

In this section, the words “facility for building or repairing vessels” are substituted for “shipyard, dry dock, shipbuilding or ship-repairing plant or facility” (or similar language) to eliminate unnecessary words.

In subsection (a)(1), the words “transfer to” and “or flag” are omitted as surplus. The words “Territory, District, or possession thereof” are omitted as unnecessary because of the definition of “State” in chapter 1 of the revised title.

In subsection (a)(3), the words “instrument of indebtedness” are substituted for “bond, note, or other evidence of indebtedness” to eliminate unnecessary words. The words “right, title, or” are omitted as unnecessary.

In subsection (a)(5), the words “or the majority of the voting power” are omitted as covered by “controlling interest”.

In subsection (b)(1), before subparagraph (A), the words “and only if” are added for clarity because the Secretary is required to disapprove a trustee that ceases to meet the specified conditions.

Subsections (c) and (d) are substituted for the source provisions to eliminate unnecessary words.

In subsection (e)(1), the words “guilty of a misdemeanor” are omitted, and the words “fined under title 18” are substituted for “punishable by a fine of not more than \$5000”, because of chapter 227 of title 18.

**§ 56103. Conditional approvals**

(a) IN GENERAL.—In approving an act or transaction under section 56101 or 56102 of this title, the Secretary of Transportation may do so absolutely or upon conditions the Secretary considers advisable. The Secretary shall state the conditions in the notice of approval.

(b) VIOLATIONS.—A violation of a condition of approval is subject to the same penalties as a violation resulting from an act done without the required approval. The violation occurs at the time the condition is violated.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56103 .....	46 App.:839 (1st par.).	Sept. 7, 1916, ch. 451, §41 (1st par.), as added July 15, 1918, ch. 152, §4, 40 Stat. 902; 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(32), Aug. 6, 1981, 95 Stat. 156.

This section is substituted for the source provision to eliminate unnecessary words.

**§ 56104. Penalty for false statements**

A person that knowingly makes a false statement of a material fact to the Secretary of Transportation or another officer, employee, or agent of the Department of Transportation, to obtain the Secretary’s approval under section 56101 or 56102 of this title, shall be fined under title 18, imprisoned for not more than 5 years, or both.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56104 .....	46 App.:839 (last par.).	Sept. 7, 1916, ch. 451, §41 (last par.), as added July 15, 1918, ch. 152, §4, 40 Stat. 903; 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(32), Aug. 6, 1981, 95 Stat. 156.

The words “guilty of a misdemeanor” are omitted, and the words “fined under title 18” are substituted for “subject to a fine of not more than \$5000”, because of chapter 227 of title 18.

**§ 56105. Forfeiture procedure**

(a) IN GENERAL.—A forfeiture under this chapter may be enforced in the same way as a forfeiture under the laws on the collection of duties. However, such a forfeiture may be remitted without seizure of the vessel.

(b) PRIOR CONVICTIONS.—In a proceeding under this chapter to enforce a forfeiture, a prior criminal conviction of a person for a violation of this chapter with respect to the subject matter of the forfeiture is prima facie evidence of the violation against the person convicted.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56105(a) .....	46 App.:836.	Sept. 7, 1916, ch. 451, §38, as added July 15, 1918, ch. 152, §4, 40 Stat. 902; Pub. L. 101–225, title III, §304(b), Dec. 12, 1989, 103 Stat. 1924.
56105(b) .....	46 App.:837.	Sept. 7, 1916, ch. 451, §39, as added July 15, 1918, ch. 152, §4, 40 Stat. 902.

**CHAPTER 563—EMERGENCY ACQUISITION OF VESSELS**

- Sec.
- 56301. General authority.
- 56302. Charter terms.
- 56303. Compensation.
- 56304. Disputed compensation.
- 56305. Vessel encumbrances.
- 56306. Use and transfer of vessels.
- 56307. Return of vessels.
- 56308. Transfer of substitute vessels.
- 56309. Emergency foreign vessel acquisition; purchase or requisition of vessels lying idle in United States waters<sup>1</sup>
- 56310. Voluntary purchase or charter agreements<sup>1</sup>
- 56311. Requisitioned vessels<sup>1</sup>
- 56312. Documented defined<sup>1</sup>

**Editorial Notes**

AMENDMENTS

2017—Pub. L. 115–91, div. C, title XXXV, §§3502(b)(8), 3504(e), Dec. 12, 2017, 131 Stat. 1911, 1913, added items 56308 to 56312.

