

49 USC Chapter 443

-CITE-

49 USC CHAPTER 443 - INSURANCE
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

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CHAPTER 443 - INSURANCE

-MISC1-

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49 USC Sec. 44301
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44301. Definitions

-STATUTE-

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.

-SOURCE-

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

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44301	49 App.:1531.	Aug. 23, 1958, Pub. L. 85-726, Sec. 1301, 72 Stat. 800; restated Nov. 9, 1977, Pub. L. 95-163, Sec. 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.

AMENDMENTS

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

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.

-End-

-CITE-

49 USC Sec. 44302
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44302. General authority

-STATUTE-

(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 carrier under subsection (b) of this section, only with the approval of the President. The President may approve the insurance or reinsurance or the reimbursement only after deciding that the continued operation of the American aircraft or foreign-flag aircraft to be insured or reinsured is necessary in the interest of

air commerce or national security or to carry out the foreign policy of the United States Government.

(d) Consultation. - The President may require the Secretary to consult with interested departments, agencies, and instrumentalities of the Government before providing insurance or reinsurance or reimbursing an air carrier under this chapter.

(e) Additional Insurance. - With the approval of the Secretary, a person having an insurable interest in an aircraft may insure with other underwriters in an amount that is more than the amount insured with the Secretary. However, the Secretary may not benefit from the additional insurance. This subsection does not prevent the Secretary from making contracts of coinsurance.

(f) Extension of Policies. -

(1) In general. - The Secretary shall extend through March 31, 2010, and may extend through June 30, 2010, the termination date of any insurance policy that the Department of Transportation issued to an air carrier under subsection (a) and that is in effect on the date of enactment of this subsection on no less favorable terms to the air carrier than existed on June 19, 2002; except that the Secretary shall amend the insurance policy, subject to such terms and conditions as the Secretary may prescribe, to add coverage for losses or injuries to aircraft hulls, passengers, and crew at the limits carried by air carriers for such losses and injuries as of such date of enactment and at an additional premium comparable to the premium charged for third-party casualty coverage under such policy.

(2) Special rules. - Notwithstanding paragraph (1) -

(A) in no event shall the total premium paid by the air carrier for the policy, as amended, be more than twice the premium that the air carrier was paying to the Department of Transportation for its third party policy as of June 19, 2002; and

(B) the coverage in such policy shall begin with the first dollar of any covered loss that is incurred.

(g) Aircraft Manufacturers. -

(1) In general. - The Secretary may provide to an aircraft manufacturer insurance for loss or damage resulting from operation of an aircraft by an air carrier and involving war or terrorism.

(2) Amount. - Insurance provided by the Secretary under this subsection shall be for loss or damage in excess of the greater of the amount of available primary insurance or \$50,000,000.

(3) Terms and conditions. - Insurance provided by the Secretary under this subsection shall be subject to the terms and conditions set forth in this chapter and such other terms and conditions as the Secretary may prescribe.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1168; Pub. L. 105-137, Sec. 2(a), Dec. 2, 1997, 111 Stat. 2640; Pub. L. 107-42, title II, Sec. 201(a), Sept. 22, 2001, 115 Stat. 234; Pub. L. 107-296, title XII, Sec. 1202, Nov. 25, 2002, 116 Stat. 2286; Pub. L. 108-11, title IV, Sec. 4001(a), Apr. 16, 2003, 117 Stat. 606; Pub. L. 108-176, title I, Sec. 106(a)(1), Dec. 12, 2003, 117 Stat. 2498; Pub. L. 108-447, div. H, title I, Sec. 106(a), Dec. 8, 2004, 118 Stat. 3204; Pub. L. 109-115, div. A, title I, Sec. 108(a), Nov. 30,

2005, 119 Stat. 2402; Pub. L. 110-161, div. K, title I, Sec. 114(a), Dec. 26, 2007, 121 Stat. 2381; Pub. L. 110-253, Sec. 3(c)(6), June 30, 2008, 122 Stat. 2418; Pub. L. 110-330, Sec. 5(c), Sept. 30, 2008, 122 Stat. 3718; Pub. L. 111-12, Sec. 5(b), Mar. 30, 2009, 123 Stat. 1458; Pub. L. 111-69, Sec. 5(c), Oct. 1, 2009, 123 Stat. 2055; Pub. L. 111-116, Sec. 5(b), Dec. 16, 2009, 123 Stat. 3032; Pub. L. 111-117, div. A, title I, Sec. 114(a), Dec. 16, 2009, 123 Stat. 3042.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44302(a)	49 App.:1532(a)(1) (less words between 1st and 3d commas), (3).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1302(a), 72 Stat. 801; restated Nov. 9, 1977, Pub. L. 95-163, Sec. 2, 91 Stat. 1278; Oct. 31, 1992, Pub. L. 102-581, Sec. 401(b), 106 Stat. 4897.
	49 App.:1537(a) (last sentence words between 2d and 3d commas).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1307(a) (last sentence words between 2d and 3d commas), 72 Stat. 804; Oct. 4, 1984, Pub. L. 98-443, Sec. 9(b), 98 Stat. 1706.
44302(b)	49 App.:1532(a)(1) (words between 1st and 2d commas), (2).	
44302(c)	49 App.:1532(a)(1) (words between 2d and 3d commas).	
44302(d)	49 App.:1541.	Aug. 23, 1958, Pub. L. 85-726, Sec. 1311, 72 Stat. 806.

