

**§ 12114. Recreational endorsement**

(a) REQUIREMENTS.—A recreational endorsement may be issued for a vessel that satisfies the requirements of section 12103 of this title.

(b) AUTHORIZED ACTIVITY.—A vessel operating under a recreational endorsement may be operated only for pleasure.

(c) APPLICATION OF CUSTOMS LAWS.—A vessel for which a recreational endorsement is issued may proceed between a port of the United States and a port of a foreign country without entering or clearing with the Secretary of Homeland Security. However, a recreational vessel is subject to the requirements for reporting arrivals under section 433 of the Tariff Act of 1930 (19 U.S.C. 1433), and individuals on the vessel are subject to applicable customs regulations.

(Pub. L. 109–304, §5, Oct. 6, 2006, 120 Stat. 1498.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
12114(a) .....	46:12109(a).	
12114(b) .....	46:12109(c).	
12114(c) .....	46:12110(c).	
	46:12109(b).	

In subsection (c), the words “Secretary of Homeland Security” are substituted for “Customs Service” because the functions of the Customs Service and of the Secretary of the Treasury relating thereto were transferred to the Secretary of Homeland Security by section 403(1) of the Homeland Security Act of 2002 (Pub. L. 107–296, 116 Stat. 2178).

## PRIOR PROVISIONS

A prior section 12114, Pub. L. 98–89, Aug. 26, 1983, 97 Stat. 589; Pub. L. 99–36, §1(a)(8), May 15, 1985, 99 Stat. 67, originally derived from section 65c of former Title 46, Shipping, related to home ports, prior to being repealed by Pub. L. 100–710, title I, §§106(b)(5), 107(a), Nov. 23, 1988, 102 Stat. 4752, effective Jan. 1, 1989.

**§ 12115. Temporary endorsement for vessels procured outside the United States**

(a) GENERAL AUTHORITY.—The Secretary and the Secretary of State, acting jointly, may provide for the issuance of a certificate of documentation with an appropriate endorsement for a vessel procured outside the United States and meeting the ownership requirements of section 12103 of this title.

(b) AUTHORIZED ACTIVITY.—Subject to limitations the Secretary may prescribe, a vessel documented under this section may proceed to the United States and engage en route in foreign trade or trade with Guam, American Samoa, Wake, Midway, or Kingman Reef.

(c) APPLICATION OF UNITED STATES JURISDICTION AND LAWS.—A vessel documented under this section is subject to the jurisdiction and laws of the United States. However, if the Secretary considers it to be in the public interest, the Secretary may suspend for a period of not more than 6 months the application of a vessel inspection law carried out by the Secretary or regulations prescribed under that law.

(d) SURRENDER OF CERTIFICATE.—On the vessel’s arrival in the United States, the certificate of documentation shall be surrendered as provided by regulations prescribed by the Secretary.

(Pub. L. 109–304, §5, Oct. 6, 2006, 120 Stat. 1498.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
12115(a) .....	46:12112(a).	
12115(b) .....	46:12112(b) (1st sentence).	
12115(c) .....	46:12112(c).	
12115(d) .....	46:12112(b) (last sentence).	

## PRIOR PROVISIONS

A prior section 12115, Pub. L. 98–89, Aug. 26, 1983, 97 Stat. 589, originally derived from section 65d of former Title 46, Shipping, related to names of vessels, prior to being repealed by Pub. L. 100–710, title I, §§106(b)(5), 107(a), Nov. 23, 1988, 102 Stat. 4752, effective Jan. 1, 1989.

**§ 12116. Limited endorsements for Guam, American Samoa, and Northern Mariana Islands**

(a) ENDORSEMENTS.—A vessel satisfying the requirements of subsection (b) may be issued—

(1) a coastwise endorsement to engage in the coastwise trade of fisheries products between places in Guam, American Samoa, and the Northern Mariana Islands; or

(2) a fishery endorsement to engage in fishing in the territorial sea and fishery conservation zone adjacent to Guam, American Samoa, and the Northern Mariana Islands.

(b) REQUIREMENTS.—An endorsement may be issued under subsection (a) for a vessel that—

(1) satisfies the requirements of section 12103 of this title;

(2) was not built in the United States, except that for an endorsement under subsection (a)(2), the vessel must not have been built or rebuilt in the United States;

(3) is less than 200 gross tons as measured under section 14502 of this title, or an alternate tonnage as measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title; and

(4) otherwise qualifies under the laws of the United States to engage in the coastwise trade or the fisheries, as the case may be.

(Pub. L. 109–304, §5, Oct. 6, 2006, 120 Stat. 1499.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
12116 .....	46:12106(c).	
	46:12108(c).	

## PRIOR PROVISIONS

A prior section 12116, Pub. L. 98–89, Aug. 26, 1983, 97 Stat. 589, originally derived from section 65f of former Title 46, Shipping, related to numbers, signal letters, and identification markings, prior to being repealed by Pub. L. 100–710, title I, §§106(b)(5), 107(a), Nov. 23, 1988, 102 Stat. 4752, effective Jan. 1, 1989.

