

(B) an undocumented vessel owned or chartered by or made available to the United States Government; and

(C) a tug, barge, or other watercraft (whether or not documented) owned by a citizen of the United States and used in essential water transportation or in the fisheries, except only for sport fishing.

(2) CARGO.—The term “cargo” includes a loaded or empty container on a vessel.

(3) TRANSPORTATION IN THE WATERBORNE COMMERCE OF THE UNITED STATES.—The term “transportation in the waterborne commerce of the United States” includes the operation of a vessel in the fisheries, except only for sport fishing.

(4) WAR RISKS.—The term “war risks” includes, to the extent the Secretary of Transportation determines—

(A) any part of a loss excluded from marine insurance coverage under a “free of capture or seizure” clause or analogous clause; and

(B) any other loss from a hostile act, including confiscation, expropriation, nationalization, or deprivation.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1626.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53901(1)	46 App.:1281(a).	June 29, 1936, ch. 858, title XII, §1201(a), (b), as added Sept. 7, 1950, ch. 906, 64 Stat. 773.
53901(2)	46 App.:1283(b) (last sentence).	June 29, 1936, ch. 858, title XII, §1203(b) (last sentence), as added Sept. 7, 1950, ch. 906, 64 Stat. 774; Pub. L. 94-523, §2, Oct. 17, 1976, 90 Stat. 2474.
53901(3)	46 App.:1281(b).	June 29, 1936, ch. 858, title XII, §1201(c), as added Sept. 7, 1950, ch. 906, 64 Stat. 773; restated Pub. L. 107-107, title XXXV, §3502, Dec. 28, 2001, 115 Stat. 1392.
53901(4)	46 App.:1281(c).	

In paragraph (1)(A), the words “a documented vessel with a registry or coastwise endorsement under chapter 121 of this title” are substituted for “any vessel registered, enrolled, or licensed under the laws of the United States” because of 46 U.S.C. 12101(b).

In paragraph (1)(B), the words “or any department or agency thereof” are omitted as surplus.

In paragraph (1)(C), the word “fisheries” is substituted for “fishing trade or industry” because of the definition of “fisheries” in chapter 1 of the revised title.

§ 53902. Authority to provide insurance

(a) IN GENERAL.—With the approval of the President, and after such consultation with interested agencies of United States Government as the President may require, the Secretary of Transportation may provide insurance and reinsurance against loss or damage from war risks as provided by this chapter whenever it appears to the Secretary that insurance adequate for the needs of the waterborne commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do insurance business in a State of the United States.

(b) CONSIDERATION OF RISK.—Insurance or reinsurance under this chapter shall be based, inso-

far as practicable, on consideration of the risk involved.

(c) AVAILABILITY OF VESSEL DURING WAR OR NATIONAL EMERGENCY.—Insurance or reinsurance for a vessel may be provided under this chapter only on the condition that the vessel will be available to the Government in time of war or national emergency.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1627.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
53902	46 App.:1282.	June 29, 1936, ch. 858, title XII, §1202, as added Sept. 7, 1950, ch. 906, 64 Stat. 773; Pub. L. 101-115, §7(a), Oct. 13, 1989, 103 Stat. 694.

§ 53903. Insurable interests

(a) IN GENERAL.—The Secretary of Transportation may provide insurance and reinsurance under this chapter for—

(1) an American vessel, including a vessel under construction;

(2) a foreign vessel—

(A) owned by a citizen of the United States; or

(B) engaged in transportation in the waterborne commerce of the United States or in such other transportation by water or such other services as the Secretary considers to be in the interest of the national defense or national economy of the United States, when so engaged;

(3) cargo—

(A) shipped or to be shipped on a vessel insurable under this section, including by express or registered mail;

(B) owned by a citizen or resident of the United States;

(C) imported to or exported from the United States, or sold or purchased by a citizen or resident of the United States, under a contract of sale or purchase the terms of which provide that the risk of loss by war risks or the obligation to provide insurance against war risks is on a citizen or resident of the United States; or

(D) shipped between ports in the United States;

(4) disbursements, including advances to masters and general average disbursements, and freight and passage money of a vessel insurable under this section;

(5) personal effects of an individual on a vessel insurable under this section;

(6) loss of life, injury, or detention by an enemy of the United States after capture, with respect to an individual on a vessel insurable under this section; and

(7) statutory or contractual obligations or other liabilities of a vessel insurable under this section or of the owner or charterer of such a vessel, of a nature customarily covered by insurance.

(b) CONSIDERATIONS FOR FOREIGN VESSELS.—In determining whether to provide insurance or reinsurance for a foreign vessel, the Secretary shall consider the characteristics, employment,