pursuant to paragraph (1) of this subsection may not include buildings and other facilities, except housing, located outside such areas, the use of which is retained by the United States pursuant to the Panama Canal Treaty of 1977 and related agreements.

(b) Transfer of certain property pursuant to Panama Canal Treaty of 1977; report to Congress

With respect to the transfer of all other property (not described in subsection (a)(1) of this section) to be transferred in accordance with the terms of the Panama Canal Treaty of 1977 and related agreements, the Secretary of State may convey such property from time to time in accordance with the terms of such Treaty and related agreements. Before the transfer of any such property, the President must submit a written report to the Congress—

(1) precisely identifying and describing the particular property to be transferred;

(2) certifying the state of compliance by the Republic of Panama with such Treaty and related agreements; and

(3) setting forth the reasons for the conveyance being made at the particular time.

(c) Restriction on transfer of Panama Canal and certain other property

The Panama Canal, and such other property referred to in paragraph 2(d) of Article XIII of the Panama Canal Treaty of 1977 that has not been previously transferred in accordance with paragraphs 2(a), 2(b), and 2(c) of such Article, shall not be transferred to the Republic of Panama prior to December 31, 1999.

(Pub. L. 96-70, title I, §1504, Sept. 27, 1979, 93 Stat. 488; Pub. L. 99-223, §7, Dec. 28, 1985, 99 Stat. 1740.)

Editorial Notes

AMENDMENTS

1985—Subsec. (b). Pub. L. 99-223 substituted “Before” for “At least 180 days before”.

Executive Documents

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (b) delegated to Secretary of State, see section 1-402 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

PART 6—TOLLS FOR USE OF PANAMA CANAL

§ 3791. Prescription of measurement rules and rates of tolls

The Commission may, subject to the provisions of this chapter, prescribe and from time to time change—

(1) the rules for the measurement of vessels for the Panama Canal; and

(2) the tolls that shall be levied for use of the Panama Canal.

(Pub. L. 96-70, title I, §1601, Sept. 27, 1979, 93 Stat. 489; Pub. L. 104-106, div. C, title XXXV, §3527, Feb. 10, 1996, 110 Stat. 641.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96-70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1996—Pub. L. 104-106 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows:

“(a) The President is authorized, subject to the provisions of this part, to prescribe and from time to time change—

“(1) the rules for the measurement of vessels for the Panama Canal; and

“(2) the tolls that shall be levied for the use of the Canal.

“(b) Such rules of measurement and tolls prevailing on October 1, 1979, shall continue in effect until changed as provided in this part.”

§ 3792. Bases of tolls

(a) Toll rates based on net vessel tons and on displacement tonnage

Tolls on merchant vessels, army and navy transports, colliers, tankers, hospital ships, and supply ships shall be based on net vessel tons of one hundred cubic feet each of actual earning capacity, or its equivalent, determined in accordance with the rules for the measurement of vessels for the Panama Canal, and tolls on other floating craft shall be based on displacement tonnage. The tolls on vessels in ballast without passengers or cargo may be less than the tolls for vessels with passengers or cargo. Toll rates for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.

(b) Toll rates prescribed to cover all costs of operation and maintenance of Panama Canal

Tolls shall be prescribed at rates calculated to produce revenues to cover as nearly as practicable all costs of maintaining and operating the Panama Canal (including costs authorized to be paid from the Panama Canal Dissolution Fund under section 3714a(c) of this title), together with the facilities and appurtenances related thereto, including unrecovered costs incurred on or after October 1, 1979, interest, depreciation, working capital, payments to the Republic of Panama pursuant to paragraph 5 of Article III and paragraph 4(a) and (b) of Article XIII of the Panama Canal Treaty of 1977, and capital for plant replacement, expansion, and improvements. Toll rates shall not be prescribed at rates calculated to produce revenues sufficient to cover payments to the Republic of Panama

pursuant to paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977.

(c) Payment of tolls by vessels of United States

Vessels operated by the United States, including vessels of war and auxiliary vessels, and ocean-going training ships owned by the United States and operated by State nautical schools, shall pay tolls.