In subsection (a)(1), before clause (A), the words "Subject to subsection (b) of this section" are added, and the words "American aircraft or foreign-flag aircraft" are substituted for "aircraft" in 49 App.:1532(a), for clarity. The words "in the manner and to the extent provided by this subchapter" are omitted as unnecessary. The words "Insurance shall be issued under this subchapter only to cover any risk from the operation of an aircraft . . . such aircraft is" are omitted because of the restatement. In clause (B), the word "places" is substituted for "points" for consistency in the revised title.

In subsection (a)(2), the words "An aircraft may be insured or reinsured for not more than" are substituted for "and such stated amount shall not exceed" in 49 App.:1537(a) for clarity and because of the restatement. The words "its reasonable value" are

substituted for "an amount . . . to represent the fair and reasonable value of the aircraft" to eliminate unnecessary words. The words "Insurance or reinsurance may be provided only" are added because of the restatement. The word "conditions" is omitted as being included in "terms".

In subsection (b), the words "The Secretary may provide insurance or reinsurance under subsection (a) of this section only with the approval of the President" are substituted for "with the approval of the President" for clarity and because of the restatement. The words "The President may" are substituted for "The President shall" because the authority of the President is discretionary.

In subsection (c), the words "the Secretary to consult . . . before providing insurance or reinsurance under this chapter" are substituted for "and after such consultation . . . as" because of the restatement. The words "departments, agencies, and instrumentalities" are substituted for "agencies" for consistency in the revised title and with other titles of the United States Code.

In subsection (d), the words "However, the Secretary may not benefit from the additional insurance" are substituted for "in that event, the Secretary shall not be entitled to the benefit of such insurance" for clarity.

-REFTEXT-

REFERENCES IN TEXT

The date of enactment of this paragraph, referred to in subsec. (b)(4), is the date of enactment of Pub. L. 107-42, which was approved Sept. 22, 2001.

The date of enactment of this subsection, referred to in subsec. (f)(1), is the date of enactment of Pub. L. 107-296, which was approved Nov. 25, 2002.

-MISC2-

AMENDMENTS

2009 - Subsec. (f)(1). Pub. L. 111-117, which directed the substitution of "September 30, 2010," for "September 30, 2009," and "December 31, 2010," for "December 31, 2009," could not be executed because of the intervening amendment by Pub. L. 111-69. See below.

Pub. L. 111-116 substituted "March 31, 2010," for "December 31, 2009," and "June 30, 2010," for "March 31, 2010,".

Pub. L. 111-69 substituted "December 31, 2009," for "September 30, 2009," and "March 31, 2010," for "December 31, 2009,".

Pub. L. 111-12 substituted "September 30, 2009," for "March 31, 2009," and "December 31, 2009," for "May 31, 2009,".

2008 - Subsec. (f)(1). Pub. L. 110-330 substituted "March 31, 2009," for "November 30, 2008," and "May 31, 2009," for "December 31, 2008,".

Pub. L. 110-253 substituted "November 30, 2008" for "August 31, 2008".

2007 - Subsec. (f)(1). Pub. L. 110-161 substituted "2008" for "2006" in two places.

2005 - Subsec. (f)(1). Pub. L. 109-115 substituted "2006" for "2005" in two places.

2004 - Subsec. (f)(1). Pub. L. 108-447 substituted "2005" for "2004" in two places.

2003 - Subsec. (f)(1). Pub. L. 108-11, substituted "2004" for "2003" in two places.

Subsec. (g). Pub. L. 108-176 added subsec. (g).

2002 - Subsec. (f). Pub. L. 107-296 added subsec. (f).

2001 - Subsec. (a)(1). Pub. L. 107-42, Sec. 201(a)(1), substituted "subsection (c)" for "subsection (b)" and "foreign-flag aircraft." for "foreign-flag aircraft - " and struck out subpars. (A) and (B) which read as follows:

"(A) in foreign air commerce; or

"(B) between at least 2 places, all of which are outside the United States."

Subsec. (b). Pub. L. 107-42, Sec. 201(a)(3), added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 107-42, Sec. 201(a)(2), (4), redesignated subsec. (b) as (c), in first sentence inserted ", or reimburse an air carrier under subsection (b) of this section," before "only with the approval", and in second sentence inserted "or the reimbursement" before "only after deciding" and "in the interest of air commerce or national security or" before "to carry out the foreign policy". Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 107-42, Sec. 201(a)(2), (5), redesignated subsec. (c) as (d) and inserted "or reimbursing an air carrier" before "under this chapter". Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 107-42, Sec. 201(a)(2), redesignated subsec. (d) as (e).

1997 - Subsec. (a)(2). Pub. L. 105-137 substituted "as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry." for "as determined by the Secretary."

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-116 effective Jan. 1, 2010, see section 5(j) of Pub. L. 111-116, set out as a note under section 40117 of this title.

