

REPEALS

For provisional repeal, see note preceding section 801 of this title.

§ 847. Application of chapter 23 to intercoastal shipping.

The provisions of the Shipping Act, 1916, as amended, shall in all respects, except as amended by this chapter, continue to be applicable to every carrier subject to the provisions of this chapter. (Mar. 3, 1933, ch. 199, § 7, formerly § 5, 47 Stat. 1427, renumbered June 23, 1938, ch. 600, § 43(c), 52 Stat. 965.)

REFERENCES IN TEXT

The Shipping Act, 1916, as amended, referred to in the text, is classified to chapter 23 of this title.

AMENDMENTS

1938—Act June 23, 1938, amended the text and renumbered section 5 of act Mar. 3, 1933, to be section 7.

EFFECTIVE DATE OF 1938 AMENDMENT

See note under section 845a of this title.

REPEALS

For provisional repeal, see note preceding section 801 of this title.

§ 848. Short title.

This chapter may be cited as the Intercoastal Shipping Act, 1933. (Mar. 3, 1933, ch. 199, § 8, formerly § 6, 47 Stat. 1427, renumbered June 23, 1938, ch. 600, § 43(d), 52 Stat. 965.)

AMENDMENTS

1938—Act June 23, 1938, renumbered section 6 of act Mar. 3, 1933, to be section 8.

EFFECTIVE DATE OF 1938 AMENDMENT

See note under section 845a of this title.

REPEALS

For provisional repeal, see note preceding section 801 of this title.

Chapter 24.—MERCHANT MARINE ACT, 1920

Sec.

861. Purpose and policy of United States.
 862, 863. Omitted.
 864. Sale of vessels; terms and conditions.
 864a. Same; purchase allowance for cost of putting vessels in class.
 864b. Same; elements considered in determination of selling price.
 865. Sale to aliens.
 866. Establishment and operation of steamship lines between ports of United States.
 867. Investigation of port, terminal, and warehouse facilities.
 868. Vessels sold under deferred payment plan; insurance.
 869. Creation of fund for insurance of interests of United States.
 870. Repealed.
 870a—870d. Omitted.
 871. Repair and operation of vessels until sale.
 872. Sale of property other than vessels.
 873. Repealed.
 874. Authority in respect to housing privileges for employees terminated.
 875. Possession and control of terminal equipment and facilities.
 876. Power of Secretary and Board to make rules and regulations.
 877. Coastwise laws extended to island Territories and possessions.
 878, 879. Omitted.
 880. United States mails carried on American-built documented vessels.
 881. Classification of vessels by American Bureau of Shipping.

Sec.

882. Number of passengers cargo vessels may carry.
 883. Transportation of merchandise between points in United States in other than domestic-hull or rebuilt and documented vessels.
 883-1. Corporation as citizen; fisheries and transportation of merchandise or passengers between points in United States; parent and subsidiary corporations; domestic-built vessels; certificate; surrender of documents on change in status.
 883a. Reports required of United States vessels rebuilt abroad; penalty for failure to report; mitigation of penalty.
 883b. Same; regulations.
 884. Charges for transportation subject to "Interstate Commerce Act."
 885. Association of marine insurance companies; application of antitrust laws.
 886. Repealed.
 887. Partial invalidity.
 888. Definitions.
 889. Short title.

§ 861. Purpose and policy of United States.

It is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency, ultimately to be owned and operated privately by citizens of the United States; and it is declared to be the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine, and, insofar as may not be inconsistent with the express provisions of this act, the Federal Maritime Board and the Secretary of Commerce shall, in the disposition of vessels and shipping property as hereinafter provided, in the making of rules and regulations, and in the administration of the shipping laws keep always in view this purpose and object as the primary end to be attained. (June 5, 1920, ch. 250, § 1, 41 Stat. 988; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 104, 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1274, 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, which is contained in sections 13, 597, 599, 688, 808, 812, 813, 861, 864, 865—869, 871, 872, 875—877, 880—883, 884, 885, 887—889, 911, 921—927, 941, 951—954, 961, 971—975 and 981—984 of this title.

TRANSFER OF FUNCTIONS

"Federal Maritime Board" and "Secretary of Commerce" were substituted for "United States Maritime Commission" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"United States Maritime Commission", to which reference formerly was also made, originally read "United States Shipping Board." For dissolution of the Board and transfer of its functions to the Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§§ 862, 863. Omitted.

CODIFICATION

Section 862, act June 5, 1920, ch. 250, § 2, 41 Stat. 988, repealed certain provisions enacted during World War I which related to the construction, acquisition, and

operation of ships during the emergency then existing. The section further provided that the enforcement of certain penalties and contract rights should not be affected by the repeal. Subsections (a) (1)—(5) of the section enumerated the acts and parts of acts repealed as follows:

"(1) The emergency shipping fund provisions of the Act entitled 'An Act making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes,' approved June 15, 1917 (ch. 29, 40 Stat. 182), as amended by the Act entitled 'An Act to amend the emergency shipping fund provisions of the Urgent Deficiency Appropriation Act, approved June 15, 1917, so as to empower the President and his designated agents to take over certain transportation systems for the transportation of shipyard and plant employees, and for other purposes,' approved April 22, 1918 (ch. 62, 40 Stat. 535), and as further amended by the Act entitled 'An Act making appropriation to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, on account of war expenses, and for other purposes,' approved November 4, 1918 (ch. 201, 40 Stat. 1022).

"(2) Section 3 of such Act of April 22, 1918 (ch. 62, 40 Stat. 535).

"(3) The paragraphs numbered 2 and 3 under the heading 'Emergency shipping fund' in such Act of November 4, 1918 (ch. 201, 40 Stat. 1022); and

"(4) The Act entitled 'An Act to confer on the President power to prescribe charter rates and freight rates and to requisition vessels, and for other purposes,' approved July 18, 1918 (ch. 157, 40 Stat. 913).

"(5) Sections 5, 7, and 8, Shipping Act, 1916 (Sept. 7, 1916, ch. 451, 39 Stat. 730)."

Section 863, act June 5, 1920, ch. 250, § 4, 41 Stat. 990, transferred to the former United States Shipping Board all vessels (except those in the military or naval service) acquired by the President under the acts repealed by former section 862 of this title or under Res. May 12, 1917, ch. 13, 40 Stat. 75. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission, see note under section 804 of this title.

§ 864. Sale of vessels; terms and conditions.

In order to accomplish the declared purposes of this act, and to carry out the policy declared in section 861 of this title, the Secretary of Commerce is authorized and directed to sell, as soon as practicable, consistent with good business methods and the objects and purposes to be attained by this act, at public or private competitive sale after appraisalment and due advertisement, to persons who are citizens of the United States except as provided in section 865 of this title, all of the vessels acquired by the commission under former sections 862 and 863 of this title or otherwise. Such sale shall be made at such prices and on such terms and conditions as the Secretary may prescribe, but the completion of the payment of the purchase price and interest shall not be deferred more than fifteen years after the making of the contract of sale. The Secretary in fixing or accepting the sale price of such vessels shall take into consideration the prevailing domestic and foreign market price of, the available supply of, and the demand for vessels, existing freight rates and prospects of their maintenance, the cost of constructing vessels of similar types under prevailing conditions, as well as the cost of the construction or purchase price of the vessels to be sold, and any other facts or conditions that would influence a prudent, solvent business man in the sale of similar vessels or property which he is not forced to sell. All sales made under the authority of this act

shall be subject to the limitations and restrictions of section 808 of this title. (June 5, 1920, ch. 250, § 5, 41 Stat. 990; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted, "Commission", which meant the United States Maritime Commission, read "Board," meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 864a. Same; purchase allowance for cost of putting vessels in class.

