

established and set out parameters for a port infrastructure development program.

2013—Subsec. (c)(2)(D). Pub. L. 113-66 inserted “and financial assistance, including grants,” after “technical assistance”.

2009—Subsec. (c). Pub. L. 111-84 added subsec. (c).

Statutory Notes and Related Subsidiaries

SAVINGS CLAUSE

Pub. L. 116-92, div. C, title XXXV, §3514(c), Dec. 20, 2019, 133 Stat. 1984, provided that:

“A repeal made by subsection (b) of this section [amending this section] shall not affect amounts apportioned or allocated before the effective date of the repeal. Such apportioned or allocated funds shall continue to be subject to the requirements to which the funds were subject under—

“(1) section 50302(c) of title 46, United States Code, as in effect on the day before the date of enactment of this title [Dec. 20, 2019];

“(2) section 9008 of the SAFETEA-LU Act (Public Law 109-59; 119 Stat. 1926);

“(3) section 10205 of the SAFETEA-LU Act (Public Law 109-59; 119 Stat. 1934); and

“(4) section 3512 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (48 U.S.C. 1421r).”

STRATEGIC SEAPORTS

Pub. L. 113-66, div. C, title XXXV, §3505(a), Dec. 26, 2013, 127 Stat. 1086, provided that:

“(1) IN GENERAL.—Under the port infrastructure development program established under [former] section 50302(c) of title 46, United States Code, the Maritime Administrator, in consultation with the Secretary of Defense, may give priority to providing funding to strategic seaports in support of national security requirements.

“(2) STRATEGIC SEAPORT DEFINED.—In this subsection the term ‘strategic seaport’ means a military port or [sic] commercial port that is subject to a port planning order or Basic Ordering Agreement (or both) that is projected to be used for the deployment of forces and shipment of ammunition or sustainment supplies in support of military operations.”

§ 50303. Operating property and extending term of notes

(a) GENERAL AUTHORITY.—The Secretary of Transportation may—

(1) operate or lease docks, wharves, piers, vessels, or real property under the Secretary’s control, except that the prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense; and

(2) make extensions and accept renewals of—

(A) promissory notes and other evidences of indebtedness on property; and

(B) mortgages and other contracts securing the property.

(b) TERMS OF TRANSACTIONS.—A transaction under subsection (a) shall be on terms the Secretary considers necessary to carry out the purposes of this subtitle, but consistent with sound business practice.

(c) AVAILABILITY OF AMOUNTS.—Amounts received by the Secretary from a transaction under this section are available for expenditure by the Secretary as provided in this subtitle.

(Pub. L. 109-304, §8(b), Oct. 6, 2006, 120 Stat. 1564; Pub. L. 110-181, div. C, title XXXV, §3512, Jan. 28, 2008, 122 Stat. 594.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--------------------|--|
| 50303 | 46 App.:1112. | June 29, 1936, ch. 858, title II, §202, 49 Stat. 1986; Aug. 26, 1937, ch. 822, §1, 50 Stat. 839; June 23, 1938, ch. 600, §1, 52 Stat. 953; Pub. L. 97-31, §12(60), Aug. 6, 1981, 95 Stat. 158. |

In subsection (a), the words “Notwithstanding any other provision of law” are omitted as unnecessary. In paragraph (1), the word “lands” is omitted as included in “real property”. In paragraph (2)(A), the word “promissory” is added for clarity. The words “hereby transferred”, referring to the transfer under the first sentence of section 202 of the Merchant Marine Act, 1936 (repealed by section 12(60)(A) of Public Law 97-31), are omitted as obsolete.

Subsection (b) is substituted for “in accordance with good business methods and on such terms and conditions as he determines to effectuate the policy of this chapter” and “upon such terms and conditions as he may prescribe in accordance with sound business practice” for consistency and to eliminate unnecessary words.

Editorial Notes

AMENDMENTS

2008—Subsec. (a)(1). Pub. L. 110-181 inserted “vessels,” after “piers,” and substituted “control, except that the prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense;” for “control;”.

§ 50304. Sale and transfer of property

(a) AUTHORITY TO SELL.—The Secretary of Transportation may sell property (other than vessels transferred under section 4 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 990)) on terms the Secretary considers appropriate.

(b) TRANSFERS FROM MILITARY TO CIVILIAN CONTROL.—When the President considers it in the interest of the United States, the President may transfer to the Secretary of Transportation possession and control of property described in the second paragraph of section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted, that is possessed and controlled by the Secretary of a military department.

(c) TRANSFERS FROM CIVILIAN TO MILITARY CONTROL.—When the President considers it necessary, the President by executive order may transfer to the Secretary of a military department possession and control of property described in section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted, that is possessed and controlled by the Secretary of Transportation. The President’s order shall state the need for the transfer and the period of the need. When the President decides that the need has ended, the possession and control shall revert to the Secretary of Transportation. The property may not be sold except as provided by law.