(d) Levy of tolls

The levy of tolls is subject to the provisions of section 1 of Article III of the treaty between the United States of America and Great Britain signed November 18, 1901, of Article I of the treaty between the United States of America and the Republic of Colombia signed April 6, 1914, and of Articles II, III, and VI of the Treaty Concerning Permanent Neutrality and Operation of the Panama Canal, between the United States of America and the Republic of Panama, signed September 7, 1977.

(Pub. L. 96-70, title I, §1602, Sept. 27, 1979, 93 Stat. 489; Pub. L. 100-203, title V, §5427, Dec. 22, 1987, 101 Stat. 1330-274; Pub. L. 102-484, div. C, title XXXV, §§3513, 3521(b)(2), Oct. 23, 1992, 106 Stat. 2655, 2657; Pub. L. 105-85, div. C, title XXXV, §3544, Nov. 18, 1997, 111 Stat. 2072.)

Editorial Notes

AMENDMENTS

1997—Subsec. (a). Pub. L. 105-85 substituted “and supply ships” for “supply ships, and yachts” and inserted at end “Tolls for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.”

1992—Subsec. (a). Pub. L. 102-484, §3513, inserted “, or its equivalent,” after “earning capacity”.

Subsec. (b). Pub. L. 102-484, §3521(b)(2), substituted “Panama Canal (including costs authorized to be paid from the Panama Canal Dissolution Fund under section 3714a(c) of this title)” for “Panama Canal”.

1987—Subsec. (b). Pub. L. 100-203 inserted “working capital,” after “depreciation.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100-203, set out as a note under section 3712 of this title.

§ 3793. Interest on investments

(a) Calculation of interest

For purposes of sections 3721 and 3792 of this title, interest shall be computed, at a rate determined by the Secretary of the Treasury, on the investment of the United States in the Panama Canal as shown in the accounts of the Panama Canal Company at the close of business on the day preceding October 1, 1979, and as adjusted in accordance with subsections (b) and (c) of this section. Capital investment for interest purposes shall not include any interest during construction.

(b) Increases and decreases in investment of United States

The investment of the United States described in subsection (a) of this section—

(1) shall be increased by—

(A) the amount of expenditures from the Panama Canal Revolving Fund,¹ and

(B) the value of property transferred to the Commission by any other department or agency of the United States, as determined in accordance with subsection (c) of this section; and

(2) shall be decreased by—

(A) the amount of the funds deposited in the Panama Canal Revolving Fund,

(B) the value of property transferred to the Republic of Panama pursuant to this chapter or any other Act on or after October 1, 1979, and

(C) the value of property transferred by the Commission to any other department or agency of the United States.

(c) Value of property transferred to Commission

The value of property transferred to the Commission by any other department or agency of the United States shall be determined by the Director of the Office of Management and Budget. In computing such value, such Director shall give due consideration to the cost and probable earning power of the transferred property, or the usable value to the Commission if clearly less than cost, and shall make adequate provisions for depreciation, obsolescence, and other determinable decreases in value. Insofar as practicable, the value of such transferred property shall exclude any portion of such value properly allocable to national defense.

(d) Payment and deposit of interest

The Panama Canal Commission shall pay to the Treasury of the United States interest on the investment of the United States, as determined under this section. Such interest shall be deposited in the general fund of the Treasury.

(Pub. L. 96-70, title I, §1603, Sept. 27, 1979, 93 Stat. 490; Pub. L. 99-195, §1(b), Dec. 23, 1985, 99 Stat. 1349; Pub. L. 100-203, title V, §5425(a), Dec. 22, 1987, 101 Stat. 1330-274.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(2)(B), was in the original “this Act”, meaning Pub. L. 96-70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1987—Subsec. (b)(1)(A). Pub. L. 100-203, §5425(a)(1), substituted “the Panama Canal Revolving Fund,” for “appropriations to the Commission made on or after October 1, 1979”.

Subsec. (b)(2)(A). Pub. L. 100-203, §5425(a)(2), substituted “deposited in the Panama Canal Revolving Fund” for “covered into the Panama Canal Commission Fund pursuant to section 3712 of this title”.

Subsec. (d). Pub. L. 100-203, §5425(a)(3), added subsec. (d).

1985—Subsec. (b)(2)(A). Pub. L. 99-195 substituted “Panama Canal Commission Fund” for “Treasury”.

¹ So in original.