

§ 40503. Refunds and waivers

The Federal Maritime Commission, on application of a carrier or shipper, may permit a common carrier or conference to refund a portion of the freight charges collected from a shipper, or to waive collection of a portion of the charges from a shipper, if—

(1) there is an error in a tariff, a failure to publish a new tariff, or an error in quoting a tariff, and the refund or waiver will not result in discrimination among shippers, ports, or carriers;

(2) the common carrier or conference, before filing an application for authority to refund or waive any charges for an error in a tariff or a failure to publish a tariff, has published a new tariff setting forth the rate on which the refund or waiver would be based; and

(3) the application for the refund or waiver is filed with the Commission within 180 days from the date of shipment.

(Pub. L. 109-304, § 7, Oct. 6, 2006, 120 Stat. 1535.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40503	46 App.:1707(e).	Pub. L. 98-237, §8(e), Mar. 20, 1984, 98 Stat. 75; Pub. L. 105-258, title I, §106(d), Oct. 14, 1998, 112 Stat. 1907.

In paragraph (1), the words “an error in a tariff, a failure to publish a new tariff” are substituted for “an error in a, in failing to publish a new tariff” to correct an obvious error in the underlying statute.

In paragraph (2), the words “or waive” are added for consistency with the reference to a waiver later in the paragraph.

CHAPTER 407—CONTROLLED CARRIERS

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§ 40701. Rates

(a) IN GENERAL.—A controlled carrier may not—

(1) maintain a rate or charge in a tariff or service contract, or charge or assess a rate, that is below a just and reasonable level; or

(2) establish, maintain, or enforce in a tariff or service contract a classification, rule, or regulation that results, or is likely to result, in the carriage or handling of cargo at a rate or charge that is below a just and reasonable level.

(b) COMMISSION PROHIBITION.—The Federal Maritime Commission, at any time after notice and opportunity for a hearing, may prohibit the publication or use of a rate, charge, classification, rule, or regulation that a controlled carrier has failed to demonstrate is just and reasonable.

(c) BURDEN OF PROOF.—In a proceeding under this section, the burden of proof is on the controlled carrier to demonstrate that its rate, charge, classification, rule, or regulation is just and reasonable.

(d) VOIDNESS.—A rate, charge, classification, rule, or regulation that has been suspended or prohibited by the Commission is void and its use is unlawful.

(Pub. L. 109-304, § 7, Oct. 6, 2006, 120 Stat. 1535.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40701	46 App.:1708(a).	Pub. L. 98-237, §9(a), Mar. 20, 1984, 98 Stat. 76; Pub. L. 102-100, §5(a), Aug. 17, 1991, 105 Stat. 492; Pub. L. 105-258, title I, §108(1)-(4), Oct. 14, 1998, 112 Stat. 1908.

§ 40702. Rate standards

(a) DEFINITION.—In this section, the term “constructive costs” means the costs of another carrier, other than a controlled carrier, operating similar vessels and equipment in the same or a similar trade.

(b) STANDARDS.—In determining whether a rate, charge, classification, rule, or regulation of a controlled carrier is just and reasonable, the Federal Maritime Commission—

(1) shall take into account whether the rate or charge that has been published or assessed, or that would result from the pertinent classification, rule, or regulation, is below a level that is fully compensatory to the controlled carrier based on the carrier’s actual costs or constructive costs; and

(2) may take into account other appropriate factors, including whether the rate, charge, classification, rule, or regulation is—

(A) the same as, or similar to, those published or assessed by other carriers in the same trade;

(B) required to ensure movement of particular cargo in the same trade; or

(C) required to maintain acceptable continuity, level, or quality of common carrier service to or from affected ports.

(Pub. L. 109-304, § 7, Oct. 6, 2006, 120 Stat. 1536.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40702	46 App.:1708(b).	Pub. L. 98-237, §9(b), Mar. 20, 1984, 98 Stat. 76; Pub. L. 105-258, title I, §108(5)-(7), Oct. 14, 1998, 112 Stat. 1908.

§ 40703. Effective date of rates

Notwithstanding section 40501(e) of this title and except for service contracts, a rate, charge, classification, rule, or regulation of a controlled carrier may not become effective, without special permission of the Federal Maritime Commission, until the 30th day after publication.

(Pub. L. 109-304, § 7, Oct. 6, 2006, 120 Stat. 1536.)