

ment made by section 301(a)(2)(E) of that Act [which amended section 1177(h)(6)(A) of the former Appendix to this title from which subsec. (f)(2) of this section was derived by substituting “15 percent” for “20 percent”] shall be deemed to have been made to section 53511(f)(2) of title 46, United States Code.”

§ 53512. FIFO and LIFO withdrawals

(a) FIFO.—Except as provided in subsection (b), an amount withdrawn from an account under this chapter shall be treated as withdrawn on a first-in-first-out basis.

(b) LIFO.—An amount withdrawn from an account under this chapter shall be treated as withdrawn on a last-in-first-out basis if it is—

(1) a nonqualified withdrawal for research, development, and design expenses incident to new and advanced vessel design, machinery, and equipment; or

(2) an amount treated as a nonqualified withdrawal under section 53510(d) of this title.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1599.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53512	46 App.:1177(h)(2) (last sentence).	June 29, 1936, ch. 858, title VI, §607(h)(2) (last sentence), 49 Stat. 2005; June 23, 1938, ch. 600, §§23–28, 52 Stat. 960; Aug. 4, 1939, ch. 417, §10, 53 Stat. 1185; July 17, 1952, ch. 939, §§17–19, 66 Stat. 764; Pub. L. 85–637, Aug. 14, 1958, 72 Stat. 216; Pub. L. 86–518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 87–45, §6, May 27, 1961, 75 Stat. 91; Pub. L. 87–271, Sept. 21, 1961, 75 Stat. 570; restated Pub. L. 91–469, §21(a), Oct. 21, 1970, 84 Stat. 1030.

§ 53513. Corporate reorganizations and partnership changes

Under joint regulations—

(1) a transfer of a capital construction fund from one person to another person in a transaction to which section 381 of the Internal Revenue Code of 1986 (26 U.S.C. 381) applies may be treated as if the transaction is not a nonqualified withdrawal; and

(2) a similar rule shall be applied to a continuation of a partnership (within the meaning of subchapter K of chapter 1 of such Code (26 U.S.C. 701 et seq.)).

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1599.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53513	46 App.:1177(i).	June 29, 1936, ch. 858, title VI, §607(i), 49 Stat. 2005; June 23, 1938, ch. 600, §§23–28, 52 Stat. 960; Aug. 4, 1939, ch. 417, §10, 53 Stat. 1185; July 17, 1952, ch. 939, §§17–19, 66 Stat. 764; Pub. L. 85–637, Aug. 14, 1958, 72 Stat. 216; Pub. L. 86–518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 87–45, §6, May 27, 1961, 75 Stat. 91; Pub. L. 87–271, Sept. 21, 1961, 75 Stat. 570; restated Pub. L. 91–469, §21(a), Oct. 21, 1970, 84 Stat. 1031.

§ 53514. Relationship of old fund to new fund

(a) DEFINITION.—In this section, the term “old fund” means a capital construction fund maintained before October 21, 1970.

(b) ELECTION TO MAINTAIN OLD FUND.—A person maintaining an old fund may elect to continue the old fund, but may not—

(1) hold amounts in the old fund beyond the expiration date provided in the agreement under which the old fund is maintained (determined without regard to an extension or renewal made after April 14, 1970); or

(2) maintain simultaneously the old fund and a new fund established under this chapter.

(c) APPLICATION OF NEW FUND AGREEMENT TO OLD FUND AMOUNTS.—If a person makes an agreement under this chapter to establish a new fund, the person may agree to extend the agreement to some or all of the amounts in an old fund. Each item in the old fund to be transferred shall be transferred in a nontaxable transaction to the appropriate account in the new fund. For purposes of section 53511(c)(3) of this title, the date of the deposit of an item so transferred shall be July 1, 1971, or the date of the deposit in the old fund, whichever is later.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1599.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53514	46 App.:1177(j).	June 29, 1936, ch. 858, title VI, §607(j), 49 Stat. 2005; June 23, 1938, ch. 600, §§23–28, 52 Stat. 960; Aug. 4, 1939, ch. 417, §10, 53 Stat. 1185; July 17, 1952, ch. 939, §§17–19, 66 Stat. 764; Pub. L. 85–637, Aug. 14, 1958, 72 Stat. 216; Pub. L. 86–518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 87–45, §6, May 27, 1961, 75 Stat. 91; Pub. L. 87–271, Sept. 21, 1961, 75 Stat. 570; restated Pub. L. 91–469, §21(a), Oct. 21, 1970, 84 Stat. 1031.

