

United States” are substituted for “any of the possessions of the United States” for consistency in the revised title.

EXEMPTIONS

Functions authorized by Foreign Assistance Act of 1961, as amended, as exempt, see Ex. Ord. No. 11223, eff. May 12, 1965, 30 F.R. 6635, set out under section 2393 of Title 22, Foreign Relations and Intercourse.

**§ 55303. Motor vehicles owned by United States Government personnel**

Notwithstanding any other law, privately-owned American shipping services may be used to transport motor vehicles owned by personnel of the United States Government whenever transportation of those vehicles at Government expense is otherwise authorized by law.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1642.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55303 .....	46 App.:1241(c).	June 29, 1936, ch. 858, title IX, §901(c), as added May 28, 1956, ch. 325, 70 Stat. 187.

**§ 55304. Exports financed by the United States Government**

It is the sense of Congress that any loans made by an instrumentality of the United States Government to foster the exporting of agricultural or other products shall provide that the products may be transported only on vessels of the United States unless, as to any or all of those products, the Secretary of Transportation, after investigation, certifies to the instrumentality that vessels of the United States are not available in sufficient number, in sufficient tonnage capacity, on necessary schedules, or at reasonable rates.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1642.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
55304 .....	46 App.:1241-1.	Mar. 26, 1934, ch. 90, 48 Stat. 500; June 29, 1936, ch. 858, §204, 49 Stat. 1987; Pub. L. 97-31, §12(127), Aug. 6, 1981, 95 Stat. 165.

This section codifies the Joint Resolution of March 26, 1934 (ch. 90, 48 Stat. 500) (also commonly known as Public Resolution 17). The codification of this provision is not intended to change its status as a “Sense of Congress” provision in any way. The words “Reconstruction Finance Corporation or” are omitted as obsolete because the Reconstruction Finance Corporation was abolished by section 6 of Reorganization Plan No. 1 of 1957 (5 App. U.S.C.).

**§ 55305. Cargoes procured, furnished, or financed by the United States Government**

(a) DEFINITION.—In this section, the term “privately-owned commercial vessel of the United States” does not include a vessel that, after September 21, 1961, was built or rebuilt outside the United States or documented under the laws of a foreign country, until the vessel has been documented under the laws of the United States for at least 3 years.

(b) MINIMUM TONNAGE.—When the United States Government procures, contracts for, or otherwise obtains for its own account, or furnishes to or for the account of a foreign country, organization, or persons without provision for reimbursement, any equipment, materials, or commodities, or provides financing in any way with Federal funds for the account of any persons unless otherwise exempted, within or without the United States, or advances funds or credits, or guarantees the convertibility of foreign currencies in connection with the furnishing or obtaining of the equipment, materials, or commodities, the appropriate agencies shall take steps necessary and practicable to ensure that at least 50 percent of the gross tonnage of the equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) which may be transported on ocean vessels is transported on privately-owned commercial vessels of the United States, to the extent those vessels are available at fair and reasonable rates for commercial vessels of the United States, in a manner that will ensure a fair and reasonable participation of commercial vessels of the United States in those cargoes by geographic areas.

(c) WAIVERS.—The President, the Secretary of Defense, or Congress (by concurrent resolution or otherwise) may waive this section temporarily by—

(1) declaring the existence of an emergency justifying a waiver; and

(2) notifying the appropriate agencies of the waiver.

(d) PROGRAMS OF OTHER AGENCIES.—

(1) Each department or agency that has responsibility for a program under this section shall administer that program with respect to this section under regulations and guidance issued by the Secretary of Transportation. The Secretary, after consulting with the department or agency or organization or person involved, shall have the sole responsibility for determining if a program is subject to the requirements of this section.

(2) The Secretary—

(A) shall conduct an annual review of the administration of programs determined pursuant to paragraph (1) as subject to the requirements of this section;

(B) may direct agencies to require the transportation on United States-flagged vessels of cargo shipments not otherwise subject to this section in equivalent amounts to cargo determined to have been shipped on foreign carriers in violation of this section;

(C) may impose on any person that violates this section, or a regulation prescribed under this section, a civil penalty of not more than \$25,000 for each violation willfully and knowingly committed, with each day of a continuing violation following the date of shipment to be a separate violation; and

(D) may take other measures as appropriate under the Federal Acquisition Regulations issued pursuant to section 25(c)(1)<sup>1</sup> of the Office of Federal Procurement Policy

<sup>1</sup> See References in Text note below.

Act (41 U.S.C. 421(c)(1)<sup>2</sup> or contract with respect to each violation.

(e) SECURITY OF GOVERNMENT-IMPELLED CARGO.—

(1) In order to ensure the safety of vessels and crewmembers transporting equipment, materials, or commodities under this section, the Secretary of Transportation shall direct each department or agency (except the Department of Defense), when responsible for the carriage of such equipment, materials, or commodities, to reimburse, subject to the availability of appropriations, the owners or operators of vessels of the United States carrying such equipment, materials, or commodities for the cost of providing armed personnel aboard such vessels if the vessels are transiting high-risk waters.

