

of the Act of March 24, 1943 (50 U.S.C. 4701(a), (c), 4703(c), 4704), apply to those operations and to seamen employed through general agents as employees of the United States Government. Notwithstanding any other law on the employment of persons by the Government, the seamen may be employed in accordance with customary commercial practices in the maritime industry.

(c) **ADVANCEMENTS.**—With the approval of the Director of the Office of Management and Budget, the Secretary may advance amounts the Secretary considers necessary, but not more than 2 percent of vessel operating expenses, from the Fund to the appropriation “Salaries and Expenses” in carrying out duties and powers related to vessel operations, without regard to the limitations on amounts stated in that appropriation.

(d) **TRANSFERS.**—The unexpended balances of working funds or of allocation accounts established after January 1, 1951, for the activities provided for in subsection (a), and receipts received from those activities, may be transferred to the Fund, which shall be available for the purposes of those working funds or allocation accounts.

(e) **LIMITATION.**—

(1) **IN GENERAL.**—Amounts made available to the Secretary for maritime activities by this section or any other law may not be used to pay for a vessel described in paragraph (2) unless the compensation to be paid is computed under section 56303 of this title as that section is interpreted by the Comptroller General.

(2) **APPLICABLE VESSELS.**—Paragraph (1) applies to a vessel—

(A) the title to which is acquired by the Government by requisition or purchase;

(B) the use of which is taken by requisition or agreement; or

(C) lost while insured by the Government.

(3) **NONAPPLICABLE VESSELS.**—Paragraph (1) does not apply to a vessel under a construction-differential subsidy contract.

(f) **AVAILABILITY FOR ADDITIONAL PURPOSES.**—The Fund is available for—

(1) necessary expenses incurred in the protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage foreclosure or forfeiture proceedings instituted by the Government, including payment of prior claims and liens, expenses of sale, or other related charges;

(2) necessary expenses incident to the redelivery and lay-up, in the United States, of vessels chartered as of June 20, 1956, under agreements not calling for their return to the Government;

(3) the activation, repair, and deactivation of merchant vessels chartered for limited emergency purposes during fiscal year 1957 under the jurisdiction of the Secretary; and

(4) payment of expenses of custody and maintenance of Government-owned vessels not in the National Defense Reserve Fleet.

(g) **EXPENSES AND RECEIPTS RELATED TO CHARTER OPERATIONS.**—The Fund is available for expenses incurred in activating, repairing, and deactivating merchant vessels chartered under the jurisdiction of the Secretary. Receipts from

charter operations of Government-owned vessels under the jurisdiction of the Secretary shall be credited to the Fund.

(Pub. L. 109–304, §8(b), Oct. 6, 2006, 120 Stat. 1562; Pub. L. 118–31, div. C, title XXXV, §3514(d), Dec. 22, 2023, 137 Stat. 810.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
50301(a) .....	46 App.:1241a (1st sentence).	June 2, 1951, ch. 121 (pars. under heading “Vessel Operations Revolving Fund”), 65 Stat. 59; Pub. L. 97–31, §12(128), Aug. 6, 1981, 95 Stat. 165; Pub. L. 108–271, §8(b), July 7, 2004, 118 Stat. 814.
50301(b) .....	46 App.:1241a (2d sentence words before 2d proviso).	
50301(c) .....	46 App.:1241a (2d sentence 2d proviso).	
50301(d) .....	46 App.:1241a (2d sentence last proviso).	
50301(e) .....	46 App.:1241a (last sentence).	
50301(f) .....	46 App.:1241b.	June 20, 1956, ch. 415, title I, §101 (4th complete par. on p. 319), 70 Stat. 319; Pub. L. 97–31, §12(129), Aug. 6, 1981, 95 Stat. 165.
50301(g) .....	46 App.:1241b note. 46 App.:1241c.	Aug. 1, 1956, ch. 846, 70 Stat. 897; Pub. L. 97–31, §12(130), Aug. 6, 1981, 95 Stat. 165.

In subsection (c), the words “Director of the Office of Management and Budget” are substituted for “Bureau of the Budget” in the Act of June 2, 1951 (ch. 121, 65 Stat. 59), because of sections 101 and 102 of Reorganization Plan No. 2 of 1970 (5 App. U.S.C.) and 31 U.S.C. ch. 5. The words “for the purposes of that appropriation” are omitted for clarity and for consistency in the subsection.

In subsection (d), the words “notwithstanding any other provisions of law” and “and consolidated with” are omitted as unnecessary.