On and after June 30, 1948, the Secretary of Commerce may make allowances to purchasers of vessels for cost of putting such vessels in class, such allowances to be determined on the basis of competitive bids, without regard to the provisions of the last paragraph of section 1736 (d) of Appendix to Title 50. (June 30, 1948, ch. 775, § 101, 62 Stat. 1199; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

Section was enacted as a part of The Supplemental Independent Offices Appropriation Act, 1949, act June 30, 1948 and not as a part of the Merchant Marine Act of 1920, which comprises this chapter.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" was substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21. See note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

§ 864b. Same; elements considered in determination of selling price.

On and after June 29, 1949, no sale of a vessel by the Secretary of Commerce shall be completed until its ballast and equipment shall have been inventoried and their value taken into consideration by the Secretary in determining the selling price. (June 29, 1949, ch. 281, § 1, 63 Stat. 349; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

Section was not enacted as a part of the Merchant Marine Act of 1920 which comprises this chapter.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "Maritime Commission" and "Commission",

respectively, on authority of 1950 Reorg. Plan No. 21. See note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

§ 865. Sale to aliens.

The Secretary of Commerce is authorized and empowered to sell to aliens, at such prices and on such terms and conditions as he may determine, not inconsistent with the provisions of section 864 of this title (except that completion of the payment of the purchase price and interest shall not be deferred more than ten years after the making of the contract of sale), such vessels as he shall, after careful investigation, deem unnecessary to the promotion and maintenance of an efficient American merchant marine; but no such sale shall be made unless the Secretary, after diligent effort, has been unable to sell, in accordance with the terms and conditions of said section, such vessels to persons citizens of the United States, and has determined to make such sale; and he shall make as a part of his records a full statement of his reasons for making such sale. Deferred payments of purchase price of vessels under this section shall bear interest at the rate of not less than 5½ per centum per annum, payable semiannually. (June 5, 1920, ch. 250, § 6, 41 Stat. 991; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 305, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

Words "upon an affirmative vote of not less than five of its members, spread upon the minutes of the commission," which related to one of the requirements in the determination of sale by the former United States Maritime Commission, were omitted since the function is now vested in the Secretary of Commerce. See Transfer of Functions notes below.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) and "he" and "his" for "it" and "its" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commission", as formerly used in this section, which meant the United States Maritime Commission originally read "Board", meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 866. Establishment and operation of steamship lines between ports of United States.

Investigation and determination by Secretary.—The Secretary of Commerce is authorized and directed to investigate and determine as promptly as possible after June 5, 1920, and from time to time thereafter what steamship lines should be established and put in operation from ports in the United States or any Territory, District, or possession thereof to such world and domestic markets as in his judgment are desirable for the promotion, development,

expansion, and maintenance of the foreign and coastwise trade of the United States and an adequate postal service, and to determine the type, size, speed, and other requirements of the vessels to be employed upon such lines and the frequency and regularity of their sailings, with a view to furnishing adequate, regular, certain, and permanent service.

Sale or charter of vessels.—The Secretary is authorized to sell, and if a satisfactory sale cannot be made, to charter such of the vessels referred to in section 863 of this title, or otherwise acquired by the Secretary, as will meet these requirements to responsible persons who are citizens of the United States who agree to establish and maintain such lines upon such terms of payment and other conditions as the Secretary may deem just and necessary to secure and maintain the service desired; and if any such steamship line is deemed desirable and necessary, and if no such citizen can be secured to supply such service by the purchase or charter of vessels on terms satisfactory to the Secretary, the Secretary shall operate vessels on such line until the business is developed so that such vessels may be sold on satisfactory terms and the service maintained, or unless it shall appear within a reasonable time that such line cannot be made self-sustaining.

Preference in sales or charters.—Preference in the sale or assignment of vessels for operation on such steamship lines shall be given to persons who are citizens of the United States who have the support, financial and otherwise, of the domestic communities primarily interested in such lines if the Secretary is satisfied of the ability of such persons to maintain the service desired and proposed to be maintained, or to persons who are citizens of the United States who may then be maintaining a service from the port of the United States to or in the general direction of the world-market port to which the Secretary has determined that such service should be established.

Lines established by shipping board; continued operation.—Where steamship lines and regular service had been established and were being maintained by ships of the United States Shipping Board on June 5, 1920, such lines and service shall be maintained by the Secretary until, in the opinion of the Secretary, the maintenance thereof is unbusinesslike and against the public interests.

Additional lines established by Secretary; rates and charges.—Whenever the Secretary shall determine, as provided in this act, that trade conditions warrant the establishment of a service or additional service under Government administration where a service is already being given by persons, citizens of the United States, the rates and charges for such Government service shall not be less than the cost thereof, including a proper interest and depreciation charge on the value of Government vessels and equipment employed therein. (June 5, 1920, ch. 250, § 7, 41 Stat. 991; May 22, 1928, ch. 675, § 414 (b), 45 Stat. 696; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 305, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

Section 863 of this title, referred to in text, was omitted as obsolete. See note under section 863 of this title.

AMENDMENTS

1928—Act May 22, 1928, amended section by striking out paragraph which related to contracts for carrying mails.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) and "his" for "its" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted, "Commission" which meant the United States Maritime Commission, read "Board", meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

WATER TRANSPORTATION SERVICE FOR ALASKA

Joint Res. Mar. 7, 1947, ch. 12, 61 Stat. 10, as amended by Joint Res. July 1, 1948, ch. 786, 62 Stat. 1211, provided for essential water transportation service for the Territory of Alaska pending the determination of a long-range policy with respect to such transportation and terminated on Mar. 1, 1949.

§ 867. Investigation of port, terminal, and warehouse facilities.

It shall be the duty of the Secretary of Commerce, in cooperation with the Secretary of the Army, with the object of promoting, encouraging, and developing ports and transportation facilities in connection with water commerce over which he has jurisdiction, to investigate territorial regions and zones tributary to such ports, taking into consideration the economies of transportation by rail, water, and highway and the natural direction of the flow of commerce; to investigate the causes of the congestion of commerce at ports and the remedies applicable thereto; to investigate the subject of water terminals, including the necessary docks, warehouses, apparatus, equipment, and appliances in connection therewith, with a view to devising and suggesting the types most appropriate for different locations and for the most expeditious and economical transfer or interchange of passengers or property between carriers by water and carriers by rail; to advise with communities regarding the appropriate location and plan of construction of wharves, piers, and water terminals; to investigate the practicability and advantages of harbor, river, and port improvements in connection with foreign and coastwise trade; and to investigate any other matter that may tend to promote and encourage the use by vessels of ports adequate to care for the freight which would naturally pass through such ports: *Provided*, That if after such investigation the Secretary of Commerce shall be of the opinion that rates, charges, rules, or regulations of common carriers by rail subject to the jurisdiction of the Interstate Commerce Commission are detrimental to the declared object of this section, or that new rates, charges, rules, or regulations, new or additional port terminal facilities, or affirmative action on the part of such common carriers by rail is necessary to promote the objects of this section, the Secretary may submit his findings to the Interstate

Commerce Commission for such action as such commission may consider proper under existing law. (June 5, 1920, ch. 250, § 8, 41 Stat. 992; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 305, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

The Department of War was designated the Department of the Army and the title of the Secretary of War was changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10. Armed Forces", which in sections 3011—3013 continued the military Department of the Army under the administrative supervision of a Secretary of the Army.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "United States Maritime Commission" and "commission" and "his" for "its" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commission" and "Maritime Commission", as formerly used in this section, originally read "Board", meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 868. Vessels sold under deferred payment plan; insurance.

