

Stat. 1571; Pub. L. 118–31, div. C, title XXXV, § 3514(j)(5), Dec. 22, 2023, 137 Stat. 812.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
57103	46 App.:1158(b).	June 29, 1936, ch. 858, title V, §508(b), as added Pub. L. 108–136, title XXXV, §3512(2), Nov. 24, 2003, 117 Stat. 1789.

In subsection (a), before paragraph (1), the words “Notwithstanding section 1160(j) of this title” are omitted as unnecessary because section 46 App. U.S.C. 1160(j) is restated in section 57101 of the revised title and that section contains an exception which includes this section. In paragraph (1), the words “Commonwealth, or possession of the United States” and “or the District of Columbia” are omitted as unnecessary because of the definition of “State” in chapter 1 of the revised title.

Editorial Notes

AMENDMENTS

2023—Pub. L. 118–31, §3514(j)(5)(A), struck out “non-retention” before “vessels” in section catchline.

Subsec. (a). Pub. L. 118–31, §3514(j)(5)(B), struck out “of insufficient value to warrant its further preservation” after “obsolete vessel”.

2012—Pub. L. 112–213 substituted “Donation of non-retention vessels in the National Defense Reserve Fleet” for “Sale of obsolete vessels in National Defense Reserve Fleet” in section catchline.

§ 57104. Acquisition of vessels from sale of obsolete vessels

(a) IN GENERAL.—The Secretary of Transportation may acquire suitable documented vessels with amounts in the Vessel Operations Revolving Fund derived from the sale of obsolete vessels in the National Defense Reserve Fleet.

(b) VALUATION.—The acquired and obsolete vessels shall be valued at their scrap value in domestic or foreign markets as of the date of the acquisition for or sale from the Fleet. However, the value assigned to those vessels shall be determined on the same basis, with consideration given to the fair value of the cost of moving the vessel sold from the Fleet to the place of scrapping.

(c) COSTS INCIDENT TO LAY-UP.—Costs incident to the lay-up of the vessel acquired under this section may be paid from amounts in the Fund.

(d) TRANSFERS TO NON-CITIZENS.—A vessel sold from the Fleet under this section may be scrapped in an approved foreign market without obtaining additional separate approval from the Secretary to transfer the vessel to a person not a citizen of the United States.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1660.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
57104	46 App.:1160(i).	June 29, 1936, ch. 858, title V, §510(i), as added Pub. L. 86–575, July 5, 1960, 74 Stat. 312; Pub. L. 89–254, §1, Oct. 10, 1965, 79 Stat. 980; Pub. L. 91–469, §13, Oct. 21, 1970, 84 Stat. 1022; Pub. L. 93–605, §1, Jan. 2, 1975, 88 Stat. 1965; Pub. L. 95–177, Nov. 15, 1977, 91 Stat. 1368; Pub. L. 97–31, §12(91), Aug. 6, 1981, 95 Stat. 161; Pub. L. 101–595, title VII, §704, Nov. 16, 1990, 104 Stat. 2994.

In subsection (b), the words “vessel sold from the Fleet” are substituted for “traded-out vessel” for clarity and consistency.

In subsection (d), the words “without obtaining additional separate approval from the Secretary to transfer the vessel to a person not a citizen of the United States” are substituted for “Notwithstanding the provisions of sections 808 and 835 of this Appendix” for clarity and to avoid the cross references.

§ 57105. Acquisition of vessels for essential services, routes, or lines

(a) IN GENERAL.—The Secretary of Transportation may acquire a vessel, by purchase or otherwise, if—

(1) the Secretary considers the vessel necessary to establish, maintain, improve, or serve as a replacement on an essential service, route, or line in the foreign commerce of the United States, as determined under section 50103 of this title;

(2) the vessel was constructed in the United States; and

(3) the Secretary of the Navy has certified to the Secretary of Transportation that the vessel is suitable for economical and speedy conversion into a naval or military auxiliary or otherwise suitable for use by the United States Government in time of war or national emergency.

(b) PRICE.—The price paid for the vessel shall be based on a fair and reasonable valuation. However, the price may not exceed by more than 5 percent the cost of the vessel to the owner (excluding any construction-differential subsidy and the cost of national defense features paid by the Secretary of Transportation) plus the actual cost previously expended for reconditioning, less depreciation based on a 25-year life for a dry-cargo or passenger vessel and a 20-year life for a tanker or other liquid bulk carrier vessel.