In subsection (e), in paragraph (1), the words “Comptroller General” are substituted for “Government Accountability Office” for consistency in the revised title. Paragraph (3) is substituted for “(except in cases where section 1212 of this Appendix is applicable)” because section 1212 applies to all vessels under a construction-differential subsidy contract.

In subsection (f), the words “On and after June 20, 1956”, and the last proviso in the 4th complete par. at 70 Stat. 319 (46 App. U.S.C. 1241b note), are omitted as obsolete.

In subsection (g), the words “beginning July 1, 1956” and “after July 1, 1956” are omitted as obsolete.

#### Editorial Notes

##### AMENDMENTS

2023—Subsec. (b). Pub. L. 118–31 substituted “(50 U.S.C. 4701(a), (c), 4703(c), 4704)” for “(50 App. U.S.C. 1291(a), (c), 1293(c), 1294)”.

#### § 50302. Port development

(a) **GENERAL REQUIREMENTS.**—With the objective of promoting, encouraging, and developing ports and transportation facilities in connection with water commerce over which the Secretary of Transportation has jurisdiction, the Secretary, in cooperation with the Secretary of the Army, shall—

(1) investigate territorial regions and zones tributary to ports, taking into consideration the economies of transportation by rail,

water, and highway and the natural direction of the flow of commerce;

(2) investigate the causes of congestion of commerce at ports and applicable remedies;

(3) investigate the subject of water terminals, including the necessary docks, warehouses, and equipment, to devise and suggest the types most appropriate for different locations and for the most expeditious and economical transfer or interchange of passengers or property between water carriers and rail carriers;

(4) consult with communities on the appropriate location and plan of construction of wharves, piers, and water terminals;

(5) investigate the practicability and advantages of harbor, river, and port improvements in connection with foreign and coastwise trade; and

(6) investigate any other matter that may tend to promote and encourage the use by vessels of ports adequate to care for the freight that naturally would pass through those ports.

(b) SUBMISSION OF FINDINGS TO SURFACE TRANSPORTATION BOARD.—After an investigation under subsection (a), if the Secretary of Transportation believes that the rates or practices of a rail carrier subject to the jurisdiction of the Surface Transportation Board are detrimental to the objective specified in subsection (a), or that new rates or practices, new or additional port terminal facilities, or affirmative action by a rail carrier is necessary to promote that objective, the Secretary may submit findings to the Board for action the Board considers appropriate under existing law.

(Pub. L. 109-304, §8(b), Oct. 6, 2006, 120 Stat. 1564; Pub. L. 111-84, div. C, title XXXV, §3512, Oct. 28, 2009, 123 Stat. 2722; Pub. L. 113-66, div. C, title XXXV, §3505(b), Dec. 26, 2013, 127 Stat. 1086; Pub. L. 116-92, div. C, title XXXV, §3514(b), Dec. 20, 2019, 133 Stat. 1980; Pub. L. 116-283, div. C, title XXXV, §3504, Jan. 1, 2021, 134 Stat. 4399; Pub. L. 117-81, div. C, title XXXV, §3513(a)(2), Dec. 27, 2021, 135 Stat. 2240.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
50302(a) .....	46 App.:867 (words before proviso).	June 5, 1920, ch. 250, § 8, 41 Stat. 992; Exec. Order No. 6166, June 10, 1933, §12; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(40), Aug. 6, 1981, 95 Stat. 156; Pub. L. 104-88, §321(1), Dec. 29, 1995, 109 Stat. 949.
50302(b) .....	46 App.:867 (proviso).	

In subsection (a), before paragraph (1), the words “Secretary of the Army” are substituted for “Secretary of War” in section 8 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 992) because of section 205(a) of the National Security Act of 1947 (ch. 343, 61 Stat. 501). See 10 U.S.C. 3011 et seq. In paragraph (3), the words “apparatus” and “appliances” are omitted as unnecessary. In paragraph (4), the words “consult with” are substituted for “advise with” as being more grammatical.

In subsection (b), the words “rates or practices” are substituted for “rates, charges, rules, or regulations” for consistency in the revised title and with other titles of the United States Code.

Editorial Notes

AMENDMENTS

2021—Subsec. (c). Pub. L. 117-81 redesignated subsec. (c) as section 54301(a) of this title.

Subsec. (c)(2). Pub. L. 116-283, §3504(1)(A)(i), inserted “or subsection (d)” after “this subsection” in introductory provisions.

Subsec. (c)(2)(G). Pub. L. 116-283, §3504(1)(A)(ii), inserted “, including the owners or operators of a facility, or collection of facilities at a port” after “private entities”.