If the terms and conditions of any sale of a vessel made under the provisions of this act include deferred payments of the purchase price, the Secretary of Commerce shall require, as part of such terms and conditions, that the purchaser of the vessel shall keep the same insured (a) against loss or damage by fire, and against marine risks and disasters, and war and other risks if the Secretary so specifies, with such insurance companies, associations or underwriters, and under such forms of policies, and to such an amount, as the Secretary may prescribe or approve; and (b) by protection and indemnity insurance with such insurance companies, associations, or underwriters and under such forms of policies, and to such an amount as the Secretary may prescribe or approve. The insurance required to be carried under this section shall be made payable to the Secretary and/or to the parties as interest may appear. The Secretary is authorized to enter into any agreement that he deems wise in respect to the payment and/or the guarantee of premiums of insurance. (June 5, 1920, ch. 250, § 9, 41 Stat. 992; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) and "he" for "it"

in last sentence on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted "Commission", which meant the United States Maritime Commission, read "Board", meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 869. Creation of fund for insurance of interests of United States.

The Secretary of Commerce may create out of insurance premiums, and revenue from operations and sales, and maintain and administer separate insurance funds which he may use to insure in whole or in part against all hazards commonly covered by insurance policies in such cases, any legal or equitable interest of the United States (1) in any vessel constructed or in process of construction; and (2) in any plants or property in the possession or under the authority of the Secretary. The United States shall be held to have such an interest in any vessel toward the construction, reconditioning, remodeling, improving, or equipping of which a loan has been made under the authority of this act, in any vessel upon which it holds a mortgage or lien of any character, or in any vessel which is obligated by contract with the owner to perform any service in behalf of the United States, to the extent of the Government's interest therein. (June 5, 1920, ch. 250, § 10, 41 Stat. 992; May 22, 1928, ch. 675, § 501, 45 Stat. 697; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

AMENDMENTS

1928—Act May 22, 1928, amended section by adding sentence relating to extent of interest of United States, among other changes.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted "Commission", which meant the United States Maritime Commission, read "Board", meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

CROSS REFERENCES

War risk insurance, see section 1281 et seq. of this title.

§ 870. Repealed. June 29, 1936, ch. 858, § 903 (b), (c), 49 Stat. 2016.

Section, acts June 5, 1920, ch. 250, § 11, 41 Stat. 993, as amended June 6, 1924, ch. 273, § 1, 43 Stat. 467; Mar.

4, 1927, ch. 512, § 1, 44 Stat. 1451; May 22, 1928, ch. 675, § 301 (a), 45 Stat. 690; Feb. 2, 1931, ch. 100, 46 Stat. 1059, provided for a construction loan fund for aiding in the construction of vessels. See section 1116 of this title.

§§ 870a—870d. Omitted.

CODIFICATION

Section 870a, act Mar. 4, 1927, ch. 512, § 2, 44 Stat. 1451, related to disposition of funds received in repayment of loans, under former section 870 of this title, as interest on said loans and from sales of vessels. Present provisions relating to such moneys are contained in section 1116 of this title.

In letter dated Feb. 26, 1941, the chairman of the U. S. Maritime Commission suggested that former sections 870b—870d, act Apr. 16, 1934, ch. 148, §§ 1—3, 48 Stat. 596, which extended the construction loan fund to whaling and/or fishing vessels, were impliedly repealed by act June 29, 1936, ch. 858, § 903 (b), 49 Stat. 2016.

§ 871. Repair and operation of vessels until sale.

All vessels may be reconditioned and kept in suitable repair and until sold shall be managed and operated by the Secretary of Commerce or chartered or leased by him on such terms and conditions as he shall deem wise for the promotion and maintenance of an efficient merchant marine, pursuant to the policy and purposes declared in sections 861 and 864 of this title.

The term "reconditioned" as used in this section includes the substitution of the most modern, most efficient, and most economical types of internal-combustion engines as the main propulsive power of vessels. Should the Secretary have any such engines built in the United States and installed, in private shipyards or navy yards of the United States, in one or more merchant vessels owned by the United States, and the cost to the Secretary of such installation exceeds the amount of funds otherwise available to him for that use, the Secretary may transfer to his funds from which expenditures under this section may be paid, from his construction fund authorized by section 870 of this title, so much as in his judgment may be necessary to meet obligations under contracts for such installation; and the Treasurer of the United States shall, at the request of the Secretary, make the transfer accordingly: *Provided*, That the total amount expended by the Secretary for this purpose shall not in the aggregate exceed \$25,000,000. Any such vessel so equipped by the Secretary under the provisions of this section shall not be sold for a period of five years from the date the installation thereof is completed, unless it is sold for a price not less than the cost of the installation thereof and of any other work of reconditioning done at the same time plus an amount not less than \$10 for each dead-weight ton of the vessel as computed before such reconditioning thereof is commenced. The date of the completion of such installation and the amount of the dead-weight tonnage of the vessel shall be fixed by the Secretary: *Provided further*, That in fixing the minimum price at which the vessel may thus be sold the Secretary may deduct from the aggregate amount above prescribed 5 per centum thereof per annum from the date of the installation to the date of sale as depreciation: *And provided further*, That no part of such fund shall be expended upon the reconditioning of any vessel unless the Secretary shall have first made a binding contract for a

satisfactory sale of such vessel in accordance with the provisions of this act, or for the charter or lease of such vessels for a period of not less than five years by a capable, solvent operator; or unless the Secretary is prepared and intends to directly put such vessel in operation immediately upon completion. Such vessel, in any of the enumerated instances, shall be documented under the laws of the United States and shall remain documented under such laws for a period of not less than five years from the date of the completion of the installation, and during such period it shall be operated only on voyages which are not exclusively coastwise. (June 5, 1920, ch. 250, § 12, 41 Stat. 993; June 6, 1924, ch. 273, § 2, 43 Stat. 468; Feb. 11, 1927, ch. 104, § 1, 44 Stat. 1083; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 203, 204, 206, 904, 49 Stat. 1987, 2016; Aug. 26, 1937, ch. 822, § 2, 50 Stat. 839; 1950 Reorg. Plan No. 21, §§ 204, 305, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title. Section 870 of this title, to which reference is made in this section, was repealed by act June 29, 1936, ch. 858, title IX, § 903 (b), (c), 49 Stat. 2016.

CODIFICATION

Act June 5, 1920, was amended by act June 6, 1924, which added the second paragraph.

Effect of act Aug. 26, 1937, see note under section 1116 of this title.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission), "he" for "commission" and "him" and "his" for "it" and "its" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted "Commission", which meant the United States Maritime Commission, read "Board", meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

U. S. SHIPPING BOARD MERCHANT FLEET CORPORATION

The first paragraph of this section originally contained a further provision continuing the United States Shipping Board Merchant Fleet Corporation in existence with authority to operate vessels. The corporation was subsequently dissolved by act June 29, 1936, ch. 858, title II, § 203, 49 Stat. 1987.