Amendment by Pub. L. 111-12 effective Apr. 1, 2009, see section 5(j) of Pub. L. 111-12, set out as a note under section 40117 of this title.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-330 effective Oct. 1, 2008, see section 5(l) of Pub. L. 110-330, set out as a note under section 40117 of this title.

Amendment by Pub. L. 110-253 effective July 1, 2008, see section 3(d) of Pub. L. 110-253, set out as a note under section 9502 of Title 26, Internal Revenue Code.

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.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-296 effective 60 days after Nov. 25, 2002, see section 4 of Pub. L. 107-296, set out as an Effective Date note under section 101 of Title 6, Domestic Security.

EXTENSION OF TERMINATION DATE OF POLICIES

Pub. L. 109-289, div. B, title II, Sec. 21002(a), as added by Pub. L. 110-5, Sec. 2, Feb. 15, 2007, 121 Stat. 47, provided that subsec. (f)(1) of this section would be applied by substituting "September 30, 2007" for "August 31, 2006, and may extend through December 31, 2006".

-EXEC-

PROVISION OF AVIATION INSURANCE COVERAGE FOR COMMERCIAL AIR CARRIER SERVICE

Determination of President of the United States, No. 94-39, July 26, 1994, 59 F.R. 38551, provided:

By virtue of the authority vested in me by the Constitution and laws of the United States, including 3 U.S.C. 301 and 49 U.S.C. 44302, I hereby:

(1) determine that continuation of authorized humanitarian relief air services to Haiti is necessary to carry out the foreign policy of the United States;

(2) approve provision by the Secretary of Transportation of insurance against loss or damage arising out of any risk from the operation of an aircraft in the manner and to the extent provided in 49 U.S.C. 44301-44310, whenever he determines that such insurance cannot be obtained on reasonable terms and conditions from any company authorized to conduct an insurance business in a State of the United States;

(3) delegate to the Secretary of Transportation, in consultation with the Secretary of State, the authority vested in me by 49 U.S.C. 44302(b) [now 44302(c)], for purposes of responding to the current crisis in Haiti; and

(4) delegate to the Secretary of Transportation, in consultation with the Secretary of State, the authority vested in me by 49 U.S.C. 44306(b) [now 44306(c)] for purposes of responding to the current crisis in Haiti.

The Secretary of Transportation is directed to bring this determination immediately to the attention of all air carriers within the meaning of 49 U.S.C. 40102(a)(2), and to arrange for its publication in the Federal Register.

William J. Clinton.

PROVISION OF AVIATION INSURANCE COVERAGE FOR COMMERCIAL AIR CARRIER SERVICE IN DOMESTIC AND INTERNATIONAL OPERATIONS

Memorandum of President of the United States, Aug. 21, 2009, 74 F.R. 43617, provided:

Memorandum for the Secretary of Transportation

By the authority vested in me as President by the Constitution and laws of the United States including 49 U.S.C. 44302, et seq., I hereby:

1. Determine that continuation of U.S. flag commercial air service is necessary in the interest of air commerce, national security, and the foreign policy of the United States.

2. Approve provision by the Secretary of Transportation of insurance or reinsurance to U.S. flag air carriers against loss or damage arising out of any risk from the operation of an aircraft in the manner and to the extent provided in Chapter 443 of 49 U.S.C., until August 31, 2010, when he determine[s] that such insurance or reinsurance cannot be obtained on reasonable terms and conditions

from any company authorized to conduct an insurance business in a State of the United States.

You are directed to bring this determination immediately to the attention of all air carriers within the meaning of 49 U.S.C. 40102 (a)(2), and to arrange for its publication in the Federal Register.
Barack Obama.

Prior Presidential documents related to provision of insurance to U.S.-flag commercial air service were contained in the following:

Memorandum of President of the United States, Dec. 23, 2008, 73 F.R. 79589.

Memorandum of President of the United States, Dec. 27, 2007, 73 F.R. 1813.

Memorandum of President of the United States, Dec. 21, 2006, 71 F.R. 77243.

Memorandum of President of the United States, Dec. 22, 2005, 70 F.R. 76669.

Determination of President of the United States, No. 2005-15, Dec. 21, 2004, 69 F.R. 77607.

Determination of President of the United States, No. 2004-13, Dec. 11, 2003, 69 F.R. 5237.

Determination of President of the United States, No. 01-29, Sept. 23, 2001, 66 F.R. 49075.

-End-

-CITE-

49 USC Sec. 44303
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44303. Coverage

-STATUTE-

(a) In General. - The Secretary of Transportation may provide insurance and reinsurance, or reimburse insurance costs, as authorized under section 44302 of this title for the following:

(1) an American aircraft or foreign-flag aircraft engaged in aircraft operations the President decides are necessary in the interest of air commerce or national security or to carry out the foreign policy of the United States Government.

(2) property transported or to be transported on aircraft referred to in clause (1) of this section, including -

(A) shipments by express or registered mail;

(B) property owned by citizens or residents of the United States;

(C) property -

(i) imported to, or exported from, the United States; and

(ii) bought or sold by a citizen or resident of the United States under a contract putting the risk of loss or obligation to provide insurance against risk of loss on the citizen or resident; and

(D) property transported between -

(i) a place in a State or the District of Columbia and a place in a territory or possession of the United States;

(ii) a place in a territory or possession of the United States and a place in another territory or possession of the United States; or

(iii) 2 places in the same territory or possession of the United States.