Subsec. (c)(5)(A). Pub. L. 116-283, §3504(1)(B)(i), inserted “or subsection (d)” after “this subsection”.

Subsec. (c)(5)(B). Pub. L. 116-283, §3504(1)(B)(ii), substituted “90” for “60” and inserted “or subsection (d)” after “this subsection”.

Subsec. (c)(6)(C). Pub. L. 116-283, §3504(1)(C), struck out subpar. (C). Prior to amendment, text read as follows: “The Secretary may waive the cost-benefit analysis under subparagraph (A)(ii), and establish a simplified, alternative basis for determining whether a project is cost effective, for a small project described in paragraph (7)(B).”

Subsec. (c)(7)(B). Pub. L. 116-283, §3504(1)(D)(i), substituted “18 percent” for “25 percent” and “subsection (d). The requirement under paragraph (6)(A)(ii) shall not apply to grants made under subsection (d).” for “paragraph (3)(A) that request the lesser of—

- “(i) 10 percent of the amounts made available for grants under this subsection for a fiscal year; or
- “(ii) \$10,000,000.”

Subsec. (c)(7)(C). Pub. L. 116-283, §3504(1)(D)(ii), added subpar. (C) and struck out former subpar. (C). Text read as follows: “Not more than 10 percent of the amounts made available for grants under this subsection for a fiscal year may be used to make grants for development phase activities under paragraph (3)(B).”

Subsec. (c)(8)(A). Pub. L. 116-283, §3504(1)(E)(i), inserted “or subsection (d)” after “a grant under this subsection” and substituted “the project for which the grant is requested” for “a project under this subsection”.

Subsec. (c)(8)(B)(i). Pub. L. 116-283, §3504(1)(E)(ii)(I), substituted “under this subsection or subsection (d)” for “under this subsection”.

Subsec. (c)(8)(B)(ii). Pub. L. 116-283, §3504(1)(E)(ii)(II), inserted “for which a grant is awarded under subsection (d) or that is” after “project”.

Subsec. (c)(9). Pub. L. 116-283, §3504(1)(F), inserted “for grants made under this subsection and subsection (d)” after “procedures” in introductory provisions.

Subsec. (c)(10)(A). Pub. L. 116-283, §3504(1)(G), inserted “or subsection (d)” after “this subsection” in introductory provisions.

Subsec. (c)(11)(A). Pub. L. 116-283, §3504(1)(H)(i), substituted “to make grants for port development under this section” for “under this subsection” and “to make grants for port development under this section” for “to carry out this subsection”.

Subsec. (c)(11)(B)(i). Pub. L. 116-283, §3504(1)(H)(ii)(I), substituted “to make grants for port development under this section” for “for carrying out this subsection”.

Subsec. (c)(11)(B)(ii). Pub. L. 116-283, §3504(1)(H)(ii)(II), substituted “for port development under this section” for “under this subsection”, and inserted “or that are returned under paragraph (9)(C)” after “the award” and “Any such amount may only be expended to award a grant under the same subsection of this section under which the original grant was made.” at end.

Subsec. (c)(12). Pub. L. 116-283, §3504(1)(I)(i), inserted “and subsection (d)” after “this subsection” in introductory provisions.

Subsec. (c)(12)(A) to (D). Pub. L. 116-283, §3504(1)(I)(ii), redesignated subpars. (B) to (D) as (A) to (C), respectively, and struck out former subpar. (A) which defined “appropriate committees of Congress”.

Subsec. (d). Pub. L. 117-81 redesignated subsec. (d) as section 54301(b) of this title.

Pub. L. 116-283, §3504(3), added subsec. (d). Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 117-81 redesignated subsec. (e) as section 54301(c) of this title.

Pub. L. 116-283, §3504(2), redesignated subsec. (d) as (e).

Subsec. (e)(3). Pub. L. 116-283, §3504(4), inserted “or subsection (d)” after “subsection (c)” and substituted “to any eligible applicants as described in subsection (c)(2)” for “to port authorities or commissions or their subdivisions and agents”.

2019—Subsecs. (c), (d). Pub. L. 116-92 added subsecs. (c) and (d) and struck out former subsec. (c), which established and set out parameters for a port infrastructure development program.

2013—Subsec. (c)(2)(D). Pub. L. 113-66 inserted “and financial assistance, including grants,” after “technical assistance”.

2009—Subsec. (c). Pub. L. 111-84 added subsec. (c).