§ 872. Sale of property other than vessels.

The Secretary of Commerce is further authorized to sell all property other than vessels transferred to it under section 863 of this title upon such terms and conditions as the Secretary may determine and prescribe. (June 5, 1920, ch. 250, § 13, 41 Stat. 993; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Section 863 of this title, referred to in text, has been omitted as obsolete. See note under the section.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commission", as formerly used in this section, originally read "Board," meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 873. Repealed. June 29, 1936, ch. 858, § 903(b), 49 Stat. 2016.

Section, act June 5, 1920, ch. 250, § 14, 41 Stat. 993, related to the disposition of the net proceeds of activities of the Shipping Board.

§ 874. Authority in respect to housing privileges for employees terminated.

CODIFICATION

Section, act June 5, 1920, ch. 250, § 16, 41 Stat. 994, terminated all authority granted the United States Emergency Fleet Corporation to acquire houses, buildings, or lands under certain acts.

§ 875. Possession and control of terminal equipment and facilities.

The possession and control of 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, other than those acquired by the President under Act March 28, 1918, ch. 28, 40 Stat. 459, which were acquired by the War Department or the Navy Department for military or naval purposes during the war emergency may be transferred by the President to the Secretary of Commerce whenever the President deems such transfer to be for the best interests of the United States.

The President may at any time he deems it necessary, by order setting out the need therefor and fixing the period of such need, permit or transfer the possession and control of any part of the property taken over by or transferred to the Secretary of Commerce under this section to the Department of the Army or the Navy Department for their needs, and when in the opinion of the President such need therefor ceases the possession and control of such property shall revert to the Secretary. None of such property shall be sold except as may be provided by law. (June 5, 1920, ch. 250, § 17, 41 Stat. 994; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

The Department of War was designated the Department of the Army and the title of the Secretary of War was changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces", which in sections 3011—3013 continued the military Department of the Army under the administrative super-

vision of a Secretary of the Army. Such change of name was not executed in the first paragraph since the paragraph related to acquisitions by the former War Department during the World War I emergency.

As originally enacted, this section contained an additional paragraph directing the Commission to take over, on January 1, 1921, certain terminal facilities acquired by the President under act Mar. 28, 1918, ch. 28, 40 Stat. 459.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commission", as formerly used in this section, which meant the United States Maritime Commission, originally read "Board," meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 876. Power of Secretary and Board to make rules and regulations.

(1) The Secretary of Commerce is authorized and directed in aid of the accomplishment of the purposes of this act—

(a) To make all necessary rules and regulations to carry out the provisions of this act; and

The Federal Maritime Board is authorized and directed in aid of the accomplishment of the purposes of this act—

(b) To make rules and regulations affecting shipping in the foreign trade not in conflict with law in order to adjust or meet general or special conditions unfavorable to shipping in the foreign trade, whether in any particular trade or upon any particular route or in commerce generally, and which arise out of or result from foreign laws, rules, or regulations or from competitive methods or practices employed by owners, operators, agents, or masters of vessels of a foreign country; and

(c) To request the head of any department, board, bureau, or agency of the Government to suspend, modify, or annul rules or regulations which have been established by such department, board, bureau, or agency, or to make new rules or regulations affecting shipping in the foreign trade other than such rules or regulations relating to the Public Health Service, the Consular Service, and the steamboat inspection service.

(2) No rule or regulation shall be established by any department, board, bureau, or agency of the Government which affects shipping in the foreign trade, except rules or regulations affecting the Public Health Service, the Consular Service, and the steamboat inspection service, until such rule or regulation has been submitted to the Federal Maritime Board for its approval and final action has been taken thereon by the Board or the President.

(3) Whenever the head of any department, board, bureau, or agency of the Government refuses to suspend, modify, or annul any rule or regulation, or make a new rule or regulation upon request of the Federal Maritime Board, as provided in subdivision (c) of paragraph (1) of this section, or objects to

the decision of the Board in respect to the approval of any rule or regulation, as provided in paragraph (2) of this section, either the Board or the head of the department, board, bureau, or agency which has established or is attempting to establish the rule or regulation in question may submit the facts to the President, who is authorized to establish or suspend, modify, or annul such rule or regulation.

(4) No rule or regulation shall be established which in any manner gives vessels owned by the United States any preference or favor over those vessels documented under the laws of the United States and owned by persons who are citizens of the United States. (June 5, 1920, ch. 250, § 19, 41 Stat. 995; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 104 (3), 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1274, 1276, 1277.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

TRANSFER OF FUNCTIONS

In first clause of par. (1), "Secretary of Commerce" was substituted for "commission" (which had reference to United States Maritime Commission); clause following subdivision (a) of par. (1), referring to duties of the Federal Maritime Board, was inserted; and in paragraphs (2) and (3), "Federal Maritime Board" and "Board" were substituted for "commission" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted "Commission", which meant the United States Maritime Commission, read "Board", meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

The Steamboat Inspection Service was consolidated in the Bureau of Marine Inspection and Navigation which was later abolished. Functions relating to the inspection of vessels are now vested in the Commandant of the Coast Guard. See notes under section 1 of this title.

§ 877. Coastwise laws extended to island Territories and possessions.

From and after February 1, 1922, the coastwise laws of the United States shall extend to the island Territories and possessions of the United States not covered thereby on June 5, 1920, and the Secretary of Commerce is directed prior to the expiration of such year to have established adequate steamship service at reasonable rates to accommodate the commerce and the passenger travel of said islands and to maintain and operate such service until it can be taken over and operated and maintained upon satisfactory terms by private capital and enterprise: *Provided*, That if adequate shipping service is not established by February 1, 1922, the President shall extend the period herein allowed for the establishment of such service in the case of any island Territory or possession for such time as may be necessary for the establishment of adequate shipping facilities therefor: *And provided further*, That the coastwise laws of the United States shall not extend to the Virgin Islands of the United States until the

President of the United States shall, by proclamation, declare that such coastwise laws shall extend to the Virgin Islands and fix a date for the going into effect of same. (June 5, 1920, ch. 250, § 21, 41 Stat. 997; Ex. Ord. No. 6166, § 12, June 10, 1933; Apr. 16, 1936, ch. 228, 49 Stat. 1207; June 29, 1936, ch. 858, § 904, 49 Stat. 2016; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1276, 1277.)

CODIFICATION

Provisos authorizing the government of the Philippine Islands to regulate transportation between ports or places in the Philippine Archipelago until Congress authorized the registry of vessels owned in those islands, and providing that this section should not go into effect in the Philippine Islands until after investigation and proclamation by the President, were omitted on authority of 1946 Proc. No. 2695, set out in note under section 1394 of Title 22, Foreign Relations and Intercourse, which proclaimed the independence of the Philippines.

AMENDMENTS

1936—Act Apr. 16, 1936, added last proviso at end of section.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" was substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commission", as formerly used in this section, which meant the United States Maritime Commission, originally read "Board", meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§§ 878, 879. Omitted.

CODIFICATION

Section 878, act June 5, 1920, ch. 250, § 23, 41 Stat. 997, provided for allowance of deduction in determining net income for the ten taxable years beginning with taxable year ending after June 5, 1920, of amount equivalent to net earnings of vessels operated in foreign trade provided owner has set aside funds for construction of new vessels of type approved by United States.

