

operate such a vessel or charter the vessel on terms and conditions the Secretary considers appropriate to carry out the purposes of this subtitle.

(b) DOCUMENTATION AND RESTRICTIONS ON OPERATION.—A vessel reconditioned, remodeled, or improved under subsection (a) shall be documented under the laws of the United States and remain so documented for at least 5 years after completion of the reconditioning, remodeling, or improvement. During that period, it shall be operated on voyages that are not exclusively coastwise.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57106	46 App.:871.	June 5, 1920, ch. 250, §12, 41 Stat. 993; June 6, 1924, ch. 273, §2, 43 Stat. 468; Feb. 11, 1927, ch. 104, §1 (last par. under heading "United States Shipping Board"), 44 Stat. 1063; Exec. Order No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(43), Aug. 6, 1981, 95 Stat. 157.
	46 App.:891b.	May 22, 1928, ch. 675, title II, §202, 45 Stat. 690; Exec. Order No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(51), Aug. 6, 1981, 95 Stat. 157.

This section is substituted for the source provisions to eliminate obsolete and unnecessary provisions.

§ 57107. Vessels for other agencies

(a) IN GENERAL.—The Secretary of Transportation may construct, reconstruct, repair, equip, and outfit, by contract or otherwise, vessels or parts thereof, for any other department or agency of the United States Government to the extent the other department or agency is authorized by law to do so for its own account.

(b) EFFECT ON CONTRACT AUTHORIZATION.—An obligation incurred or expenditure made by the Secretary under this section does not affect any contract authorization of the Secretary, but instead shall be charged against the existing appropriation or contract authorization of the department or agency.

(c) SALVAGING CARGOES.—

(1) REIMBURSABLE AGREEMENTS.—The Secretary of Transportation, acting through the Administrator of the Maritime Administration, may enter into reimbursable agreements with other Federal entities to provide legal services to such entities relating to the salvaging of cargoes for which such entities have custody, or control, or for which for such entities have trustee responsibilities from vessels in the custody or control of the Maritime Administration or its predecessor agencies. The Secretary may receive and retain reimbursement from such entities for all costs incurred related to the provision of such services.

(2) AMOUNTS RECEIVED.—Amounts received as reimbursements under this subsection shall be credited to the fund or account that was used

to cover the costs incurred by the Secretary or, if the period of availability of obligations for that appropriation has expired, to the appropriation of funds that is currently available to the Secretary for substantially the same purpose. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(3) ADVANCE PAYMENTS.—Payments made in advance shall be for any part of the estimated cost as determined by the Secretary of Transportation. Adjustments to the amounts paid in advance shall be made as agreed to by the Secretary of Transportation and the head of the ordering agency or unit based on the actual cost of goods or services provided.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661; Pub. L. 116-92, div. C, title XXXV, § 3508, Dec. 20, 2019, 133 Stat. 1976.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57107	46 App.:1125a.	Feb. 6, 1941, ch. 5, §4, 55 Stat. 6; Pub. L. 97-31, §12(74), Aug. 6, 1981, 95 Stat. 160.

In subsection (b), the words "heretofore or hereafter", "diminish or otherwise", and "and, to the amount of such obligation or expenditure, diminish" are omitted as unnecessary.

AMENDMENTS

2019—Subsec. (c). Pub. L. 116-92 added subsec. (c).

§ 57108. Consideration of ballast and equipment in determining selling price

The Maritime Administration may not sell a vessel until its ballast and equipment have been inventoried and their value considered in determining the selling price of the vessel.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57108	46 App.:864b.	June 29, 1949, ch. 281, §1 (proviso), 63 Stat. 349; Pub. L. 97-31, §12(36), Aug. 6, 1981, 95 Stat. 156.

§ 57109. Operation of vessels purchased, chartered, or leased from Secretary of Transportation

Unless otherwise authorized by the Secretary of Transportation, a vessel purchased, chartered, or leased from the Secretary may be operated only under a certificate of documentation with a registry or coastwise endorsement. Such a vessel, while employed solely as a merchant vessel, is subject to the laws, regulations, and liabilities governing merchant vessels, whether the United States Government has an interest in the vessel as an owner or holds a mortgage, lien, or other interest.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57109	46 App.:808(b).	Sept. 7, 1916, ch. 451, §9(b), 39 Stat. 730; July 15, 1918, ch. 152, §3, 40 Stat. 900; re-stated June 5, 1920, ch. 250, §18, 41 Stat. 994; Ex. Ord. No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97–31, §12(26), Aug. 6, 1981, 95 Stat. 155; Pub. L. 100–710, title I, §104(b)(2), Nov. 23, 1988, 102 Stat. 4750.

