

713, of the Merchant Marine Act, 1936, as amended," and in subsec. (f)(1), "chapter 575 of title 46," substituted for "title VII of the Merchant Marine Act, 1936, as amended," on authority of Pub. L. 109-304, §18(c), Oct. 6, 2006, 120 Stat. 1709, which Act enacted chapter 575 of Title 46, Shipping.

AMENDMENTS

1989—Subsecs. (a), (b), (d). Pub. L. 101-225 struck out subsec. (a) which related to charter of vessels to citizens and publication of domestic prewar cost as a prerequisite, subsec. (b) which related to rate of charter hire, and subsec. (d) which related to computation of charter hire where an operator is engaged in both foreign and domestic trade.

1981—Subsec. (a). Pub. L. 97-31, §12(155)(A), (B), substituted "Secretary" for "Commission" and "his" for "its" wherever appearing.

Subsec. (b). Pub. L. 97-31, §12(155)(A), substituted "Secretary" for "Commission" wherever appearing.

Subsec. (d). Pub. L. 97-31, §12(155)(C), substituted "Secretary of Transportation" for "Maritime Commission".

Subsec. (e). Pub. L. 97-31, §12(155)(D), (E), substituted "Maritime Administration" for "Federal Maritime Board" and "Secretary of Transportation" for "Secretary of Commerce" wherever appearing.

Subsec. (f)(1). Pub. L. 97-31, §12(155)(E), substituted "Secretary of Transportation" for "Secretary of Commerce".

1954—Subsec. (f)(1). Act Aug. 31, 1954, allowed the chartering of war-built passenger vessels.

1950—Subsecs. (e), (f). Act June 30, 1950, added subsecs. (e) and (f).

1947—Subsec. (d). Act June 28, 1947, added subsec. (d).

AUTHORIZATION FOR PAYMENTS BY SECRETARY OF COMMERCE TO PERSONS TO WHOM HE CHARTERED VESSELS

Pub. L. 85-721, Aug. 21, 1958, 72 Stat. 710, provided: "That the Secretary of Commerce [now Secretary of Transportation] is authorized to pay to any person to whom he has chartered any vessel under authority of section 5 of the Merchant Ship Sales Act of 1946, as amended (50 U.S.C. App., sec. 1738), out of the Vessel Operations Revolving Fund established in chapter VIII of the Third Supplemental Appropriations [Appropriation] Act, 1951 (46 U.S.C. [App.], sec. 1241a) [now 46 U.S.C. 50301(a) to (e)], an amount equal to the fair and reasonable expenses incurred by such person, as determined by the Maritime Administrator, during the calendar year beginning January 1, 1957, to activate such vessel. Such amount shall be reduced by the amount of the difference, as determined by the Maritime Administrator, between the charter hire which such person paid for such vessel, and the charter hire which was paid for similar vessels which the United States activated at its own expense during such calendar year."

§ 1738a. Repealed. Pub. L. 101-225, title III, § 307(13), Dec. 12, 1989, 103 Stat. 1925

Section, acts June 29, 1949, ch. 281, §2, 63 Stat. 349; Aug. 6, 1981, Pub. L. 97-31, §12(156), 95 Stat. 167, provided for termination of charters, except passenger vessel charters.

§ 1738b. Omitted

CODIFICATION

Section, Pub. L. 94-121, title III, Oct. 21, 1975, 89 Stat. 628, which related to conditions for chartering vessels, was from the Department of Commerce Appropriation Act, 1976, and was not repeated in subsequent appropriation acts. Similar provisions were contained in the following prior appropriation acts:

Oct. 5, 1974, Pub. L. 93-433, title III, 88 Stat. 1199.

Nov. 6, 1973, Pub. L. 93-162, title III, 87 Stat. 649.

Oct. 25, 1972, Pub. L. 92-544, title III, 86 Stat. 1124.