Section 879, acts June 5, 1920, ch. 250, § 23, 41 Stat. 998; May 29, 1928, 8:00 a. m., ch. 852, § 707, 45 Stat. 881, exempted proceeds of sales of vessels from income taxes when invested in building of new ships, for period of 10 years from June 5, 1920.

§ 880. United States mails carried on American-built documented vessels.

All mails of the United States shipped or carried on vessels shall, if practicable, be shipped or carried on American-built vessels documented under the laws of the United States. No contract made after June 5, 1920, with the Postmaster General for carrying mails on vessels so built and documented shall be assigned or sublet, and no mails covered by such contract shall be carried on any vessel not so built and documented. No money shall be paid out of the Treasury of the United States on or in relation to any such contract for carrying mails on vessels so built and documented when such contract has been assigned or sublet or when mails covered by such contract are in violation of the terms thereof carried on any vessel not so built and documented. This section shall not be applicable in the case of

contracts made under sections 891e—891q of this title. (June 5, 1920, ch. 250, § 24, 41 Stat. 998; May 22, 1928, ch. 675, § 414 (a), 45 Stat. 696.)

REFERENCES IN TEXT

Sections 891e—891q of this title, referred to in the text, were repealed by act June 29, 1936, ch. 858, §§ 302 (f), 903 (c), 49 Stat. 1993, 2016.

AMENDMENTS

1928—Act May 22, 1928, substituted last sentence for last two sentences contained in sections as enacted originally.

§ 881. Classification of vessels by American Bureau of Shipping.

For the classification of vessels owned by the United States, and for such other purposes in connection therewith as are the proper functions of a classification bureau, all departments, boards, bureaus, and commissions of the Government are directed to recognize the American Bureau of Shipping as their agency so long as the American Bureau of Shipping continues to be maintained as an organization which has no capital stock and pays no dividends: *Provided*, That the Commandant of the Coast Guard and the Secretary of Commerce shall each appoint one representative who shall represent the Government upon the executive committee of the American Bureau of Shipping, and the bureau shall agree that these representatives shall be accepted by them as active members of such committee. Such representatives of the Government shall serve without any compensation, except necessary traveling expenses: *Provided further*, That the official list of merchant vessels published by the Government shall contain a notation clearly indicating all vessels classed by the American Bureau of Shipping. (June 5, 1920, ch. 250, § 25, 41 Stat. 998; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1946 Reorg. Plan No. 3, §§ 101—104, eff. July 16, 1946, 11 F. R. 7875, 60 Stat. 1097; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

TRANSFER OF FUNCTIONS

All functions of all officers of the Department of the Treasury, and all functions of all agencies and employees of the Department, were transferred, with certain exceptions, to the Secretary of the Treasury, with power vested in him to authorize their performance or the performance of any of his functions, by any of the officers, agencies, and employees, by 1950 Reorg. Plan No. 26, §§ 1, 2, eff. July 31, 1950, 15 F. R. 4935, 64 Stat. 1280, set out in note under section 241 of Title 5, Executive Departments and Government Officers and Employees. The Coast Guard, referred to in this section, is generally a service in the Treasury Department, but the Plan excepted, from the transfer, the functions of the Coast Guard, and of the Commandant thereof, when the Coast Guard is operating as a part of the Navy under sections 1 and 3 of Title 14, Coast Guard.

"Secretary of Commerce" was substituted for "chairman of the commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Commandant of the Coast Guard" was substituted for "Secretary of Commerce" on authority of 1946 Reorg. Plan No. 3. See note under section 1 of this title.

"Commission", as formerly used in this section, which meant the United States Maritime Commission, originally read "Board", meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

ADMINISTRATIVE DELEGATION OF FUNCTIONS BY SECRETARY OF THE TREASURY

Administrative delegation of functions by Secretary of the Treasury, see note under section 1 of this title.

CROSS REFERENCES

American Bureau of Shipping to continue to function in connection with the Government, its bureaus, departments, boards, and commissions, as provided in this section, see section 369 of this title.

§ 882. Number of passengers cargo vessels may carry.

Cargo vessels documented under the laws of the United States may carry not to exceed sixteen persons in addition to the crew between any ports or places in the United States or its Districts, Territories, or possessions, or between any such port or place and any foreign port, or from any foreign port to another foreign port, and such vessels shall not be held to be "passenger vessels" or "vessels carrying passengers" within the meaning of the inspection laws and the rules and regulations thereunder: *Provided*, That nothing herein shall be taken to exempt such vessels from the laws, rules, and regulations respecting life-saving equipment: *Provided further*, That when any such vessel carries persons other than the crew as herein provided for, the owner, agent, or master of the vessel shall first notify such persons of the presence on board of any dangerous articles, as defined by law, or of any other condition or circumstance which would constitute a risk of safety for passenger or crew.

The privilege bestowed by this section on vessels of the United States shall be extended insofar as the foreign trade is concerned to the cargo vessels of any nation which allows the like privilege to cargo vessels of the United States in trades not restricted to vessels under its own flag.

Failure on the part of the owner, agent, or master of the vessel to give such notice shall subject the vessel to a penalty of \$500, which may be mitigated or remitted by the Commandant of the Coast Guard upon a proper representation of the facts. (June 5, 1920, ch. 250, § 26, 41 Stat. 998; 1946 Reorg. Plan No. 3, §§ 101—104, eff. July 16, 1946, 11 F. R. 7875, 60 Stat. 1097.)

TRANSFER OF FUNCTIONS

All functions of all officers of the Department of the Treasury, and all functions of all agencies and employees of the Department, were transferred, with certain exceptions, to the Secretary of the Treasury, with power vested in him to authorize their performance or the performance of any of his functions, by any of the officers, agencies, and employees, by 1950 Reorg. Plan No. 26, §§ 1, 2, eff. July 31, 1950, 15 F. R. 4935, 64 Stat. 1280, set out in note under section 241 of Title 5, Executive Departments and Government Officers and Employees. The Coast Guard, referred to in this section, is generally a service in the Treasury Department, but the Plan excepted, from the transfer, the functions of the Coast Guard, and of the Commandant thereof, when the Coast Guard is operating as a part of the Navy under sections 1 and 3 of Title 14, Coast Guard.

"Commandant of the Coast Guard" was substituted for "Secretary of Commerce" on authority of 1946 Reorg. Plan No. 3. See note under section 1 of this title.

ADMINISTRATIVE DELEGATION OF FUNCTIONS BY SECRETARY OF THE TREASURY

Administrative delegation of functions by Secretary of the Treasury, see note under section 1 of this title.

INTERNATIONAL CONVENTION FOR SAFETY OF LIFE AT SEA 1929

International Convention for Safety of Life at Sea, 1929, definition of passenger ship as one which carries more than 12 passengers, see 50 Stat. Pt. 2, 1121, particularly Art. 2(3d) of such Treaty.

§ 883. Transportation of merchandise between points in United States in other than domestic-built or rebuilt and documented vessels.

