

(B) grantees have properly accounted for all expenditures of grant funds; and
 (C) grant funds not used for such purposes and amounts not obligated or expended are returned.

(4) PROJECT APPROVAL REQUIRED.—The Administrator may not award a grant under this section unless the Administrator determines that—

- (A) sufficient funding is available to meet the matching requirements of subsection (e);
- (B) the project will be completed without unreasonable delay; and
- (C) the recipient has authority to carry out the proposed project.

(g) AUDITS AND EXAMINATIONS.—All grantees under this section shall maintain such records as the Administrator may require and make such records available for review and audit by the Administrator.

(h) SMALL SHIPYARD DEFINED.—In this section, the term “small shipyard” means a shipyard facility in one geographic location that does not have more than 1,200 employees.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator of the Maritime Administration for each of fiscal years 2015 through 2017 to carry out this section—

- (1) \$5,000,000 for training grants; and
- (2) \$25,000,000 for capital and related improvements.

(Added Pub. L. 110–417, div. C, title XXXV, § 3508(a), Oct. 14, 2008, 122 Stat. 4767; amended Pub. L. 113–281, title III, § 303, Dec. 18, 2014, 128 Stat. 3043.)

PRIOR PROVISIONS

A prior section 54101, added and amended Pub. L. 110–181, div. C, title XXXV, § 3523(a)(6)(B)–(D), Jan. 28, 2008, 122 Stat. 599, which related to assistance for small shipyards and maritime communities, was repealed by Pub. L. 110–417, div. C, title XXXV, § 3508(b), Oct. 14, 2008, 122 Stat. 4769, as amended by Pub. L. 111–84, div. A, title X, § 1073(c)(14), Oct. 28, 2009, 123 Stat. 2475, effective Oct. 14, 2008, and as if included in Pub. L. 110–417 as enacted.

AMENDMENTS

2014—Subsec. (i). Pub. L. 113–281 substituted “2015 through 2017” for “2009 through 2013” in introductory provisions.

PART D—PROMOTIONAL PROGRAMS

CHAPTER 551—COASTWISE TRADE

- Sec. 55101. Application of coastwise laws.
- 55102. Transportation of merchandise.
- 55103. Transportation of passengers.
- 55104. Transportation of passengers between Puerto Rico and other ports in the United States.
- 55105. Transportation of hazardous waste.
- 55106. Merchandise transferred between barges.
- 55107. Empty cargo containers and barges.
- 55108. Platform jackets.
- 55109. Dredging.
- 55110. Transportation of valueless material or dredged material.
- 55111. Towing.
- 55112. Vessel escort operations and towing assistance.
- 55113. Use of foreign documented oil spill response vessels.

- Sec. 55114. Unloading fish from foreign vessels.
- 55115. Supplies on fish processing vessels.
- 55116. Canadian rail lines.
- 55117. Great Lakes rail route.
- 55118. Foreign railroads whose road enters by ferry, tugboat, or towboat.
- 55119. Yukon River.
- 55120. Transshipment of imported merchandise intended for immediate exportation.
- 55121. Transportation of merchandise and passengers on Canadian vessels.
- 55122. Floating dry docks.

AMENDMENTS

2014—Pub. L. 113–291, div. C, title XXXV, § 3502(b), Dec. 19, 2014, 128 Stat. 3904, added item 55122.

2008—Pub. L. 110–181, div. C, title XXXV, § 3527(b)(2), Jan. 28, 2008, 122 Stat. 602, inserted “valueless material or” before “dredged material” in item 55110.

§ 55101. Application of coastwise laws

(a) IN GENERAL.—Except as provided in subsection (b), the coastwise laws apply to the United States, including the island territories and possessions of the United States.

(b) EXCEPTIONS.—The coastwise laws do not apply to—

- (1) American Samoa;
- (2) the Northern Mariana Islands, except as provided in section 502(b) of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (48 U.S.C. 1801 note); or
- (3) the Virgin Islands until the President declares by proclamation that the coastwise laws apply to the Virgin Islands.

(Pub. L. 109–304, § 8(c), Oct. 6, 2006, 120 Stat. 1632; Pub. L. 110–181, div. C, title XXXV, § 3527(a), Jan. 28, 2008, 122 Stat. 602.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
55101(a)	46 App.:877 (words before last proviso).	June 5, 1920, ch. 250, § 21, 41 Stat. 997; Apr. 16, 1936, ch. 228, 49 Stat. 1207; Pub. L. 97–31, § 12(47), Aug. 6, 1981, 95 Stat. 157.
55101(b)(1) ..	48:1664.	June 14, 1934, ch. 523, 48 Stat. 963.
55101(b)(2) ..	48:1801 note (Covenant § 503(b)).	Pub. L. 94–241, § 1, Mar. 24, 1976, 90 Stat. 263; Pub. L. 98–213, § 9, Dec. 8, 1983, 97 Stat. 1461; Pub. L. 104–208, div. A, title I, § 101(d) [title I], Sept. 30, 1996, 110 Stat. 3009–196.
55101(b)(3) ..	46 App.:877 note.	Proc. No. 3215, Dec. 12, 1957, 72 Stat. c19.
55101(b)(4) ..	46 App.:877 (last proviso).	