(3) the personal effects and baggage of officers and members of the crew of an aircraft referred to in clause (1) of this section and of other individuals employed or transported on that aircraft.

(4) officers and members of the crew of an aircraft referred to in clause (1) of this section and other individuals employed or transported on that aircraft against loss of life, injury, or detention.

(5) statutory or contractual obligations or other liabilities, customarily covered by insurance, of an aircraft referred to in clause (1) of this section or of the owner or operator of that aircraft.

(6) loss or damage of an aircraft manufacturer resulting from operation of an aircraft by an air carrier and involving war or terrorism.

(b) Air Carrier Liability for Third Party Claims Arising Out of Acts of Terrorism. - For acts of terrorism committed on or to an air carrier during the period beginning on September 22, 2001, and ending on June 30, 2010, the Secretary may certify that the air carrier was a victim of an act of terrorism and in the Secretary's judgment, based on the Secretary's analysis and conclusions regarding the facts and circumstances of each case, shall not be responsible for losses suffered by third parties (as referred to in section 205.5(b)(1) of title 14, Code of Federal Regulations) that exceed \$100,000,000, in the aggregate, for all claims by such parties arising out of such act. If the Secretary so certifies, the air carrier shall not be liable for an amount that exceeds \$100,000,000, in the aggregate, for all claims by such parties arising out of such act, and the Government shall be responsible for any liability above such amount. No punitive damages may be awarded against an air carrier (or the Government taking responsibility for an air carrier under this subsection) under a cause of action arising out of such act. The Secretary may extend the provisions of this subsection to an aircraft manufacturer (as defined in section 44301) of the aircraft of the air carrier involved.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1169; Pub. L. 107-42, title II, Sec. 201(b)(1), Sept. 22, 2001, 115 Stat. 235; Pub. L. 107-296, title XII, Sec. 1201, Nov. 25, 2002, 116 Stat. 2286; Pub. L. 108-11, title IV, Sec. 4001(b), Apr. 16, 2003, 117

Stat. 606; Pub. L. 108-176, title I, Sec. 106(a)(3), (b), Dec. 12, 2003, 117 Stat. 2499; Pub. L. 108-447, div. H, title I, Sec. 106(b), Dec. 8, 2004, 118 Stat. 3204; Pub. L. 109-115, div. A, title I, Sec. 108(b), Nov. 30, 2005, 119 Stat. 2402; Pub. L. 110-161, div. K, title I, Sec. 114(b), Dec. 26, 2007, 121 Stat. 2381; Pub. L. 110-253, Sec. 3(c)(7), June 30, 2008, 122 Stat. 2418; Pub. L. 110-330, Sec. 5(d), Sept. 30, 2008, 122 Stat. 3718; Pub. L. 111-12, Sec. 5(c), Mar. 30, 2009, 123 Stat. 1458; Pub. L. 111-69, Sec. 5(d), Oct. 1, 2009, 123 Stat. 2055; Pub. L. 111-116, Sec. 5(c), Dec. 16, 2009, 123 Stat. 3032; Pub. L. 111-117, div. A, title I, Sec. 114(b), Dec. 16, 2009, 123 Stat. 3043.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44303	49 App.:1533.	Aug. 23, 1958, Pub. L. 85-726, Sec. 1303, 72 Stat. 801; restated Nov. 9, 1977, Pub. L. 95-163, Sec. 3, 91 Stat. 1279.

In this section, before clause (1), the words "persons, property, or interest" are omitted as unnecessary. In clause (2), the word "property" is substituted for "Cargoes" and "air cargoes" for consistency in the revised title. In clause (2)(B) and (C), the words "its territories, or possessions" are omitted as unnecessary because of the definition of "United States" in section 40102(a) of the revised title. In clause (2)(C)(ii), the word "contract" is substituted for "contracts of sale or purchase", and the words "putting . . . on" are substituted for "is assumed by or falls upon", to eliminate unnecessary words. In clause (2)(D), the word "place" is substituted for "point" for consistency in the revised title. In subclause (i), the words "a State or the District of Columbia" are substituted for "the United States" for clarity and consistency because the definition of "United States" in section 40102(a) of the revised title is too broad for the context of the clause. The definition in section 40102(a) includes territories and possession and would therefore overlap with subclauses (ii) and (iii). In subclause (iii), the words "2 places in the same territory or possession of the United States" are substituted for "any point in any such territory or possession and any other point in the same territory or possession" for clarity. In clauses (3) and (4), the word "individuals" is substituted for "persons" as being more appropriate. The words "captains" and "pilots" are omitted as being included in "officers and members of the crew".

-COD-

CODIFICATION

The text of section 201(b)(2) of Pub. L. 107-42, which was transferred and redesignated so as to appear as subsec. (b) of this

section and amended by Pub. L. 107-296, was based on Pub. L. 107-42, title II, Sec. 201(b)(2), Sept. 22, 2001, 115 Stat. 235, formerly included in a note set out under section 40101 of this title.