(2) In this subsection, the term ‘‘high-risk waters’’ means waters so designated by the Commandant of the Coast Guard in the maritime security directive issued by the Commandant and in effect on the date on which an applicable voyage begins, if the Secretary of Transportation—

(A) determines that an act of piracy occurred in the 12-month period preceding the date the voyage begins; or

(B) in such period, issued an advisory warning that an act of piracy is possible in such waters.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1642; Pub. L. 110-417, div. C, title XXXV, §3511(a), (b), Oct. 14, 2008, 122 Stat. 4769; Pub. L. 112-213, title V, §503, Dec. 20, 2012, 126 Stat. 1575; Pub. L. 113-281, title III, §306, Dec. 18, 2014, 128 Stat. 3044.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
55305(a) .....	46 App.:1241(b)(1) (2d, last provisos).	June 29, 1936, ch. 858, title IX, §901(b), as added Aug. 26, 1954, ch. 936, 68 Stat. 832; Pub. L. 87-266, Sept. 21, 1961, 75 Stat. 565; Pub. L. 91-469, §27, Oct. 21, 1970, 84 Stat. 1034; Pub. L. 97-31, §12(126), Aug. 6, 1981, 95 Stat. 165.
55305(b) .....	46 App.:1241(b)(1) (words before 1st proviso).	
55305(c) .....	46 App.:1241(b)(1) (1st proviso).	
55305(d) .....	46 App.:1241(b)(2).	

In this section, the words ‘‘commercial vessels of the United States’’ are substituted for ‘‘United States-flag commercial vessels’’ for consistency in the revised title.

In subsection (a), the words ‘‘the provisions of this subsection shall not apply to cargoes carried in the vessels of the Panama Canal Company’’ are omitted as obsolete. The words ‘‘Nothing herein shall repeal or otherwise modify the provisions of section 1241-1 of this Appendix’’ are omitted as unnecessary. The last proviso in 46 App. U.S.C. 1241(b)(1) is omitted as obsolete.

REFERENCES IN TEXT

Section 25(c)(1) of the Office of Federal Procurement Policy Act, referred to in subsec. (d)(2)(D), was classified to section 421(c)(1) of former Title 41, Public Con-

<sup>2</sup>So in original. Probably should be followed by a second closing parenthesis.

tracts, and was repealed and restated as section 1303(a)(1) of Title 41, Public Contracts, by Pub. L. 111-350, §§3, 7(b), Jan. 4, 2011, 124 Stat. 3677, 3855. For disposition of sections of former Title 41, see Disposition Table preceding section 101 of Title 41.

AMENDMENTS

2014—Subsec. (e)(1). Pub. L. 113-281, §306(1), substituted ‘‘reimburse, subject to the availability of appropriations, the owners or operators of vessels’’ for ‘‘provide armed personnel aboard vessels’’ and ‘‘commodities for the cost of providing armed personnel aboard such vessels’’ for ‘‘commodities’’.

Subsec. (e)(2), (3). Pub. L. 113-281, §306(2), added par. (2) and struck out former pars. (2) and (3) which read as follows:

‘‘(2) The Secretary of Transportation shall direct each department or agency responsible to provide armed personnel under paragraph (1) to reimburse, subject to the availability of appropriations, the owners or operators of applicable vessels for the cost of providing armed personnel.

‘‘(3) In this subsection, the term ‘high-risk waters’ means waters so designated by the Commandant of the Coast Guard in the Port Security Advisory in effect on the date on which an applicable voyage begins.’’

2012—Subsec. (e). Pub. L. 112-213 added subsec. (e).

2008—Subsec. (b). Pub. L. 110-417, §3511(a), substituted ‘‘foreign country, organization, or persons’’ for ‘‘foreign country’’, ‘‘commodities, or provides financing in any way with Federal funds for the account of any persons unless otherwise exempted, within’’ for ‘‘commodities, within’’, and ‘‘furnishing or obtaining’’ for ‘‘furnishing’’.

Subsec. (d). Pub. L. 110-417, §3511(b), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: ‘‘An agency having responsibility under this section shall administer its programs with respect to this section under regulations prescribed by the Secretary of Transportation. The Secretary shall review the administration of those programs and report annually to Congress on their administration.’’

REGULATIONS

Pub. L. 110-417, div. C, title XXXV, §3511(c), Oct. 14, 2008, 122 Stat. 4770, provided that: ‘‘The Secretary of Transportation shall prescribe such rules as are necessary to carry out section 55305(d) of title 46, United States Code. The Secretary may prescribe interim rules necessary to carry out section 55305(d) of such title. An interim rule prescribed under this subsection shall remain in effect until superseded by a final rule.’’

SUBCHAPTER II—EXPORT TRANSPORTATION OF AGRICULTURAL COMMODITIES

§ 55311. Findings and purposes

(a) FINDINGS.—Congress finds that—

(1) a productive and healthy agricultural industry and a strong and active United States maritime industry are vitally important to the economic well-being and security of the United States;

(2) both industries must compete in international markets increasingly dominated by foreign trade barriers and the subsidization practices of foreign governments; and

(3) increased agricultural exports and the use of merchant vessels of the United States contribute positively to the United States balance of trade and generate employment opportunities in the United States.

(b) PURPOSES.—The purposes of this subchapter are to—