

ABOLITION OF IMMIGRATION AND NATURALIZATION  
SERVICE AND TRANSFER OF FUNCTIONS

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

**§ 81j. Cooperation of other agencies with Board**

For the purpose of facilitating the investigations of the Board and its work in the granting of the privilege, in the establishment, operation, and maintenance of a zone, the President may direct the executive departments and other establishments of the Government to cooperate with the Board, and for such purpose each of the several departments and establishments is authorized, upon direction of the President, to furnish to the Board such records, papers, and information in their possession as may be required by him, and temporarily to detail to the service of the Board such officers, experts, or engineers as may be necessary.

(June 18, 1934, ch. 590, § 10, 48 Stat. 1001.)

**§ 81k. Agreements as to use of property**

If the title to or right of user of any of the property to be included in a zone is in the United States, an agreement to use such property for zone purposes may be entered into between the grantee and the department or officer of the United States having control of the same, under such conditions, approved by the Board and such department or officer, as may be agreed upon.

(June 18, 1934, ch. 590, § 11, 48 Stat. 1001.)

**§ 81l. Facilities to be provided and maintained**

Each grantee shall provide and maintain in connection with the zone—

(a) Adequate slips, docks, wharves, warehouses, loading and unloading and mooring facilities where the zone is adjacent to water; or, in the case of an inland zone, adequate loading, unloading, and warehouse facilities;

(b) Adequate transportation connections with the surrounding territory and with all parts of the United States, so arranged as to permit of proper guarding and inspection for the protection of the revenue;

(c) Adequate facilities for coal or other fuel and for light and power;

(d) Adequate water and sewer mains;

(e) Adequate quarters and facilities for the officers and employees of the United States, State, and municipality whose duties may require their presence within the zone;

(f) Adequate enclosures to segregate the zone from customs territory for protection of the revenue, together with suitable provisions for ingress and egress of persons, conveyances, vessels, and merchandise;

(g) Such other facilities as may be required by the Board.

(June 18, 1934, ch. 590, § 12, 48 Stat. 1001.)

**§ 81m. Permission to others to use zone**

The grantee may, with the approval of the Board, and under reasonable and uniform regulations for like conditions and circumstances to

be prescribed by it, permit other persons, firms, corporations, or associations to erect such buildings and other structures within the zone as will meet their particular requirements: *Provided*, That such permission shall not constitute a vested right as against the United States, nor interfere with the regulation of the grantee or the permittee by the United States, nor interfere with or complicate the revocation of the grant by the United States: *And provided further*, That in the event of the United States or the grantee desiring to acquire the property of the permittee no good will shall be considered as accruing from the privilege granted to the zone: *And provided further*, That such permits shall not be granted on terms that conflict with the public use of the zone as set forth in this chapter.

(June 18, 1934, ch. 590, § 13, 48 Stat. 1001.)

**§ 81n. Operation of zone as public utility; cost of customs service**

Each zone shall be operated as a public utility, and all rates and charges for all services or privileges within the zone shall be fair and reasonable, and the grantee shall afford to all who may apply for the use of the zone and its facilities and appurtenances uniform treatment under like conditions, subject to such treaties or commercial conventions as are now in force or may hereafter be made from time to time by the United States with foreign governments and the cost of maintaining the additional customs service required under this chapter shall be paid by the operator of the zone.

(June 18, 1934, ch. 590, § 14, 48 Stat. 1001.)

**§ 81o. Residents of zone**

**(a) Persons allowed to reside in zone**

No person shall be allowed to reside within the zone except Federal, State, or municipal officers or agents whose resident presence is deemed necessary by the Board.

**(b) Rules and regulations for employees entering and leaving zone**

The Board shall prescribe rules and regulations regarding employees and other persons entering and leaving the zone. All rules and regulations concerning the protection of the revenue shall be approved by the Secretary of the Treasury.

**(c) Exclusion from zone of goods or process of treatment**

The Board may at any time order the exclusion from the zone of any goods or process of treatment that in its judgment is detrimental to the public interest, health, or safety.

**(d) Retail trade within zone**

No retail trade shall be conducted within the zone except under permits issued by the grantee and approved by the Board. Such permittees shall sell no goods except such domestic or duty-paid or duty-free goods as are brought into the zone from customs territory.

**(e) Exemption from State and local ad valorem taxation of tangible personal property**

Tangible personal property imported from outside the United States and held in a zone for the

purpose of storage, sale, exhibition, repackaging, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing, or processing, and tangible personal property produced in the United States and held in a zone for exportation, either in its original form or as altered by any of the above processes, shall be exempt from State and local ad valorem taxation. (June 18, 1934, ch. 590, §15, 48 Stat. 1002; Pub. L. 98-573, title II, §231(b)(1), Oct. 30, 1984, 98 Stat. 2991.)