-MISC2-

AMENDMENTS

2009 - Subsec. (b). Pub. L. 111-117, which directed the substitution of "December 31, 2010," for "December 31, 2009," could not be executed due to the intervening amendment by Pub. L. 111-69. See below.

Pub. L. 111-116 substituted "June 30, 2010," for "March 31, 2010,".

Pub. L. 111-69 substituted "March 31, 2010," for "December 31, 2009,".

Pub. L. 111-12 substituted "December 31, 2009," for "May 31, 2009,".

2008 - Subsec. (b). Pub. L. 110-330 substituted "May 31, 2009," for "March 31, 2009,".

Pub. L. 110-253 substituted "March 31, 2009" for "December 31, 2008".

2007 - Subsec. (b). Pub. L. 110-161 substituted "2008," for "2006,".

2005 - Subsec. (b). Pub. L. 109-115 substituted "2006" for "2005".

2004 - Subsec. (b). Pub. L. 108-447 substituted "2005" for "2004".

2003 - Subsec. (a). Pub. L. 108-176, Sec. 106(a)(3)(A), substituted "In General" for "In general" in heading.

Subsec. (a)(6). Pub. L. 108-176, Sec. 106(a)(3)(B), added par. (6).

Subsec. (b). Pub. L. 108-176, Sec. 106(b), inserted at end "The Secretary may extend the provisions of this subsection to an aircraft manufacturer (as defined in section 44301) of the aircraft of the air carrier involved."

Pub. L. 108-11 substituted "2004" for "2003".

2002 - Pub. L. 107-296 designated existing provisions as subsec. (a), inserted heading, transferred and redesignated the text of section 201(b)(2) of Pub. L. 107-42 so as to appear as subsec. (b), in heading substituted "Air Carrier Liability for Third Party Claims Arising Out of Acts of Terrorism" for "Discretion of the Secretary", and in text substituted "the period beginning on September 22, 2001, and ending on December 31, 2003, the Secretary" for "the 180-day period following the date of enactment of this Act, the Secretary of Transportation" and "this subsection" for "this paragraph". See Codification note above.

2001 - Pub. L. 107-42, Sec. 201(b)(1)(A), inserted ", or reimburse insurance costs, as" after "insurance and reinsurance" in introductory provisions.

Par. (1). Pub. L. 107-42, Sec. 201(b)(1)(B), inserted "in the interest of air commerce or national security or" before "to carry out the foreign policy".

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-116 effective Jan. 1, 2010, see section 5(j) of Pub. L. 111-116, set out as a note under section 40117 of

this title.

Amendment by Pub. L. 111-12 effective Apr. 1, 2009, see section 5(j) of Pub. L. 111-12, set out as a note under section 40117 of this title.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-330 effective Oct. 1, 2008, see section 5(l) of Pub. L. 110-330, set out as a note under section 40117 of this title.

Amendment by Pub. L. 110-253 effective July 1, 2008, see section 3(d) of Pub. L. 110-253, set out as a note under section 9502 of Title 26, Internal Revenue Code.

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.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-296 effective 60 days after Nov. 25, 2002, see section 4 of Pub. L. 107-296, set out as an Effective Date note under section 101 of Title 6, Domestic Security.

EXTENSION OF LIMITATION OF AIR CARRIER LIABILITY

Pub. L. 109-289, div. B, title II, Sec. 21002(b), as added by Pub. L. 110-5, Sec. 2, Feb. 15, 2007, 121 Stat. 48, provided that subsec. (b) of this section would be applied by substituting "September 30, 2007" for "December 31, 2006".

-End-

-CITE-

49 USC Sec. 44304
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44304. Reinsurance

-STATUTE-

To the extent the Secretary of Transportation is authorized to provide insurance under this chapter, the Secretary may reinsure any part of the insurance provided by an insurance carrier. The Secretary may reinsure with, transfer to, or transfer back to, the carrier any insurance or reinsurance provided by the Secretary under this chapter.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1169; Pub. L. 107-42, title II, Sec. 201(c), Sept. 22, 2001, 115 Stat. 235.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44304(a)	49 App.:1535(a).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1305, 72 Stat. 802; Nov. 9, 1977, Pub. L. 95-163, Sec. 4(a), 91 Stat. 1279.
44304(b)	49 App.:1535(b).	

In subsection (a), the words "may reinsure any part of the insurance provided by an insurance carrier" are substituted for "may reinsure, in whole or in part, any company authorized to do an insurance business" for clarity and consistency with source provisions restated in this subchapter and the definition of "insurance carrier" in section 44301 of the revised title. The words "transfer to, or transfer back to" are substituted for "cede or retrocede to" for clarity.

In subsection (b), the word "same" is omitted as being included in "similar". The words "on account of the cost of" are omitted as surplus. The word "providing" is substituted for "rendered" and "furnished" because it is inclusive. The words "except for" are substituted for "but such allowance to the carrier shall not provide for" to eliminate unnecessary words.