§ 53515. Records and reports

A person maintaining a fund under this chapter shall keep records and make reports as required by the Secretary or the Secretary of the Treasury.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1599.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53515	46 App.:1177(l) (1st sentence).	June 29, 1936, ch. 858, title VI, §607(l) (1st sentence), 49 Stat. 2005; June 23, 1938, ch. 600, §§23–28, 52 Stat. 960; Aug. 4, 1939, ch. 417, §10, 53 Stat. 1185; July 17, 1952, ch. 939, §§17–19, 66 Stat. 764; Pub. L. 85–637, Aug. 14, 1958, 72 Stat. 216; Pub. L. 86–518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 87–45, §6, May 27, 1961, 75 Stat. 91; Pub. L. 87–271, Sept. 21, 1961, 75 Stat. 570; restated Pub. L. 91–469, §21(a), Oct. 21, 1970, 84 Stat. 1032; Pub. L. 97–31, §12(97)(A), Aug. 6, 1981, 95 Stat. 162.

§ 53516. Termination of agreement after change in regulations

If, after an agreement has been made under this chapter, a change is made either in the joint regulations or in the regulations prescribed by the Secretary under this chapter that could have a substantial effect on the rights or duties of a person maintaining a fund under this chapter, that person may terminate the agreement.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1600.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53516	46 App.:1177(l) (last sentence).	June 29, 1936, ch. 858, title VI, §607(l) (last sentence), 49 Stat. 2005; June 23, 1938, ch. 600, §§23–28, 52 Stat. 960; Aug. 4, 1939, ch. 417, §10, 53 Stat. 1185; July 17, 1952, ch. 939, §§17–19, 66 Stat. 764; Pub. L. 85–637, Aug. 14, 1958, 72 Stat. 216; Pub. L. 86–518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 87–45, §6, May 27, 1961, 75 Stat. 91; Pub. L. 87–271, Sept. 21, 1961, 75 Stat. 570; restated Pub. L. 91–469, §21(a), Oct. 21, 1970, 84 Stat. 1032; Pub. L. 97–31, §12(97)(A), Aug. 6, 1981, 95 Stat. 162.

§ 53517. Reports

(a) IN GENERAL.—Within 120 days after the close of each calendar year, the Secretary of Transportation and the Secretary of Commerce each shall provide the Secretary of the Treasury a written report on the capital construction funds under the particular Secretary's jurisdiction for the calendar year.

(b) CONTENTS.—The report shall state the name and taxpayer identification number of each person—

- (1) establishing a capital construction fund during the calendar year;
- (2) maintaining a capital construction fund on the last day of the calendar year;
- (3) terminating a capital construction fund during the calendar year;
- (4) making a deposit to or withdrawal from a capital construction fund during the calendar year, and the amount of the deposit or withdrawal; or
- (5) having been determined during the calendar year to have failed to fulfill a substantial obligation under a capital construction fund agreement to which the person is a party.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1600.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53517	46 App.:1177(m).	June 29, 1936, ch. 858, title VI, §607(m), as added Pub. L. 99–514, §261(d), Oct. 22, 1986, 100 Stat. 2214.

CHAPTER 537—LOANS AND GUARANTEES

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AMENDMENTS

2008—Pub. L. 110–181, div. C, title XXXV, §3522(a)(10)(A), Jan. 28, 2008, 122 Stat. 598, inserted “or Administrator” after “Secretary” in items 53722 and 53723.

SUBCHAPTER I—GENERAL

§ 53701. Definitions

In this chapter:

(1) ACTUAL COST.—The term “actual cost” means the sum of—

(A) all amounts paid by or for the account of the obligor as of the date on which a determination is made under section 53715(d)(1) of this title; and

(B) all amounts that the Secretary or Administrator reasonably estimates the obligor will become obligated to pay from time to time thereafter, for the construction, reconstruction, or reconditioning of the vessel, including guarantee fees that will become payable under section 53714 of this title in connection with all obligations issued for construction, reconstruction, or reconditioning of the vessel or equipment to be delivered, and all obligations issued for the delivered vessel or equipment.

(2) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Maritime Administration.

(3) CONSTRUCTION, RECONSTRUCTION, AND RECONDITIONING.—The terms “construction”, “reconstruction”, and “reconditioning” include designing, inspecting, outfitting, and equipping.

(4) DEPRECIATED ACTUAL COST.—The term “depreciated actual cost” of a vessel means—