## AMENDMENTS

1984—Subsec. (e). Pub. L. 98-573 added subsec. (e).

## EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-573, title II, §231(b)(2), Oct. 30, 1984, 98 Stat. 2991, provided that: "The amendment made by paragraph (1) [amending this section] shall take effect on January 1, 1983."

**§ 81p. Accounts and recordkeeping****(a) Manner of keeping accounts**

The form and manner of keeping the accounts of each zone shall be prescribed by the Board.

**(b) Annual report by grantee**

Each grantee shall make to the Board annually, and at such other times as it may prescribe, reports on zone operations.

**(c) Report to Congress**

The Board shall make a report to Congress annually containing a summary of zone operations.

(June 18, 1934, ch. 590, §16, 48 Stat. 1002; Pub. L. 96-609, title II, §204, Dec. 28, 1980, 94 Stat. 3561; Pub. L. 99-386, title II, §203(b), Aug. 22, 1986, 100 Stat. 823.)

## AMENDMENTS

1986—Subsec. (b). Pub. L. 99-386, §203(b)(1), substituted "reports on zone operations" for "reports containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require".

Subsec. (c). Pub. L. 99-386, §203(b)(2), added subsec. (c) and struck out former subsec. (c) which required the Board to make an annual report to Congress containing a summary of the operation and fiscal condition of each zone, and transmit copies of the annual report of each grantee.

1980—Subsec. (c). Pub. L. 96-609 substituted "by April 1 of each year" for "on the first day of each regular session".

**§ 81q. Transfer of grant**

The grant shall not be sold, conveyed, transferred, set over, or assigned.

(June 18, 1934, ch. 590, §17, 48 Stat. 1002.)

**§ 81r. Revocation of grants****(a) Procedure for revocation**

In the event of repeated willful violations of any of the provisions of this chapter by the grantee, the Board may revoke the grant after four months' notice to the grantee and affording it an opportunity to be heard. The testimony taken before the Board shall be reduced to writing and filed in the records of the Board together with the decision reached thereon.

**(b) Attendance of witnesses and production of evidence**

In the conduct of any proceeding under this section for the revocation of a grant the Board may compel the attendance of witnesses and the giving of testimony and the production of documentary evidence, and for such purpose may invoke the aid of the district courts of the United States.

**(c) Nature of order of revocation; appeal**

An order under the provisions of this section revoking the grant issued by the Board shall be final and conclusive, unless within ninety days after its service the grantee appeals to the court of appeals for the circuit in which the zone is located by filing with the clerk of said court a written petition praying that the order of the Board be set aside. Such order shall be stayed pending the disposition of appellate proceedings by the court. The clerk of the court in which such a petition is filed shall immediately cause a copy thereof to be delivered to the Board and it shall thereupon file in the court the record in the proceedings held before it under this section, as provided in section 2112 of title 28. The testimony and evidence taken or submitted before the Board, duly certified and filed as a part of the record, shall be considered by the court as the evidence in the case.

(June 18, 1934, ch. 590, §18, 48 Stat. 1002; June 25, 1948, ch. 646, §32(a), 62 Stat. 991; May 24, 1949, ch. 139, §127, 63 Stat. 107; Pub. L. 85-791, §11, Aug. 28, 1958, 72 Stat. 945.)

## AMENDMENTS

1958—Subsec. (c). Pub. L. 85-791 substituted "thereupon file in the court" for "forthwith prepare, certify, and file in the court a full and accurate transcript of" and "as provided in section 2112 of title 28" for "the charges, the evidence, and the order revoking the grant" in third sentence.

## CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, as amended by act May 24, 1949, substituted "court of appeals" for "circuit court of appeals".

**§ 81s. Offenses**

In case of a violation of this chapter, or any regulation under this chapter, by the grantee, any officer, agent or employee thereof responsible for or permitting any such violation shall be subject to a fine of not more than \$1,000. Each day during which a violation continues shall constitute a separate offense.

(June 18, 1934, ch. 590, §19, 48 Stat. 1003.)

**§ 81t. Separability**

If any provision of this chapter or the application of such provision to certain circumstances be held invalid, the remainder of this chapter and the application of such provisions to circumstances other than those as to which it is held invalid shall not be affected thereby.

(June 18, 1934, ch. 590, §20, 48 Stat. 1003.)

**§ 81u. Right to alter, amend, or repeal chapter**

The right to alter, amend, or repeal this chapter is reserved.