(c) DOCUMENTATION.—A vessel acquired under this section that is not documented under the laws of the United States at the time of acquisition shall be so documented as soon as practicable.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1660.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57105	46 App.:1125. 46 App.:1125 note.	June 29, 1936, ch. 858, title II, §215, as added June 23, 1938, ch. 600, §4, 52 Stat. 954; Pub. L. 86-518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 97-31, §12(73), Aug. 6, 1981, 95 Stat. 160. Pub. L. 86-518, §9, June 12, 1960, 74 Stat. 217.

In subsection (a), the words “and to pay for the same out of his construction fund” are omitted as obsolete because the construction fund established under 46 App. U.S.C. 1116 was impliedly abolished by 46 App. U.S.C. 1119, as amended.

In subsection (b), the words “less depreciation based on a 25-year life for a dry-cargo or passenger vessel and a 20-year life for a tanker or other liquid bulk carrier vessel” are substituted for “less depreciation based upon a twenty-five year life expectancy of the vessel” because of section 9 of Public Law 86-518 (June 12, 1960, 74 Stat. 217), which provided that “Nothing in any amendment made by this Act [including section 1 substituting ‘twenty-five’ for ‘twenty’ in 46 App. U.S.C. 1125] shall operate or be interpreted to change from twenty to twenty-five years the provisions of the Merchant Marine Act, 1936, as amended, relating to the commercial expectancy or period of depreciation of any tanker or other liquid bulk carrier.”

§ 57106. Maintenance, improvement, and operation of vessels

(a) IN GENERAL.—The Secretary of Transportation may maintain, repair, recondition, remodel, and improve vessels owned by the United States Government and in the possession or under the control of the Secretary, to equip them adequately for competition in the foreign trade of the United States. The Secretary may operate such a vessel or charter the vessel on terms and conditions the Secretary considers appropriate to carry out the purposes of this subtitle.

(b) DOCUMENTATION AND RESTRICTIONS ON OPERATION.—A vessel reconditioned, remodeled, or improved under subsection (a) shall be documented under the laws of the United States and remain so documented for at least 5 years after completion of the reconditioning, remodeling, or improvement. During that period, it shall be operated on voyages that are not exclusively coastwise.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57106	46 App.:871.	June 5, 1920, ch. 250, §12, 41 Stat. 993; June 6, 1924, ch. 273, §2, 43 Stat. 468; Feb. 11, 1927, ch. 104, §1 (last par. under heading “United States Shipping Board”), 44 Stat. 1083; Exec. Order No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(43), Aug. 6, 1981, 95 Stat. 157.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
	46 App.:891b.	May 22, 1928, ch. 675, title II, §202, 45 Stat. 690; Exec. Order No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(51), Aug. 6, 1981, 95 Stat. 157.

This section is substituted for the source provisions to eliminate obsolete and unnecessary provisions.

§ 57107. Vessels for other agencies

(a) IN GENERAL.—The Secretary of Transportation may construct, reconstruct, repair, equip, and outfit, by contract or otherwise, vessels or parts thereof, for any other department or agency of the United States Government to the extent the other department or agency is authorized by law to do so for its own account.

(b) EFFECT ON CONTRACT AUTHORIZATION.—An obligation incurred or expenditure made by the Secretary under this section does not affect any contract authorization of the Secretary, but instead shall be charged against the existing appropriation or contract authorization of the department or agency.

(c) SALVAGING CARGOES.—

(1) REIMBURSABLE AGREEMENTS.—The Secretary of Transportation, acting through the Administrator of the Maritime Administration, may enter into reimbursable agreements with other Federal entities to provide legal services to such entities relating to the salvaging of cargoes for which such entities have custody, or control, or for which for such entities have trustee responsibilities from vessels in the custody or control of the Maritime Administration or its predecessor agencies. The Secretary may receive and retain reimbursement from such entities for all costs incurred related to the provision of such services.

(2) AMOUNTS RECEIVED.—Amounts received as reimbursements under this subsection shall be credited to the fund or account that was used to cover the costs incurred by the Secretary or, if the period of availability of obligations for that appropriation has expired, to the appropriation of funds that is currently available to the Secretary for substantially the same purpose. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(3) ADVANCE PAYMENTS.—Payments made in advance shall be for any part of the estimated cost as determined by the Secretary of Transportation. Adjustments to the amounts paid in advance shall be made as agreed to by the Secretary of Transportation and the head of the ordering agency or unit based on the actual cost of goods or services provided.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661; Pub. L. 116-92, div. C, title XXXV, §3508, Dec. 20, 2019, 133 Stat. 1976.)