## TERRITORIAL SEA OF UNITED STATES

For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

**§ 12117. Oil spill response vessels**

(a) REQUIREMENTS.—A coastwise endorsement may be issued for a vessel that—

(1) satisfies the requirements for a coastwise endorsement, except for the ownership re-

quirement otherwise applicable without regard to this section;

(2) is owned by a not-for-profit oil spill response cooperative or by members of such a cooperative that dedicate the vessel to use by the cooperative;

(3) is at least 50 percent owned by individuals or entities described in section 12103(b) of this title; and

(4) is to be used only for—

(i) deploying equipment, supplies, and personnel to recover, contain, or transport oil discharged into the navigable waters of the United States or the exclusive economic zone; or

(ii) training exercises to prepare to respond to such a discharge.

(b) **DEEMED OWNED BY CITIZENS.**—A vessel satisfying subsection (a) is deemed to be owned only by citizens of the United States under sections 12103, 12132, and 50501 of this title.

(Pub. L. 109-304, § 5, Oct. 6, 2006, 120 Stat. 1499.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
12117 .....	46:12106(d).	

PRIOR PROVISIONS

A prior section 12117, Pub. L. 98-89, Aug. 26, 1983, 97 Stat. 589; Pub. L. 100-710, title I, §104(a)(4), Nov. 23, 1988, 102 Stat. 4750, originally derived from section 65q of former Title 46, Shipping, related to recording of United States built vessels, prior to the general amendment of this chapter by Pub. L. 109-304. See section 12137 of this title.

**§ 12118. Owners engaged primarily in manufacturing or mineral industry**

(a) **DEFINITIONS.**—In this section:

(1) **BOWATERS CORPORATION.**—The term “Bowaters corporation” means a corporation that has filed a certificate under oath with the Secretary, in the form and at the times prescribed by the Secretary, establishing that—

(A) the corporation is incorporated under the laws of the United States or a State;

(B) a majority of the officers and directors of the corporation are individuals who are citizens of the United States;

(C) at least 90 percent of the employees of the corporation are residents of the United States;

(D) the corporation is engaged primarily in a manufacturing or mineral industry in the United States;

(E) the total book value of the vessels owned by the corporation is not more than 10 percent of the total book value of the assets of the corporation; and

(F) the corporation buys or produces in the United States at least 75 percent of the raw materials used or sold in its operations.

(2) **PARENT.**—The term “parent” means a corporation that has filed a certificate under oath with the Secretary, in the form and at the times prescribed by the Secretary, establishing that the corporation—

(A) is incorporated under the laws of the United States or a State; and

(B) controls, directly or indirectly, at least 50 percent of the voting stock of a Bowaters corporation.

(3) **SUBSIDIARY.**—The term “subsidiary” means a corporation that has filed a certificate under oath with the Secretary, in the form and at the times prescribed by the Secretary, establishing that the corporation—

(A) is incorporated under the laws of the United States or a State; and

(B) has at least 50 percent of its voting stock controlled, directly or indirectly, by a Bowaters corporation or its parent.

(b) **DEEMED CITIZEN.**—A Bowaters corporation is deemed to be a citizen of the United States for purposes of chapters 121, 551, and 561 and section 80104 of this title.

(c) **ISSUANCE OF DOCUMENTATION.**—A certificate of documentation and appropriate endorsement may be issued for a vessel that—

(1) is owned by a Bowaters corporation;

(2) was built in the United States; and

(3)(A) is self-propelled and less than 500 gross tons as measured under section 14502 of this title, or an alternate tonnage as measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title; or

(B) is not self-propelled.

(d) **EFFECTS OF DOCUMENTATION.**—

(1) **IN GENERAL.**—Subject to paragraph (2)—

(A) a vessel documented under this section may engage in the coastwise trade; and

(B) the vessel and its owner and master are entitled to the same benefits and are subject to the same requirements and penalties as if the vessel were otherwise documented or exempt from documentation under this chapter.

(2) **TRANSPORTATION OF PASSENGERS OR MERCHANDISE.**—A vessel documented under this section may transport passengers or merchandise for hire in the coastwise trade only—

(A) as a service for a parent or subsidiary of the corporation owning the vessel; or

(B) when under a demise or bareboat charter, at prevailing rates for use not in the domestic noncontiguous trades, from the corporation owning the vessel to a carrier that—

(i) is subject to jurisdiction under subchapter II of chapter 135 of title 49;

(ii) otherwise qualifies as a citizen of the United States under section 50501 of this title; and

(iii) is not owned or controlled, directly or indirectly, by the corporation owning the vessel.

(e) **VALIDITY OF CORPORATE CERTIFICATE.**—A certificate filed by a corporation under this section remains valid only as long as the corporation continues to satisfy the conditions required of the corporation by this section. When a corporation no longer satisfies those conditions, the corporation loses its status under this section and immediately shall surrender to the Secretary any documents issued to it based on that status.

(f) **PENALTIES.**—