AMENDMENTS

2001 - Pub. L. 107-42 struck out subsec. (a) designation and heading "General Authority" and struck out subsec. (b) which read as follows:

"(b) Premium Levels. - The Secretary may provide reinsurance at premiums not less than, or obtain reinsurance at premiums not higher than, the premiums the Secretary establishes on similar risks or the premiums the insurance carrier charges for the insurance to be reinsured by the Secretary, whichever is most advantageous to the Secretary. However, the Secretary may make allowances to the insurance carrier for expenses incurred in providing services and facilities that the Secretary considers good business practice, except for payments by the carrier for the stimulation or solicitation of insurance business."

-End-

-CITE-

49 USC Sec. 44305
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44305. Insuring United States Government property

-STATUTE-

(a) General. - With the approval of the President, a department, agency, or instrumentality of the United States Government may obtain -

(1) insurance under this chapter, including insurance for risks from operating an aircraft in intrastate or interstate air commerce, but not including insurance on valuables subject to sections 17302 and 17303 of title 40; and

(2) insurance for risks arising from providing goods or services directly related to and necessary for operating an aircraft covered by insurance obtained under clause (1) of this subsection if the aircraft is operated -

(A) in carrying out a contract of the department, agency, or instrumentality; or

(B) to transport military forces or materiel on behalf of the United States under an agreement between the Government and the government of a foreign country.

(b) Premium Waivers and Indemnification. - With the approval required under subsection (a) of this section, the Secretary of Transportation may provide the insurance without premium at the request of the Secretary of Defense or the head of a department, agency, or instrumentality designated by the President when the Secretary of Defense or the designated head agrees to indemnify the Secretary of Transportation against all losses covered by the insurance. The Secretary of Defense and any designated head may make indemnity agreements with the Secretary of Transportation under this section. If such an agreement is countersigned by the President or the President's designee, the agreement shall constitute, for purposes of section 44302(c), a determination that continuation of the aircraft operations to which the agreement applies is necessary to carry out the foreign policy of the United States.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1170; Pub. L. 105-137, Sec. 3, Dec. 2, 1997, 111 Stat. 2640; Pub. L. 107-42, title II, Sec. 201(e), Sept. 22, 2001, 115 Stat. 236; Pub. L. 107-217, Sec. 3(n)(6), Aug. 21, 2002, 116 Stat. 1303.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44305	49 App.:1534.	Aug. 23, 1958, Pub. L. 85-726, Sec. 1304, 72 Stat. 802; Oct. 31, 1992, Pub. L. 102-581, Sec. 401(a), 106 Stat. 4897.

In this section, the words "a department, agency, or instrumentality" are substituted for "Any department or agency" for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (a)(1), the words "obtain insurance under this chapter" are substituted for "procure from the Secretary any of the insurance provided under this subchapter" to eliminate unnecessary words. The words "overseas air commerce" are omitted for the reasons given in the revision note for section 40101.

In subsection (b), the words "or the head of a department, agency, or instrumentality designated by the President" are substituted for "and such other agencies as the President may prescribe" as being more precise and for consistency in the revised title. The words "when the Secretary of Defense or the designated head agrees" are substituted for "in consideration of" for clarity. The words "any designated head" are substituted for "the agreement of . . . such agency" and "such other agencies" for clarity and because of the restatement.

AMENDMENTS

2002 - Subsec. (a)(1). Pub. L. 107-217 substituted "sections 17302 and 17303 of title 40" for "sections 1 and 2 of the Government Losses in Shipment Act (40 U.S.C. 721, 722)".

2001 - Subsec. (b). Pub. L. 107-42 substituted "44302(c)" for "44302(b)".

1997 - Subsec. (b). Pub. L. 105-137 inserted at end "If such an agreement is countersigned by the President or the President's designee, the agreement shall constitute, for purposes of section 44302(b), a determination that continuation of the aircraft operations to which the agreement applies is necessary to carry out the foreign policy of the United States."

-End-

-CITE-

49 USC Sec. 44306
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44306. Premiums and limitations on coverage and claims

-STATUTE-

(a) Premiums Based on Risk. - To the extent practical, the premium charged for insurance or reinsurance under this chapter shall be based on consideration of the risk involved.

(b) Allowances in Setting Premium Rates for Reinsurance. - In setting premium rates for reinsurance, the Secretary may make allowances to the insurance carrier for expenses incurred in providing services and facilities that the Secretary considers good business practices, except for payments by the insurance carrier for the stimulation or solicitation of insurance business.

(c) Time Limits. - The Secretary of Transportation may provide insurance and reinsurance under this chapter for a period of not more than 1 year. The period may be extended for additional periods of not more than 1 year each only if the President decides, before each additional period, that the continued operation of the aircraft to be insured or reinsured is necessary in the interest of air commerce or national security or to carry out the foreign policy of the United States Government.