No merchandise shall be transported by water, or by land and water, on penalty of forfeiture thereof, between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any other vessel than a vessel built in and documented under the laws of the United States and owned by persons who are citizens of the United States, or vessels to which the privilege of engaging in the coastwise trade is extended by section 13 or 808 of this title: *Provided*, That no vessel having at any time acquired the lawful right to engage in the coastwise trade, either by virtue of having been built in, or documented under the laws of the United States, and later sold foreign in whole or in part, or placed under foreign registry, shall hereafter acquire the right to engage in the coastwise trade: *Provided further*, That no vessel of more than five hundred gross tons which has acquired the lawful right to engage in the coastwise trade, either by virtue of having been built in or documented under the laws of the United States, and which has later been rebuilt outside the United States, its Territories (not including trust territories), or its possessions shall have the right thereafter to engage in the coastwise trade: *Provided further*, That this section shall not apply to merchandise transported between points within the continental United States, including Alaska, over through routes heretofore or hereafter recognized by the Interstate Commerce Commission for which routes rate tariffs have been or shall hereafter be filed with said Commission when such routes are in part over Canadian rail lines and their own or other connecting water facilities: *Provided further*, That this section shall not become effective upon the Yukon River until the Alaska Railroad shall be completed and the Secretary of Commerce shall find that proper facilities will be furnished for transportation by persons citizens of the United States for properly handling the traffic: *Provided further*, That this section shall not apply to the transportation of merchandise loaded on railroad cars or to motor vehicles with or without trailers, and with their passengers or contents when accompanied by the operator thereof, when such railroad cars or motor vehicles are transported in any railroad car ferry operated between fixed termini on the Great Lakes as a part of a rail route, if such car ferry is owned by a common carrier by water and operated as part of a rail route with the approval of the Interstate Commerce Commission, and if the stock of such common carrier by water, or its predecessor, was owned or controlled by a common carrier by rail prior to June 5, 1920,

and if the stock of the common carrier owning such car ferry is, with the approval of the Interstate Commerce Commission, now owned or controlled by any common carrier by rail and if such car ferry is built in and documented under the laws of the United States. (June 5, 1920, ch. 250, § 27, 41 Stat. 999; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1276, 1277; July 14, 1956, ch. 600, § 1, 70 Stat. 544; July 7, 1958, Pub. L. 85-508, § 27(a), 72 Stat. 351.)

AMENDMENTS

1958—Pub. L. 85-508 amended section by substituting "including Alaska" for "excluding Alaska".

1958—Act July 14, 1956, amended section by adding further proviso to prohibit the operation in coastwise trade of vessels of more than 500 gross tons which have been rebuilt outside the United States.

EFFECTIVE DATE OF 1956 AMENDMENT

Section 4 of act July 14, 1956, provided that: "This Act [amending this section and adding sections 883a and 883b of this title] shall be effective from the date of enactment [July 14, 1956] hereof: *Provided, however,* That no vessel shall be deemed to have lost its coastwise privileges hereunder if it is rebuilt under a contract entered into before such date of enactment and if the work of rebuilding is commenced not later than six months after such date of enactment."

TRANSFER OF FUNCTIONS

"Secretary of Commerce" was substituted for "United States Maritime Commission" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"United States Maritime Commission," as formerly used in this section, originally read "Shipping Board," meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

SIMILAR PROVISIONS

Prior to the enactment of this section provisions relating to the same subject were contained in act Feb. 17, 1898, ch. 26, § 1, 30 Stat. 248 (former section 290 of this title).

ADMISSION OF ALASKA AS STATE

Effectiveness of amendment of this section by Pub. L. 85-508 as dependent upon the admission of the State of Alaska into the Union, see section 8(b) of Pub. L. 85-508, set out as a note preceding section 21 of Title 48, Territories and Insular Possessions.

JURISDICTION OVER COMMON CARRIERS BETWEEN PORTS IN ALASKA AND OTHER PORTS

Section 27(b) of Pub. L. 85-508 provided that: "Nothing contained in this or any other Act shall be construed as depriving the Federal Maritime Board of the exclusive jurisdiction heretofore conferred on it over common carriers engaged in transportation by water between any port in the State of Alaska and other ports in the United States, its Territories or possessions, or as conferring upon the Interstate Commerce Commission jurisdiction over transportation by water between any such ports."

SAVING PROVISION

Section expressly not repealed by part III of Interstate Commerce Act, see section 920 of Title 49, Transportation.

TRANSPORTATION OF COAL BETWEEN POINTS IN UNITED STATES IN CANADIAN VESSELS

Act Aug. 7, 1956, ch. 1028, 70 Stat. 1090, provided: "That until June 30, 1957, notwithstanding the provisions of law of the United States restricting to vessels of the United

States the transportation of merchandise, directly or indirectly, from any port in the United States to another port of the United States, Canadian vessels may transport coal to Ogdensburg, New York, from other points in the United States, on the Great Lakes, or their connecting or tributary waters."

TRANSPORTATION OF IRON ORE IN VESSELS OF CANADIAN REGISTRY UNTIL DEC. 31, 1952

Act June 24, 1952, ch. 458, 66 Stat. 156, provided for the transportation of iron ore and terminated on Dec. 31, 1952.

Similar provisions were contained in the following acts:

- 1951—Mar. 29, 1951, ch. 25, 65 Stat. 28.
- 1950—June 30, 1950, ch. 427, § 5, 64 Stat. 309.
- 1949—Mar. 28, 1949, ch. 36, 63 Stat. 16.
- 1948—Mar. 24, 1948, ch. 144, 62 Stat. 85.
- 1942—Jan. 27, 1942, ch. 21, 56 Stat. 19, as amended Aug. 1, 1942, ch. 544, 56 Stat. 735, and repealed July 25, 1947, ch. 327, § 2b, 61 Stat. 451, eff. six months after July 25, 1947.
- 1941—May 31, 1941, ch. 153, 55 Stat. 236.

TRANSPORTATION OF PASSENGERS AND MERCHANDISE ON CANADIAN VESSELS BETWEEN POINTS IN ALASKA AND UNITED STATES

Pub. L. 85-473, June 30, 1958, 72 Stat. 244, provided: "That, until June 30, 1959, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska or the continental United States either directly or via a foreign port, or for any part of the transportation, unless the Secretary of Commerce determines that United States flag service is available to provide such transportation."

Similar provisions were contained in the following acts:

- 1957—July 11, 1957, Pub. L. 85-103, 71 Stat. 294.
- 1956—Apr. 18, 1956, ch. 207, 70 Stat. 114.
- 1955—May 7, 1955, ch. 35, 60 Stat. 47.
- 1954—June 29, 1954, ch. 413, 68 Stat. 321.
- 1953—July 16, 1953, ch. 201, 67 Stat. 175.
- 1952—June 11, 1952, ch. 391, 66 Stat. 133.
- 1951—June 27, 1951, ch. 153, 65 Stat. 90.
- 1950—June 29, 1950, ch. 409, 64 Stat. 301.
- 1949—Aug. 22, 1949, ch. 493, 63 Stat. 622.

TRANSPORTATION OF GRAIN BETWEEN UNITED STATES PORTS ON GREAT LAKES BY VESSELS OF CANADIAN REGISTRY DURING 1951

Act Oct. 10, 1951, ch. 459, 65 Stat. 371, provided for the transportation of grain and terminated on Dec. 31, 1951.

TRANSPORTATION OF MERCHANDISE BETWEEN HYDER, ALASKA, AND UNITED STATES

Act July 30, 1947, ch. 387, 61 Stat. 632, as amended June 28, 1948, ch. 693, 62 Stat. 1067, provided for the transportation of merchandise between Hyder, Alaska, and United States and terminated on June 30, 1949.

