

“under and by virtue of the authority vested in me by the aforesaid section 21 of the Merchant Marine Act, 1920 [46 App. U.S.C. 877], do hereby declare and proclaim that the period for the establishment of an adequate shipping service for Canton Island is extended until further notice by proclamation of the President, and that the extension of the coastwise laws of the United States to Canton Island is deferred until it is declared by proclamation of the President that such adequate shipping service has been established”.

In subsection (b)(4), the words “and fix a date for the going into effect of same” are omitted as surplus.

The provisos of 46 App. U.S.C. 877 relating to the Philippine Islands are omitted as obsolete because of the independence of the Philippine Islands. See Proc. No. 2695, July 4, 1946, 60 Stat. 1352 (22 U.S.C. 1394 note).

### Editorial Notes

#### REFERENCES IN TEXT

Section 502(b) of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, referred to in subsec. (b)(2), is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of Title 48, Territories and Insular Possessions.

#### AMENDMENTS

2008—Subsec. (b). Pub. L. 110-181 inserted “or” after semicolon at end of par. (2), redesignated par. (4) as (3), and struck out former par. (3) which read as follows: “Canton Island until the President declares by proclamation that the coastwise laws apply to Canton Island; or”.

### § 55102. Transportation of merchandise

(a) DEFINITION.—In this section, the term “merchandise” includes—

- (1) merchandise owned by the United States Government, a State, or a subdivision of a State; and
- (2) valueless material.

(b) REQUIREMENTS.—Except as otherwise provided in this chapter or chapter 121 of this title, a vessel may not provide any part of the transportation of merchandise by water, or by land and water, between points in the United States to which the coastwise laws apply, either directly or via a foreign port, unless the vessel—

- (1) is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade; and
- (2) has been issued a certificate of documentation with a coastwise endorsement under chapter 121 or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement.

(c) PENALTY.—Merchandise transported in violation of subsection (b) is liable to seizure by and forfeiture to the Government. Alternatively, an amount equal to the value of the merchandise (as determined by the Secretary of Homeland Security) or the actual cost of the transportation, whichever is greater, may be recovered from any person transporting the merchandise or causing the merchandise to be transported.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1632.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55102 .....	46 App.:883 (words before 1st proviso, 11th proviso).	June 5, 1920, ch. 250, § 27 (words before 1st proviso, 11th proviso), 41 Stat. 999; July 2, 1935, ch. 355, 49 Stat. 442; Pub. L. 95-410, title II, §213, Oct. 3, 1978, 92 Stat. 904; Pub. L. 101-329 [100-329], §1(a)(1), [§1(a)] June 7, 1988, 102 Stat. 588; Pub. L. 102-587, title V, §5501(b), Nov. 4, 1992, 106 Stat. 5085.

In subsection (a)(1), the words “(as defined in section 2101 of the [sic] title 46)” are omitted because the definition of “State” is being moved to chapter 1 and will apply to the entire title.

In subsection (b), the words “may not provide any part of the transportation of” are substituted for “No . . . shall be transported” and “or for any part of the transportation” because of the reorganization of the language. The words “including Districts, Territories, and possessions thereof” are omitted because of the definition of “United States” in chapter 1 of the revised title. The words “to which the coastwise laws apply” are substituted for “embraced within the coastwise laws” for consistency with section 55101. The words “is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade” are substituted for “owned by persons who are citizens of the United States”, and the words “has been issued a certificate of documentation with a coastwise endorsement under chapter 121” are substituted for “documented under the laws of the United States”, for clarity and consistency in the revised title. The words “or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement” are added for consistency with section 12102 as revised by the bill. The requirement that the vessel be built in the United States is omitted from this section for consistency with the requirements for a coastwise endorsement, which also require that the vessel be built in the United States except in certain circumstances. The words “or vessels to which the privilege of engaging in the coastwise trade is extended by section 808 of this Appendix or section 22 of this Act” are omitted because the relevant portion of section 808, and section 22, have been repealed.

In subsection (c), the words “any person” are substituted for “any consignor, seller, owner, importer, consignee, agent, or other person or persons” to eliminate unnecessary words.

### § 55103. Transportation of passengers

(a) IN GENERAL.—Except as otherwise provided in this chapter or chapter 121 of this title, a vessel may not transport passengers between ports or places in the United States to which the coastwise laws apply, either directly or via a foreign port, unless the vessel—

- (1) is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade; and
- (2) has been issued a certificate of documentation with a coastwise endorsement under chapter 121 or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement.

(b) PENALTY.—The penalty for violating subsection (a) is \$300 for each passenger transported and landed.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1633.)