The words “only under a certificate of documentation with a registry or coastwise endorsement” are substituted for “only under such registry or enrollment and license” for clarity and to use the appropriate current language.

§ 57111.¹ Salvage recoveries for subrogated ownership of vessels and cargoes

(a) SALVAGE AGREEMENTS.—The Secretary of Transportation is authorized to enter into marine salvage agreements for the recoveries, sale, and disposal of sunken or damaged vessels, cargoes, or properties owned or insured by or on behalf of the Maritime Administration, the United States Shipping Board, the U.S. Shipping Bureau, the United States Maritime Commission, or the War Shipping Administration.

(b) MILITARY CRAFT.—The Secretary of Transportation shall consult with the Secretary of the military department concerned prior to engaging in or authorizing any activity under subsection (a) that will disturb sunken military craft, as such term is defined in section 1408(3) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 113 note).

(c) RECOVERIES.—Notwithstanding any other provision of law, the net proceeds from salvage agreements entered into as authorized in subsection (a) shall remain available until expended and be distributed as follows:

(1) Fifty percent shall be available to the Administrator of the Maritime Administration for the payment or reimbursement of expenses incurred by or on behalf of State maritime academies or the United States Merchant Marine Academy for facility and training ship maintenance, repair, and modernization, and for the purchase of simulators and fuel.

(2) The remainder shall be distributed for maritime heritage preservation to the Department of the Interior for grants as authorized by section 308703 of title 54.

(Added Pub. L. 116–92, div. C, title XXXV, §3509(a), Dec. 20, 2019, 133 Stat. 1977.)

CHAPTER 573—VESSEL TRADE-IN PROGRAM

Sec.	
57301.	Definitions.
57302.	Authority to acquire vessels.
57303.	Utility value and tonnage requirements.
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57305.	Determination of trade-in allowance.
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57308.	Use of vessels at least 25 years old.

¹ No section 57110 has been enacted.

§ 57301. Definitions

In this chapter:

(1) NEW VESSEL.—The term “new vessel” means a vessel—

(A) constructed under this subtitle and acquired within 2 years after the date of completion; or

(B) constructed in a domestic shipyard on private account and not under this subtitle, and documented under the laws of the United States.

(2) OBSOLETE VESSEL.—The term “obsolete vessel” means a vessel that—

(A) is of at least 1,350 gross tons;

(B) the Secretary of Transportation believes should, because of its age, obsolescence, or other reasons, be replaced in the public interest; and

(C) has been owned by a citizen of the United States for at least 3 years immediately before its acquisition under this chapter.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1662.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57301	46 App.:1160(a).	June 29, 1936, ch. 858, title V, §510(a), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1183; July 17, 1952, ch. 939, §7, 66 Stat. 762; Pub. L. 85–332, Feb. 20, 1958, 72 Stat. 17; Pub. L. 87–755, Oct. 5, 1962, 76 Stat. 751; Pub. L. 91–469, §12(a), Oct. 21, 1970, 84 Stat. 1022; Pub. L. 97–31, §12(91), Aug. 6, 1981, 95 Stat. 161.

In paragraph (1)(A), the words “or is purchased under section 1204 of this Appendix, as amended, by the person turning in an obsolete vessel under this section” are omitted because the purchase authority under 46 App. U.S.C. 1204 was impliedly repealed by section 14 of the Merchant Ship Sales Act of 1946 (50 App. U.S.C. 1735 note).

§ 57302. Authority to acquire vessels

To promote the construction of new, safe, and efficient vessels to carry the domestic and foreign waterborne commerce of the United States, the Secretary of Transportation may acquire an obsolete vessel in exchange for an allowance of credit toward the cost of construction or purchase of a new vessel as provided in this chapter.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1662.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57302	46 App.:1160(b) (1st, last sentences).	June 29, 1936, ch. 858, title V, §510(b) (1st, last sentences), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1184; Pub. L. 87–401, subdiv. (j), Oct. 5, 1961, 75 Stat. 833; Pub. L. 91–469, §35(a), Oct. 21, 1970, 84 Stat. 1035; Pub. L. 97–31, §12(91), Aug. 6, 1981, 95 Stat. 161.

The words “toward the cost of construction or purchase of a new vessel” are added for clarity. The text of 46 App. U.S.C. 1160(b) (last sentence) is omitted as obsolete.