CROSS REFERENCES

Corporation meeting certain conditions deemed citizen for purposes of this section, see section 833-1 of this title.

Provisions restricting coastwise transportation to vessels of United States not applicable to American Samoa, see section 1433 of Title 48, Territories and Insular Possessions.

Transportation of passengers in foreign vessels, see section 289 of this title and notes thereunder.

§ 883-1. Corporation as citizen; fisheries and transportation of merchandise or passengers between points in United States; parent and subsidiary corporations; domestic-built vessels; certificate; surrender of documents on change in status.

Notwithstanding any other provision of law, a corporation incorporated under the laws of the

United States or any State, Territory, District, or possession thereof, shall be deemed to be a citizen of the United States for the purposes of and within the meaning of that term as used in sections 316, 808, 835 and 883 of this title, and the laws relating to the documentation of vessels, if it is established by a certificate filed with the Secretary of the Treasury as hereinafter provided, that—

(a) a majority of the officers and directors of such corporation are citizens of the United States;

(b) not less than 9 per centum of the employees of such corporation are residents of the United States;

(c) such corporation is engaged primarily in a manufacturing or mineral industry in the United States or any Territory, District, or possession thereof;

(d) the aggregate book value of the vessels owned by such corporation does not exceed 10 per centum of the aggregate book value of the assets of such corporation; and

(e) such corporation purchases or produces in the United States, its Territories, or possessions not less than 75 per centum of the raw materials used or sold in its operations

but no vessel owned by any such corporation shall engage in the fisheries or in the transportation of merchandise or passengers for hire between points in the United States, including Territories, Districts, and possessions thereof, embraced within the coastwise laws, except as a service for a parent or subsidiary corporation and except when such vessel is under demise or bareboat charter at prevailing rates for use otherwise than in the domestic noncontiguous trades from any such corporation to a common or contract carrier subject to chapter 12 of title 49, which otherwise qualifies as a citizen under section 2 of the Shipping Act, 1916, as amended, and which is not connected, directly or indirectly, by way of ownership or control with such corporation.

As used herein (1), the term "parent" means a corporation which controls, directly or indirectly, at least 50 per centum of the voting stock of such corporation, and (2), the term "subsidiary" means a corporation not less than 50 per centum of the voting stock of which is controlled, directly or indirectly, by such corporation or its parent, but no corporation shall be deemed to be a "parent" or "subsidiary" hereunder unless it is incorporated under the laws of the United States, or any State, Territory, District, or possession thereof, and there has been filed with the Secretary of the Treasury a certificate as hereinafter provided.

Vessels built in the United States and owned by a corporation meeting the conditions hereof which are non-self-propelled or which, if self-propelled, are of less than five hundred gross tons shall be entitled to documentation under the laws of the United States, and except as restricted by this section, shall be entitled to engage in the coastwise trade and, together with their owners or masters, shall be entitled to all the other benefits and privileges and shall be subject to the same requirements, penalties, and forfeitures as may be applicable in the case of vessels built in the United States

and otherwise documented or exempt from documentation under the laws of the United States.

A corporation seeking hereunder to document a vessel under the laws of the United States or to operate a vessel exempt from documentation under the laws of the United States shall file with the Secretary of the Treasury of the United States a certificate under oath, in such form and at such times as may be prescribed by him, executed by its duly authorized officer or agent, establishing that such corporation complies with the conditions of this section above set forth. A "parent" or "subsidiary" of such corporation shall likewise file with the Secretary of the Treasury a certificate under oath, in such form and at such time as may be prescribed by him, executed by its duly authorized officer or agent, establishing that such "parent" or "subsidiary" complies with the conditions of this section above set forth, before such corporation may transport any merchandise or passengers for such parent or subsidiary. If any material matter of fact alleged in any such certificate which, within the knowledge of the party so swearing is not true, there shall be a forfeiture of the vessel (or the value thereof) documented or operated hereunder in respect to which the oath shall have been made. If any vessel shall transport merchandise for hire in violation of this section, such merchandise shall be forfeited to the United States. If any vessel shall transport passengers for hire in violation of this section, such vessel shall be subject to a penalty of \$200 for each passenger so transported. Any penalty or forfeiture incurred under this section may be remitted or mitigated by the Secretary of the Treasury under the provisions of section 7 of this title.

Any corporation which has filed a certificate with the Secretary of the Treasury as provided for herein shall cease to be qualified under this section if there is any change in its status whereby it no longer meets the conditions above set forth, and any documents theretofore issued to it, pursuant to the provisions of this section, shall be forthwith surrendered by it to the Secretary of the Treasury. (June 5, 1920, ch. 250, § 27A, as added Sept. 2, 1958, Pub. L. 85-902, 72 Stat. 1736.)

§ 883a. Reports required of United States vessels rebuilt abroad; penalty for failure to report; mitigation of penalty.

If any vessel of more than five hundred gross tons documented under the laws of the United States, or last documented under such laws, is rebuilt outside the United States, its Territories (not including trust territories), or its possessions, a report of the circumstances of such rebuilding shall be made to the Secretary of the Treasury upon the first arrival of the vessel thereafter at a port within the customs territory of the United States in accordance with such regulations as the Secretary may prescribe. If the required report is not made, the vessel, together with its tackle, apparel, equipment, and furniture, shall be forfeited, and the master and owner shall each be liable to a penalty of \$200. Any penalty or forfeiture incurred under this Act may be remitted or mitigated by the Secretary under the

provisions of section 7 of this title. (July 14, 1956, ch. 600, § 2, 70 Stat. 544.)

REFERENCES IN TEXT

This Act, referred to in the text, means act July 14, 1956, which amended section 883 of this title and added this section, section 883b of this title and provisions set out as a note under section 883 of this title.

CODIFICATION

This section was not enacted as part of the Merchant Marine Act, 1920.

EFFECTIVE DATE

Section as effective July 14, 1956, see note set out under section 883 of this title.

§ 883b. Same; regulations.

The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out the purposes of this Act. (July 14, 1956, ch. 600, § 3, 70 Stat. 544.)

REFERENCES IN TEXT

This Act, referred to in the text, means act July 14, 1956, which amended section 883 of this title and added section 883a of this title, this section, and provisions set out as a note under section 883 of this title.

CODIFICATION

This section was not enacted as part of the Merchant Marine Act, 1920.

EFFECTIVE DATE

Section as effective July 14, 1956, see note set out under section 883 of this title.

§ 884. Charges for transportation subject to "Interstate Commerce Act."

No common carrier shall charge, collect, or receive for transportation subject to the Interstate Commerce Act of persons or property, under any joint rate, fare, or charge, or under any export, import, or other proportional rate, fare, or charge, which is based in whole or in part on the fact that the persons or property affected thereby is to be transported to, or has been transported from, any port in a possession or dependency of the United States, or in a foreign country, by a carrier by water in foreign commerce, any lower rate, fare, or charge than that charged, collected, or received by it for the transportation of persons, or of a like kind of property, for the same distance, in the same direction, and over the same route, in connection with commerce wholly within the United States, unless the vessel so transporting such persons or property is, or unless it was at the time of such transportation by water, documented under the laws of the United States. Whenever the Secretary of Commerce is of the opinion, however, that adequate shipping facilities to or from any port in a possession or dependency of the United States or a foreign country are not afforded by vessels so documented, he shall certify this fact to the Interstate Commerce Commission, and the Interstate Commerce Commission may, by order, suspend the operation of the provisions of this section with respect to the rates, fares, and charges for the transportation by rail of persons and property transported from, or to be transported to such ports, for such length of time and under such terms and conditions as it may prescribe in such order, or in any order supplemental thereto. Such suspension of operation of the provisions of this section may be terminated by order of the Interstate Com-

merce Commission whenever the Secretary of Commerce is of the opinion that adequate shipping facilities by such vessels to such ports are afforded and shall so certify to the Interstate Commerce Commission. (June 5, 1920, ch. 250, § 28, 41 Stat. 999; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

REFERENCES IN TEXT

Interstate Commerce Act, referred to in the text, is classified to chapters 1, 8, 12, 13 and 19 of Title 49, Transportation.