Aug. 10, 1971, Pub. L. 92-77, title III, 85 Stat. 260.
 Oct. 21, 1970, Pub. L. 91-472, title III, 84 Stat. 1054.
 Dec. 24, 1969, Pub. L. 91-153, title III, 83 Stat. 417.
 Aug. 9, 1968, Pub. L. 90-470, title III, 82 Stat. 682.
 Nov. 8, 1967, Pub. L. 90-133, title III, 81 Stat. 425.
 Nov. 8, 1966, Pub. L. 89-797, title III, 80 Stat. 1494.
 Sept. 2, 1965, Pub. L. 89-164, title III, 79 Stat. 634.
 Aug. 31, 1964, Pub. L. 88-527, title III, 78 Stat. 726.
 Dec. 30, 1963, Pub. L. 88-245, title III, 77 Stat. 791.
 Oct. 18, 1962, Pub. L. 87-843, title III, 76 Stat. 1093.
 Aug. 3, 1961, Pub. L. 87-125, title II, 75 Stat. 274.
 May 13, 1960, Pub. L. 86-451, title I, 74 Stat. 97.
 July 13, 1959, Pub. L. 86-88, title I, 73 Stat. 204.
 June 25, 1958, Pub. L. 85-469, title I, 72 Stat. 231.
 June 13, 1957, Pub. L. 85-52, title I, 71 Stat. 74.
 June 20, 1956, ch. 415, title I, 70 Stat. 318.
 June 30, 1955, ch. 253, title I, 69 Stat. 231.
 July 2, 1954, ch. 456, title III, 68 Stat. 426.
 Aug. 5, 1953, ch. 328, title III, 67 Stat. 381.
 July 5, 1952, ch. 578, title II, 66 Stat. 414.
 Aug. 31, 1951, ch. 376, title II, 65 Stat. 286.
 Sept. 6, 1950, ch. 896, Ch. VIII, title I, 64 Stat. 717.
 Oct. 10, 1949, ch. 662, title I, 63 Stat. 743.

§§ 1739, 1740. Repealed. Pub. L. 101-225, title III, § 307(12), Dec. 12, 1989, 103 Stat. 1925

Section 1739, acts Mar. 8, 1946, ch. 82, §6, 60 Stat. 43; Aug. 6, 1981, Pub. L. 97-31, §12(154), 95 Stat. 167, provided for sale of vessels to non-citizens, sales conditions and priority of mortgage on unpaid balance.

Section 1740, acts Mar. 8, 1946, ch. 82, §7, 60 Stat. 44; Sept. 26, 1950, ch. 1049, §2(a)(2), 64 Stat. 1038; Sept. 27, 1979, Pub. L. 96-70, §3(b)(5), 93 Stat. 455; Aug. 6, 1981, Pub. L. 97-31, §12(154), 95 Stat. 167, provided for order of preference in sales and charters, determining relevant factors, and operation of commercial vessels by Government.

§ 1741. Exchange of vessels

(a) to (c) Repealed. Pub. L. 101-225, title III, § 307(12), Dec. 12, 1989, 103 Stat. 1925

(d) Transfer of substitute vessels

In the case of any vessel constructed in the United States after January 1, 1937, which has been taken by the United States for use in any manner, the Secretary, if in his opinion the transfer would aid in carrying out the policies of this Act [sections 1735 to 1746 of this Appendix], is authorized to transfer to the owner of such vessel another vessel which is deemed by the Secretary to be of comparable type with adjustments for depreciation and difference in design or speed, and to the extent applicable, adjustments with respect to the retained vessel as provided for in section 9 [section 1742 of this Appendix], and such other adjustments and terms and conditions, including transfer of mortgage obligations in favor of the United States binding upon the old vessel, as the Secretary may prescribe.

(Mar. 8, 1946, ch. 82, §8, 60 Stat. 45; Pub. L. 97-31, §12(154), Aug. 6, 1981, 95 Stat. 167; Pub. L. 101-225, title III, §307(12), Dec. 12, 1989, 103 Stat. 1925.)

AMENDMENTS

1989—Subsecs. (a) to (c). Pub. L. 101-225 struck out subsecs. (a) to (c) which related to allowance as credit on purchase price and vessels acceptable, amount of allowance, and transfers in settlement of claims, respectively.

1981—Pub. L. 97-31 substituted "Secretary" for "Commission" wherever appearing.

§ 1742. Repealed. Pub. L. 94-412, title V, § 501(g), Sept. 14, 1976, 90 Stat. 1258

Section, acts Mar. 8, 1946, ch. 82, §9, 60 Stat. 46; Aug. 6, 1956, ch. 1013, 70 Stat. 1068, made provision for price

adjustments on prior sales of surplus war-built vessels to citizens.