In subsection (a), the words “apply to the United States, including” are substituted for “extend to” for clarity. The words “From and after February 1, 1922” and “not covered thereby on June 5, 1920” are omitted as obsolete. The requirement to establish adequate steamship service to the island Territories and possessions is omitted as obsolete.

Subsection (b)(2) is based on section 503(b) of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (48 U.S.C. 1801 note).

Subsection (b)(3) is based on Proc. No. 3215, Dec. 12, 1957, 72 Stat. c19, which provided that the President, “under and by virtue of the authority vested in me by the aforesaid section 21 of the Merchant Marine Act, 1920 [46 App. U.S.C. 877], do hereby declare and proclaim

that the period for the establishment of an adequate shipping service for Canton Island is extended until further notice by proclamation of the President, and that the extension of the coastwise laws of the United States to Canton Island is deferred until it is declared by proclamation of the President that such adequate shipping service has been established”.

In subsection (b)(4), the words “and fix a date for the going into effect of same” are omitted as surplus.

The provisos of 46 App. U.S.C. 877 relating to the Philippine Islands are omitted as obsolete because of the independence of the Philippine Islands. See Proc. No. 2695, July 4, 1946, 60 Stat. 1352 (22 U.S.C. 1394 note).

REFERENCES IN TEXT

Section 502(b) of the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America, referred to in subsec. (b)(2), is contained in section 1 of Pub. L. 94-241, set out as a note under section 1801 of Title 48, Territories and Insular Possessions.

AMENDMENTS

2008—Subsec. (b). Pub. L. 110-181 inserted “or” after semicolon at end of par. (2), redesignated par. (4) as (3), and struck out former par. (3) which read as follows: “Canton Island until the President declares by proclamation that the coastwise laws apply to Canton Island; or”.

§ 55102. Transportation of merchandise

(a) DEFINITION.—In this section, the term “merchandise” includes—

- (1) merchandise owned by the United States Government, a State, or a subdivision of a State; and
- (2) valueless material.

(b) REQUIREMENTS.—Except as otherwise provided in this chapter or chapter 121 of this title, a vessel may not provide any part of the transportation of merchandise by water, or by land and water, between points in the United States to which the coastwise laws apply, either directly or via a foreign port, unless the vessel—

- (1) is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade; and
- (2) has been issued a certificate of documentation with a coastwise endorsement under chapter 121 or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement.

(c) PENALTY.—Merchandise transported in violation of subsection (b) is liable to seizure by and forfeiture to the Government. Alternatively, an amount equal to the value of the merchandise (as determined by the Secretary of Homeland Security) or the actual cost of the transportation, whichever is greater, may be recovered from any person transporting the merchandise or causing the merchandise to be transported.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1632.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
55102	46 App.:883 (words before 1st proviso, 11th proviso).	June 5, 1920, ch. 250, § 27 (words before 1st proviso, 11th proviso), 41 Stat. 999; July 2, 1935, ch. 355, 49 Stat. 442; Pub. L. 95-410, title II, §213, Oct. 3, 1978, 92 Stat. 904; Pub. L. 101-329 [100-329], §1(a)(1), [§1(a)] June 7, 1988, 102 Stat. 588; Pub. L. 102-587, title V, §5501(b), Nov. 4, 1992, 106 Stat. 5085.

In subsection (a)(1), the words “(as defined in section 2101 of the [sic] title 46)” are omitted because the definition of “State” is being moved to chapter 1 and will apply to the entire title.

In subsection (b), the words “may not provide any part of the transportation of” are substituted for “No . . . shall be transported” and “or for any part of the transportation” because of the reorganization of the language. The words “including Districts, Territories, and possessions thereof” are omitted because of the definition of “United States” in chapter 1 of the revised title. The words “to which the coastwise laws apply” are substituted for “embraced within the coastwise laws” for consistency with section 55101. The words “is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade” are substituted for “owned by persons who are citizens of the United States”, and the words “has been issued a certificate of documentation with a coastwise endorsement under chapter 121” are substituted for “documented under the laws of the United States”, for clarity and consistency in the revised title. The words “or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement” are added for consistency with section 12102 as revised by the bill. The requirement that the vessel be built in the United States is omitted from this section for consistency with the requirements for a coastwise endorsement, which also require that the vessel be built in the United States except in certain circumstances. The words “or vessels to which the privilege of engaging in the coastwise trade is extended by section 808 of this Appendix or section 22 of this Act” are omitted because the relevant portion of section 808, and section 22, have been repealed.

In subsection (c), the words “any person” are substituted for “any consignor, seller, owner, importer, consignee, agent, or other person or persons” to eliminate unnecessary words.

§ 55103. Transportation of passengers

(a) IN GENERAL.—Except as otherwise provided in this chapter or chapter 121 of this title, a vessel may not transport passengers between ports or places in the United States to which the coastwise laws apply, either directly or via a foreign port, unless the vessel—

- (1) is wholly owned by citizens of the United States for purposes of engaging in the coastwise trade; and
- (2) has been issued a certificate of documentation with a coastwise endorsement under chapter 121 or is exempt from documentation but would otherwise be eligible for such a certificate and endorsement.

(b) PENALTY.—The penalty for violating subsection (a) is \$300 for each passenger transported and landed.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1633.)