SAVINGS PROVISION

Section expressly not repealed by part III of Interstate Commerce Act, see section 929 of Title 49, Transportation.

TRANSFER OF FUNCTIONS

"Secretary of Commerce" was substituted for "Maritime Commission" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"Maritime Commission", as formerly used in this section, originally read "Board," meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission, by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 885. Association of marine insurance companies; application of antitrust laws.

(a) Whenever used in this section—

(1) The term "association" means any association, exchange, pool, combination, or other arrangement for concerted action; and

(2) The term "marine insurance companies" means any persons, companies, or associations, authorized to write marine insurance or reinsurance under the laws of the United States or of a State, Territory, District, or possession thereof.

(b) Nothing contained in the "antitrust laws" as designated in section 12 of Title 15, shall be construed as declaring illegal an association entered into by marine insurance companies for the following purposes: To transact a marine insurance and reinsurance business in the United States and in foreign countries and to reinsure or otherwise apportion among its membership the risks undertaken by such association or any of the component members. (June 5, 1920, ch. 250, § 29, 41 Stat. 1000.)

§ 886. Repealed. June 29, 1936, ch. 858, § 903(b), 49 Stat. 2016.

Section, act June 5, 1920, ch. 250, § 35, 41 Stat. 1007, as affected by act Feb. 11, 1927, ch. 104, § 1, 44 Stat. 1083, authorized the Shipping Board to exercise its power and authority directly or through the United States Shipping Board Merchant Fleet Corporation.

§ 887. Partial invalidity.

If any provision of this act is declared unconstitutional or the application of any provision to certain circumstances be held invalid, the remainder of such act and the application of such provisions to circumstances other than those as to which it is held invalid shall not be affected thereby. (June 5, 1920, ch. 250, § 36, 41 Stat. 1007.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

§ 888. Definitions.

When used in this act, unless the context otherwise requires, the terms "person", "vessel", "documented under the laws of the United States", and "citizen of the United States" shall have the meaning assigned to them by sections 801, 802, and 803 of this title; and the term "alien" means any person not a citizen of the United States. (June 5, 1920, ch. 250, § 37, 41 Stat. 1008; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016.)

REFERENCES IN TEXT

Phrase "this act" refers to act June 5, 1920, for distribution of which see note under section 861 of this title.

CODIFICATION

The words "the term 'commission' means the United States Maritime Commission;" were omitted from the Code preceding the definition of "alien" in view of 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1276, 1277, set out as a note under section 1111 of this title, which abolished the United States Maritime Commission and transferred its functions to the Federal Maritime Board and to the Secretary of Commerce.

TRANSFER OF FUNCTIONS

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 19, 1949, 14 F.R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

In this section as originally enacted "commission" and "Maritime Commission" read "Board" and "Shipping Board," respectively, meaning the United States Shipping Board. For dissolution of the United States Shipping Board and transfer of its functions to the United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 889. Short title.

The Act of June 5, 1920, chapter 250, may be cited as the "Merchant Marine Act, 1920." (June 5, 1920, ch. 250, § 39, 41 Stat. 1008.)

REFERENCES IN TEXT

For distribution of act June 5, 1920, ch. 250, in this code, see note under section 861 of this title.

Chapter 24A.—MERCHANT MARINE ACT, 1928

Sec.

- 891. Declaration of policy.
- 891a. Repealed.
- 891b. Vessels of Secretary; remodeling and improving.
- 891c. Same; replacements.
- 891d—891r. Repealed.
- 891s. Appropriations; authorization.
- 891t. Repealed.
- 891u. Definitions.
- 891v. Reaffirmation of policy in section 866.
- 891w. Ship operations; allocations.
- 891x. Short title.
- 891y. Limitation on salaries paid by ocean and air mail carriers.

§ 891. Declaration of policy.

The policy and the primary purpose declared in section 861 of this title are confirmed. (May 22, 1928, ch. 675, § 1, 45 Stat. 689.)

§ 891a. Repealed. June 29, 1936, ch. 858, § 903 (c), 49 Stat. 2016.

Section, act May 22, 1928, ch. 675, § 201, 45 Stat. 690, related to the sale of any vessel or line of vessels by the United States Shipping Board.

§ 891b. Vessels of Secretary; remodeling and improving.

In addition to his power to recondition and repair vessels under section 871 of this title, the Secretary of Commerce may remodel and improve vessels owned by the United States and in his possession or under his control, so as to equip them adequately for competition in the foreign trade of the United States. Any vessel so remodeled or improved shall be documented under the laws of the United States and shall remain documented under such laws for not less than five years from the date of the completion of the remodeling or improving and so long as there remains due the United States any money or interest on account of such vessel, and during such period it shall be operated only on voyages which are not exclusively coastwise. (May 22, 1928, ch. 675, § 202, 45 Stat. 690; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "United States Maritime Commission" and "Maritime Commission" and "his" for "its" on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman of the Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F. R. 5228, 63 Stat. 1069. See note set out under section 1111 of this title.

"United States Maritime Commission," as formerly used in this section, originally read "Board," meaning the United States Shipping Board. For dissolution of the Board and transfer of its functions to United States Maritime Commission by Ex. Ord. No. 6166 and act June 29, 1936, see note under section 804 of this title.

§ 891c. Same; replacements.

The necessity for the replacement of vessels owned by the United States and in the possession or under the control of the Secretary of Commerce and the construction for the Secretary of additional up-to-date cargo, combination cargo and passenger, and passenger ships, to give the United States an adequate merchant marine, is recognized, and the Secretary is authorized and directed to present to Congress from time to time, recommendations setting forth what new vessels are required for permanent operation under the United States flag in foreign trade, and the estimated cost thereof, to the end that Congress may, from time to time, make provision for replacements and additions. All vessels huilt for the Secretary shall be built in the United States, and they shall be planned with reference to their possible usefulness as auxiliaries to the naval and military services of the United States. (May 22, 1928, ch. 675, § 203, 45 Stat. 690; Ex. Ord. No. 6166, § 12, June 10, 1933; June 29, 1936, ch. 858, §§ 204, 904, 49 Stat. 1987, 2016; 1950 Reorg. Plan No. 21, §§ 204, 306, eff. May 24, 1950, 15 F. R. 3178, 64 Stat. 1276, 1277.)

TRANSFER OF FUNCTIONS

"Secretary of Commerce" and "Secretary" were substituted for "commission" (which had reference to the United States Maritime Commission) on authority of 1950 Reorg. Plan No. 21, set out as a note under section 1111 of this title.

All executive and administrative functions of the Maritime Commission were transferred to the Chairman