(d) Maximum Insured Amount. - The insurance policy on an aircraft insured or reinsured under this chapter shall specify a stated amount that is not more than the value of the aircraft, as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry. A claim under the policy may not be paid for more than that stated amount.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1170; Pub. L. 105-137, Sec. 2(b), Dec. 2, 1997, 111 Stat. 2640; Pub. L. 107-42, title II, Sec. 201(d), Sept. 22, 2001, 115 Stat. 235; Pub. L. 107-71, title I, Secs. 124(b), 147, Nov. 19, 2001, 115 Stat. 631, 645; Pub. L. 107-296, title XII, Sec. 1203, Nov. 25, 2002, 116 Stat. 2287; Pub. L. 108-176, title I, Sec. 106(c), (e), Dec. 12, 2003, 117 Stat. 2499.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44306(a)	49 App.:1532(b).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1302(b), (c), 72 Stat. 801; restated Nov. 9, 1977, Pub. L. 95-163, Sec. 2, 91 Stat. 1279.
44306(b)	49 App.:1532(c).	
44306(c)	49 App.:1537(a) (last sentence less words between 2d and 3d commas).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1307(a) (last sentence less words between 2d and 3d commas), 72 Stat. 804; Oct. 4, 1984, Pub. L.

In subsection (a), the words "To the extent" are substituted for "insofar as" for consistency.

In subsection (b), the word "initial" is omitted as surplus. The words "The period" are substituted for "Such insurance or reinsurance", and the words "the President decides . . . that the continued operation of the aircraft to be insured or reinsured is necessary to carry out the foreign policy of the United States Government" are substituted for "the President makes the same determination with respect to such extension as he is required to make under paragraph (2) of subsection (a) of this section for the initial provision of such insurance or reinsurance", for clarity.

In subsection (c), the words "or reinsured" are added for consistency. The words "to be paid in the event of total loss" are omitted as unnecessary because of the last sentence. The words "A claim under the policy may not be paid for more than that stated amount" are substituted for "the amount of any claim which is compromised, settled, adjusted, or paid shall in no event exceed such stated amount" to eliminate unnecessary words.

AMENDMENTS

2003 - Subsec. (b). Pub. L. 108-176, Sec. 106(c), substituted "by the insurance carrier" for "by the air carrier".

Subsec. (c). Pub. L. 108-176, Sec. 106(e), made technical correction to directory language of Pub. L. 107-71, Sec. 124(b). See 2001 Amendment note below.

2002 - Subsec. (c). Pub. L. 107-296 made technical correction to directory language of Pub. L. 107-71, Sec. 147. See 2001 Amendment note below.

2001 - Subsec. (b). Pub. L. 107-42, Sec. 201(d)(2), added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 107-71, Sec. 147, as amended by Pub. L. 107-296, substituted "1 year" for "60 days" in two places.

Pub. L. 107-71, Sec. 124(b), as amended by Pub. L. 108-176, Sec. 106(e), inserted "in the interest of air commerce or national security or" before "to carry out the foreign policy".

Pub. L. 107-42, Sec. 201(d)(1), redesignated subsec. (b) as (c). Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 107-42, Sec. 201(d)(1), redesignated subsec. (c) as (d).

1997 - Subsec. (c). Pub. L. 105-137 substituted "as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry." for "as determined by the Secretary."

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by section 106(c) of 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.

Pub. L. 108-176, title I, Sec. 106(e), Dec. 12, 2003, 117 Stat. 2499, provided that the amendment made by section 106(e) is effective Nov. 19, 2001.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-296, title XII, Sec. 1203, Nov. 25, 2002, 116 Stat. 2287, provided that the amendment made by section 1203 is effective Nov. 19, 2001.

-End-

-CITE-

49 USC Sec. 44307
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44307. Revolving fund

-STATUTE-

(a) Existence, Disbursements, Appropriations, and Deposits. - (1)
There is a revolving fund in the Treasury. The Secretary of the Treasury shall disburse from the fund payments to carry out this chapter.

(2) Necessary amounts to carry out this chapter may be appropriated to the fund. The amounts appropriated and other amounts received in carrying out this chapter shall be deposited in the fund.

(b) Investment. - On request of the Secretary of Transportation, the Secretary of the Treasury may invest any part of the amounts in the revolving fund in interest-bearing securities of the United States Government. The interest on, and the proceeds from the sale or redemption of, the securities shall be deposited in the fund.

(c) Excess Amounts. - The balance in the revolving fund in excess of an amount the Secretary of Transportation determines is necessary for the requirements of the fund and for reasonable reserves to maintain the solvency of the fund shall be deposited at least annually in the Treasury as miscellaneous receipts.

(d) Expenses. - The Secretary of Transportation shall deposit annually an amount in the Treasury as miscellaneous receipts to cover the expenses the Government incurs when the Secretary of Transportation uses appropriated amounts in carrying out this chapter. The deposited amount shall equal an amount determined by multiplying the average monthly balance of appropriated amounts retained in the revolving fund by a percentage that is at least the current average rate payable on marketable obligations of the Government. The Secretary of the Treasury shall determine annually in advance the percentage applied.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1170.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44307(a)	49 App.:1536(a), (b).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1306(a)-(d), 72 Stat. 803.
44307(b)	49 App.:1536(f).	Aug. 23, 1958, Pub. L. 85-726, 72 Stat. 731, Sec. 1306(f); added Aug. 9, 1975, Pub. L. 94-90, Sec. 1(a), 89 Stat. 439.
44307(c)	49 App.:1536(c).	
44307(d)	49 App.:1536(d).	

In subsection (a)(1), the first sentence is added for clarity. The last sentence is substituted for 49 App.:1536(a) (last sentence) to eliminate unnecessary words and for consistency in the revised title.