(d) VESSEL CHARTERS TO OTHER DEPARTMENTS.—On a reimbursable or nonreimbursable basis, as determined by the Secretary of Transportation, the Secretary may charter or otherwise make available a vessel under the jurisdiction

tion of the Secretary to any other department, upon the request by the Secretary of the Department that receives the vessel. The prior consent of the Secretary of Defense for such use shall be required with respect to any vessel in the Ready Reserve Force or in the National Defense Reserve Fleet which is maintained in a retention status for the Department of Defense.

(Pub. L. 109-304, §8(b), Oct. 6, 2006, 120 Stat. 1565; Pub. L. 110-181, div. C, title XXXV, §3515, Jan. 28, 2008, 122 Stat. 595.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|--|
| 50304(a) | 46 App.:872. | June 5, 1920, ch. 250, §§13, 17, 41 Stat. 993, 994; Exec. Order No. 6166, June 10, 1933, §12; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(44), (45), Aug. 6, 1981, 95 Stat. 157. |
| 50304(b) | 46 App.:875 (1st par.). | |
| 50304(c) | 46 App.:875 (last par.). | |

In subsections (b) and (c), the words “property described in the second paragraph of section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted” are substituted for “such other docks, piers, warehouses, wharves and terminal equipment and facilities or parts thereof, including all leasehold easements, rights of way, riparian rights and other rights, estates or interests therein or appurtenant thereto which were acquired . . . for military or naval purposes during the war emergency”, and the words “property described in section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted” are substituted for “property taken over by or transferred to . . . under this section”, because the first paragraph of section 17 of the Merchant Marine Act, 1920, was repealed in 1981 and reference to that paragraph is necessary for a complete understanding of these provisions. The words “Secretary of a military department” are substituted for “War Department or the Navy Department” and “Department of the Army, Department of the Air Force, or Department of the Navy” for consistency with other titles of the United States Code. For redesignation of the Department of War to the Department of the Army, and for transfer of certain functions to newly established Department of the Air Force, see sections 205(a) and 207(a) and (f) of the National Security Act of 1947 (ch. 343, 61 Stat. 501, 502, 503).

In subsection (b), the words “possessed and controlled by” are substituted for “acquired by” for clarity and for consistency in the section. The word “best” is omitted as unnecessary.

Editorial Notes

REFERENCES IN TEXT

Section 4 of the Merchant Marine Act, 1920, referred to in subsec. (a), is section 4 of act June 5, 1920, ch. 250, 41 Stat. 990, which was classified to section 863 of former Title 46, Shipping, and was repealed by Pub. L. 100-710, title II, §202(4), Nov. 23, 1988, 102 Stat. 4753.

Section 17 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 994), as originally enacted, referred to in subsections (b) and (c), is section 17 of act June 5, 1920, ch. 250, 41 Stat. 994, which was classified to section 875 of the former Appendix to this title, was subsequently amended, and as amended, was repealed and restated in subsections (b) and (c) of this section by Pub. L. 109-304, §8(b), 19, Oct. 6, 2006, 120 Stat. 1556, 1710.

AMENDMENTS

2008—Subsec. (d). Pub. L. 110-181 added subsec. (d).

§ 50305. Appointment of trustee or receiver and operation of vessels

(a) APPOINTMENT OF TRUSTEES AND RECEIVERS.—

(1) APPOINTMENT OF SECRETARY.—In a proceeding in a court of the United States in which a trustee or receiver may be appointed for a corporation operating a vessel of United States registry between the United States and a foreign country, on which the United States Government holds a mortgage, the court may appoint the Secretary of Transportation as the sole trustee or receiver (subject to the direction of the court) if—

(A) the court finds that the appointment will—

(i) inure to the advantage of the estate and the parties in interest; and

(ii) tend to carry out the purposes of this subtitle; and

(B) the Secretary expressly consents to the appointment.

(2) APPOINTMENT OF OTHER PERSON.—The appointment of another person as trustee or receiver without a hearing becomes effective when ratified by the Secretary, but the Secretary may demand a hearing.

(b) OPERATION OF VESSELS.—

(1) IN GENERAL.—If the court is unwilling to allow the trustee or receiver to operate the vessel in foreign commerce without financial aid from the Government pending termination of the proceeding, and the Secretary certifies to the court that the continued operation of the vessel is essential to the foreign commerce of the United States and is reasonably calculated to carry out the purposes of this subtitle, the court may allow the Secretary to operate the vessel, either directly or through a managing agent or operator employed by the Secretary. The Secretary must agree to comply with terms imposed by the court sufficient to protect the parties in interest. The Secretary also must agree to pay all operating losses resulting from the operation. The operation shall be for the account of the trustee or receiver.

(2) PAYMENT OF OPERATING LOSSES AND OTHER AMOUNTS.—The Secretary has no claim against the corporation, its estate, or its assets for operating losses paid by the Secretary, but the Secretary may pay amounts for depreciation the Secretary considers reasonable and other amounts the court considers just. The payment of operating losses and the other amounts and compliance with terms imposed by the court shall be in satisfaction of any claim against the Secretary resulting from the operation of the vessel.

(3) DEEMED OPERATION BY GOVERNMENT.—A vessel operated by the Secretary under this subsection is deemed to be a vessel operated by the United States under chapter 309 of this title.

(Pub. L. 109-304, §8(b), Oct. 6, 2006, 120 Stat. 1565.)