**§ 56301. General authority**

During a national emergency declared by Presidential proclamation, or a period for which

<sup>1</sup> So in original. Probably should be followed by a period.

the President has proclaimed that the security of the national defense makes it advisable, the Secretary of Transportation may requisition or purchase, or requisition or charter the use of, a vessel owned by citizens of the United States, a documented vessel, or a vessel under construction in the United States.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
56301 .....	46 App.:1242(a) (1st, 2d sentences).	June 29, 1936, ch. 858, title IX, §902(a) (1st, 2d sentences), 49 Stat. 2015; Pub. L. 97-31, §12(131), Aug. 6, 1981, 95 Stat. 165; Pub. L. 100-710, title I, §104(c), Nov. 23, 1988, 102 Stat. 4750.

The words “or other watercraft” are omitted because of the definition of “vessel” in chapter 1 of the revised title. The words “The termination of any emergency so declared shall be announced by a further proclamation by the President” are omitted as superseded by the National Emergencies Act (50 U.S.C. 1601 et seq.).

**§ 56302. Charter terms**

(a) IN GENERAL.—If a vessel is requisitioned for use but not ownership under this chapter, the Secretary of Transportation, at the time of requisition or as soon thereafter as the situation allows, shall offer the person entitled to possession of the vessel a charter containing—

(1) the terms the Secretary believes should govern the relationship between the United States Government and the person; and

(2) the rate of hire the Secretary considers just compensation for the use of the vessel and the services required under the charter.

(b) REFUSAL TO ACCEPT.—If the person does not accept the charter and rate of hire, the parties shall proceed as provided in section 56304 of this title.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
56302 .....	46 App.:1242(c) (1st sentence).	June 29, 1936, ch. 858, title IX, §902(c) (1st sentence); as added Aug. 7, 1939, ch. 555, §3, 53 Stat. 1255; Pub. L. 97-31, §12(131), Aug. 6, 1981, 95 Stat. 165.

In subsection (a), the words “requisitioned for use but not ownership under this chapter” are substituted for “taken and used under authority of this section, but the ownership thereof is not required by the United States” to eliminate unnecessary words. The word “requisition” is substituted for “taking”, and the word “vessel” is substituted for “such property”, for consistency.

Subsection (b) is added because the provisions about disputed compensation, for both charter use and other takings, are consolidated in section 56304 of the revised title to avoid repetition.

**§ 56303. Compensation**

(a) IN GENERAL.—As soon as practicable, the Secretary of Transportation shall determine and pay just compensation for a vessel requisitioned under this chapter.

(b) FACTORS NOT AFFECTING VALUE.—The value of a vessel may not be considered enhanced by the circumstances requiring its requisition. Consequential damages arising from the requisition may not be paid.

(c) EFFECT OF CONSTRUCTION-DIFFERENTIAL SUBSIDY.—

(1) IF PAID.—If a construction-differential subsidy has been paid for the vessel, the value of the vessel at the time of requisition shall be determined under section 802 of the Merchant Marine Act, 1936.

(2) IF NOT PAID.—If a construction-differential subsidy has not been paid for the vessel, the value of any national defense features previously paid for by the United States Government shall be excluded.

(d) LOSS OR DAMAGE DURING CHARTER.—If a vessel is lost or damaged by a risk assumed by the Government under the charter, but a valuation for the vessel or a means of compensation has not been agreed to, the Secretary shall pay just compensation for the loss or damage, to the extent the person is not reimbursed through insurance.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1655.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
56303(a) .....	46 App.:1242(a) (3d sentence words before 2d comma), (d) (1st par. words before 2d comma).	June 29, 1936, ch. 858, title IX, §902(a) (3d, last sentences), (b), (d) (1st par. words before 2d comma), 49 Stat. 2015, 2016; Aug. 7, 1939, ch. 555, §3, 53 Stat. 1255; Aug. 3, 1956, ch. 929, §3, 70 Stat. 985; Pub. L. 97-31, §12(131), Aug. 6, 1981, 95 Stat. 165.
56303(b) .....	46 App.:1242(a) (3d sentence words after 2d comma, last sentence).	
56303(c) .....	46 App.:1242(b).	
56303(d) .....	46 App.:1242(c) (last sentence).	

**Editorial Notes**

REFERENCES IN TEXT

Section 802 of the Merchant Marine Act, 1936, referred to in subsec. (c)(1), is section 802 of act June 29, 1936, ch. 858, 49 Stat. 1985, which is set out as a note under section 53101 of this title.

**§ 56304. Disputed compensation**

If the person entitled to compensation disputes the amount of just compensation determined by the Secretary of Transportation under this chapter, the Secretary shall pay the person, as a tentative advance, 75 percent of the amount determined. The person may bring a civil action against the United States to recover just compensation. If the tentative advance paid under this section is greater than the amount of the court’s judgment, the person shall refund the difference.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1655.)