#### Statutory Notes and Related Subsidiaries

##### SAVINGS CLAUSE

Pub. L. 116-92, div. C, title XXXV, §3514(c), Dec. 20, 2019, 133 Stat. 1984, provided that:

“A repeal made by subsection (b) of this section [amending this section] shall not affect amounts apportioned or allocated before the effective date of the repeal. Such apportioned or allocated funds shall continue to be subject to the requirements to which the funds were subject under—

“(1) section 50302(c) of title 46, United States Code, as in effect on the day before the date of enactment of this title [Dec. 20, 2019];

“(2) section 9008 of the SAFETEA-LU Act (Public Law 109-59; 119 Stat. 1926);

“(3) section 10205 of the SAFETEA-LU Act (Public Law 109-59; 119 Stat. 1934); and

“(4) section 3512 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (48 U.S.C. 1421r).”

##### STRATEGIC SEAPORTS

Pub. L. 113-66, div. C, title XXXV, §3505(a), Dec. 26, 2013, 127 Stat. 1086, which established priority for funding to strategic seaports in support of national security requirements, was repealed by Pub. L. 118-31, div. C, title XXXV, §3514(a)(1)(C), Dec. 22, 2023, 137 Stat. 810. See section 54301(a)(6)(C), (12)(E) of this title.

#### § 50303. Operating property and extending term of notes

(a) GENERAL AUTHORITY.—The Secretary of Transportation may—

(1) operate or lease docks, wharves, piers, vessels, or real property under the Secretary’s control, except that the prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense; and

(2) make extensions and accept renewals of—

(A) promissory notes and other evidences of indebtedness on property; and

(B) mortgages and other contracts securing the property.

(b) TERMS OF TRANSACTIONS.—A transaction under subsection (a) shall be on terms the Secretary considers necessary to carry out the purposes of this subtitle, but consistent with sound business practice.

(c) AVAILABILITY OF AMOUNTS.—Amounts received by the Secretary from a transaction under this section are available for expenditure by the Secretary as provided in this subtitle.

(Pub. L. 109-304, §8(b), Oct. 6, 2006, 120 Stat. 1564; Pub. L. 110-181, div. C, title XXXV, §3512, Jan. 28, 2008, 122 Stat. 594.)

#### HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
50303 .....	46 App.:1112.	June 29, 1936, ch. 858, title II, §202, 49 Stat. 1986; Aug. 26, 1937, ch. 822, §1, 50 Stat. 839; June 23, 1938, ch. 600, §1, 52 Stat. 953; Pub. L. 97-31, §12(60), Aug. 6, 1981, 95 Stat. 158.

In subsection (a), the words “Notwithstanding any other provision of law” are omitted as unnecessary. In paragraph (1), the word “lands” is omitted as included in “real property”. In paragraph (2)(A), the word “promissory” is added for clarity. The words “hereby transferred”, referring to the transfer under the first sentence of section 202 of the Merchant Marine Act, 1936 (repealed by section 12(60)(A) of Public Law 97-31), are omitted as obsolete.

Subsection (b) is substituted for “in accordance with good business methods and on such terms and conditions as he determines to effectuate the policy of this chapter” and “upon such terms and conditions as he may prescribe in accordance with sound business practice” for consistency and to eliminate unnecessary words.

#### Editorial Notes

##### AMENDMENTS

2008—Subsec. (a)(1). Pub. L. 110-181 inserted “vessels,” after “piers,” and substituted “control, except that the prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense;” for “control;”.

#### § 50304. Sale and transfer of property

(a) AUTHORITY TO SELL.—The Secretary of Transportation may sell property (other than vessels transferred under section 4 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 990)) on terms the Secretary considers appropriate.

(b) TRANSFERS FROM MILITARY TO CIVILIAN CONTROL.—When the President considers it in the interest of the United States, the President may transfer to the Secretary of Transportation possession and control of property described in the second paragraph of section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted, that is possessed and controlled by the Secretary of a military department.

(c) TRANSFERS FROM CIVILIAN TO MILITARY CONTROL.—When the President considers it necessary, the President by executive order may transfer to the Secretary of a military department possession and control of property described in section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted, that is possessed and controlled by the Secretary of Transportation. The President’s order shall state the need for the transfer and the period of the need. When the President decides that the need has ended, the possession and control shall revert to the Secretary of Transportation. The property may not be sold except as provided by law.

(d) VESSEL CHARTERS TO OTHER DEPARTMENTS.—On a reimbursable or nonreimbursable