SAVINGS PROVISION

Repeal not to affect any action taken or proceeding pending at the time of repeal, see section 501(h) of Pub. L. 94-412, set out as a note under section 1601 of Title 50, War and National Defense.

§ 1743. Repealed. Pub. L. 101-225, title III, § 307(12), Dec. 12, 1989, 103 Stat. 1925

Section, acts Mar. 8, 1946, ch. 82, §10, 60 Stat. 49; Aug. 6, 1981, Pub. L. 97-31, §12(154), 95 Stat. 167, limited eligibility for benefits under Merchant Ship Sales Act of 1946.

§ 1744. National Defense Reserve Fleet

(a) Fleet components

The Secretary of Transportation shall maintain a National Defense Reserve Fleet, including any vessel assigned by the Secretary to the Ready Reserve Force component of the fleet, consisting of those vessels owned or acquired by the United States Government that the Secretary of Transportation, after consultation with the Secretary of the Navy, determines are of value for national defense purposes and that the Secretary of Transportation decides to place and maintain in the fleet.

(b) Permitted uses

Except as otherwise provided by law, a vessel in the fleet may be used—

(1) for an account of an agency of the United States Government in a period during which vessels may be requisitioned under chapter 563 of title 46; or

(2) on the request of the Secretary of Defense, and in accordance with memoranda of agreement between the Secretary of Transportation and the Secretary of Defense, for—

(A) testing for readiness and suitability for mission performance;

(B) defense sealift functions for which other sealift assets are not reasonably available; and

(C) support of the deployment of the United States armed forces in a military contingency, for military contingency operations, or for civil contingency operations upon orders from the National Command Authority;

(3) for otherwise lawfully permitted storage or transportation of non-defense-related cargo as directed by the Secretary of Transportation with the concurrence of the Secretary of Defense;

(4) for training purposes to the extent authorized by the Secretary of Transportation with the concurrence of the Secretary of Defense;

(5) on a reimbursable basis, for charter to the government of any State, locality, or Territory of the United States, except that the prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense; or

(6) for civil contingency operations and Maritime Administration promotional and media events, in accordance with subsection (f).

(c) Ready Reserve Force management

(1) Minimum requirements

To ensure the readiness of vessels in the Ready Reserve Force component of the National Defense Reserve Fleet, the Secretary of Transportation shall, at a minimum—

(A) maintain all of the vessels in a manner that will enable each vessel to be activated within a period specified in plans for mobilization of the vessels;

(B) activate and conduct sea trials on each vessel at a frequency that is considered by the Secretary to be necessary;

(C) maintain and adequately crew, as necessary, in an enhanced readiness status those vessels that are scheduled to be activated in 5 or less days;

(D) locate those vessels that are scheduled to be activated near embarkation ports specified for those vessels; and

(E) notwithstanding section 2109 of title 46, United States Code, have each vessel inspected by the Secretary of the department in which the Coast Guard is operating to determine if the vessel meets the safety standards that would apply under part B of subtitle II of that title if the vessel were not a public vessel.

(2) Vessel managers

(A) Eligibility for contract

A person, including a shipyard, is eligible for a contract for the management of a vessel in the Ready Reserve Force if the Secretary determines, at a minimum, that the person has—

(i) experience in the operation of commercial-type vessels or public vessels owned by the United States Government; and

(ii) the management capability necessary to operate, maintain, and activate the vessel at a reasonable price.

(B) Contract requirement

The Secretary of Transportation shall include in each contract for the management of a vessel in the Ready Reserve Force a requirement that each seaman who performs services on any vessel covered by the contract hold the license or merchant mariner's document that would be required under chapter 71 or chapter 73 of title 46, United States Code, for a seaman performing that service while operating the vessel if the vessel were not a public vessel.

(d) Applicability of limitations on overhaul, repair, and maintenance in foreign shipyards

(1) Application of limitation

The provisions of section 7310 of title 10, United States Code, shall apply to vessels specified in subsection (b), and to the Secretary of Transportation with respect to those vessels, in the same manner as those provisions apply to vessels specified in subsection (b) of such section, and to the Secretary of the Navy, respectively.

(2) Covered vessels

Vessels specified in this paragraph are vessels maintained by the Secretary of Transpor-