

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Section effective Mar. 1, 2006, and not applicable to any registration or recordation that was made before such date under this chapter or any legal rights relating to such registration or recordation, see section 7 of Pub. L. 108-297, set out as an Effective Date of 2004 Amendment note under section 44101 of this title.

**CHAPTER 443—INSURANCE**

Sec.

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**Editorial Notes**

## AMENDMENTS

2022—Pub. L. 117-328, div. Q, §103(c), Dec. 29, 2022, 136 Stat. 5252, added item 44302a.

**§ 44301. Definitions**

In this chapter—

(1) “aircraft manufacturer” means any company or other business entity, the majority ownership and control of which is by United States citizens, that manufactures aircraft or aircraft engines.

(2) “American aircraft” means—

(A) a civil aircraft of the United States; and

(B) an aircraft owned or chartered by, or made available to—

(i) the United States Government; or

(ii) a State, the District of Columbia, a territory or possession of the United States, or a political subdivision of the State, territory, or possession.

(3) “insurance carrier” means a person authorized to do aviation insurance business in a State, including a mutual or stock insurance company and a reciprocal insurance association.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1168; Pub. L. 108-176, title I, §106(a)(2), Dec. 12, 2003, 117 Stat. 2498.)

## HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
44301 .....	49 App.:1531.	Aug. 23, 1958, Pub. L. 85-726, §1301, 72 Stat. 800; re-stated Nov. 9, 1977, Pub. L. 95-163, §1(a), 91 Stat. 1278.

In this section, the text of 49 App.:1531(3) is omitted as surplus because the complete name of the Secretary of Transportation is used the first time the term appears in a section.

In clause (1)(B)(i), the words “United States Government” are substituted for “United States or any department or agency thereof” for consistency in the revised title and with other titles of the United States Code.

In clause (1)(B)(ii), the words “the government of” are omitted for consistency in the revised title.

In clause (2), the words “insurance company” are omitted as being included in “insurance carrier”. The words “means a person” are added because they are inclusive. The words “group or association” are omitted as being included in “person”. The word “State” is substituted for “State of the United States” to eliminate unnecessary words.

**Editorial Notes**

## AMENDMENTS

2003—Pub. L. 108-176 added par. (1) and redesignated former pars. (1) and (2) as (2) and (3), respectively.

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## EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-176 applicable only to fiscal years beginning after Sept. 30, 2003, except as otherwise specifically provided, see section 3 of Pub. L. 108-176, set out as a note under section 106 of this title.

**§ 44302. General authority**

(a) INSURANCE AND REINSURANCE.—(1) Subject to subsection (c) of this section and section 44305(a) of this title, the Secretary of Transportation may provide insurance and reinsurance against loss or damage arising out of any risk from the operation of an American aircraft or foreign-flag aircraft.

(2) An aircraft may be insured or reinsured for not more than its reasonable value as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry. Insurance or reinsurance may be provided only when the Secretary decides that the insurance cannot be obtained on reasonable terms from an insurance carrier.

(b) REIMBURSEMENT OF INSURANCE COST INCREASES.—

(1) IN GENERAL.—The Secretary may reimburse an air carrier for the increase in the cost of insurance, with respect to a premium for coverage ending before October 1, 2002, against loss or damage arising out of any risk from the operation of an American aircraft over the insurance premium that was in effect for a comparable operation during the period beginning September 4, 2001, and ending September 10, 2001, as the Secretary may determine. Such reimbursement is subject to subsections (a)(2), (c), and (d) of this section and to section 44303.

(2) PAYMENT FROM REVOLVING FUND.—A reimbursement under this subsection shall be paid from the revolving fund established by section 44307.

(3) FURTHER CONDITIONS.—The Secretary may impose such further conditions on insurance for which the increase in premium is subject to reimbursement under this subsection as the Secretary may deem appropriate in the interest of air commerce.

(4) TERMINATION OF AUTHORITY.—The authority to reimburse air carriers under this subsection shall expire 180 days after the date of enactment of this paragraph.

(c) PRESIDENTIAL APPROVAL.—The Secretary may provide insurance or reinsurance under subsection (a) of this section, or reimburse an air