In subsection (a)(2), the words "The amounts appropriated and other amounts received in carrying out this chapter" are substituted for "Moneys appropriated by Congress to carry out the provisions of this subchapter and all moneys received from premiums, salvage, or other recoveries and all receipts in connection with this subchapter" to eliminate unnecessary words.

In subsection (b), the words "any part" are substituted for "all or any part" to eliminate unnecessary words. The words "held in the revolving fund" are omitted as surplus. The words "deposited in" are substituted for "credited to and form a part of" for consistency.

In subsection (d), the words "The Secretary of Transportation shall deposit annually an amount in the Treasury" are substituted for "Annual payments shall be made by the Secretary to the Treasury of the United States", the words "The deposited amount shall equal an amount determined by multiplying" are substituted for "These payments shall be computed by applying to", and the words "a percentage that is at least the current average rate payable on marketable obligations of the Government" are substituted for "a percentage" and "Such percentage shall not be less than the current average rate which the Treasury pays on its marketable obligations", for clarity.

-End-

-CITE-

49 USC Sec. 44308
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION

SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44308. Administrative

-STATUTE-

(a) Commercial Practices. - The Secretary of Transportation may carry out this chapter consistent with commercial practices of the aviation insurance business.

(b) Issuance of Policies and Disposition of Claims. - (1) The Secretary may issue insurance policies to carry out this chapter. The Secretary may prescribe the forms, amounts insured under the policies, and premiums charged. Any such policy may authorize the binding arbitration of claims made thereunder in such manner as may be agreed to by the Secretary and any commercial insurer that may be responsible for any part of a loss to which such policy relates. The Secretary may change an amount of insurance or a premium for an existing policy only with the consent of the insured.

(2) For a claim under insurance authorized by this chapter, the Secretary may -

(A) settle and pay the claim made for or against the United States Government;

(B) pay the amount of a binding arbitration award made under paragraph (1); and

(C) pay the amount of a judgment entered against the Government.

(c) Underwriting Agent. - (1) The Secretary may, and when practical shall, employ an insurance carrier or group of insurance carriers to act as an underwriting agent. The Secretary may use the agent to adjust claims under this chapter, but claims may be paid only when approved by the Secretary.

(2) The Secretary may pay reasonable compensation to an underwriting agent for servicing insurance the agent writes for the Secretary. Compensation may include payment for reasonable expenses incurred by the agent but may not include a payment by the agent for stimulation or solicitation of insurance business.

(3) Except as provided by this subsection, the Secretary may not pay an insurance broker or other person acting in a similar capacity any consideration for arranging insurance when the Secretary directly insures any part of the risk.

(d) Budget. - The Secretary shall submit annually a budget program for carrying out this chapter as provided for wholly owned Government corporations under chapter 91 of title 31.

(e) Accounts. - The Secretary shall maintain a set of accounts for audit under chapter 35 of title 31. Notwithstanding chapter 35, the Comptroller General shall allow credit for expenditures under this chapter made consistent with commercial practices in the aviation insurance business when shown to be necessary because of the business activities authorized by this chapter.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1171; Pub. L. 104-316, title I, Sec. 127(e), Oct. 19, 1996, 110 Stat. 3840; Pub.

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44308(a)	49 App.:1537(c) (1st sentence).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1307(a) (1st sentence), (c), (d), 72 Stat. 803, 804.
44308(b)(1)	49 App.:1537(a) (1st sentence words before 6th comma). 49 App.:1537(b).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1307(b), 72 Stat. 804; Nov. 9, 1977, Pub. L. 95-163, Sec. 5(a), 91 Stat. 1280.
44308(b)(2)	49 App.:1537(a) (1st sentence words after 6th comma).	
44308(c)(1)	49 App.:1537(d) (1st, 3d sentences).	
44308(c)(2)	49 App.:1537(d) (2d, last sentences).	
44308(c)(3)	49 App.:1537(c) (last sentence).	
44308(d)	49 App.:1537(f) (1st sentence).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1307(f), 72 Stat. 804; Jan. 2, 1975, Pub. L. 93-604, Sec. 702, 88 Stat. 1964.
44308(e)	49 App.:1537(f) (last sentence).	

In subsection (a), the words "may carry out this chapter" are substituted for "in administering this subchapter, may exercise his powers, perform his duties and functions, and make his expenditures" to eliminate unnecessary words.

In subsection (b)(1), the word "insurance" is added for clarity. The words "rules, and regulations" are omitted as unnecessary because of 49:322(a). The words "as he deems proper" and "subject to the following provisions of this subsection" are omitted as surplus. The words "and change" and "fix, adjust, and change" are omitted as being included in "prescribe". The words "under the policies" are added for clarity. The word "charged" is substituted for "provided for in this subchapter" for consistency in this subchapter.

In subsection (b)(2), before clause (A), the words "the Secretary" are added because of the restatement. In clause (A), the

words "adjust and . . . losses, compromise and" are omitted as included in "settle and pay the claim". The word "made" is substituted for "whether" for clarity. In clause (B), the word "entered" is substituted for "rendered" because it is more appropriate. The words "in any suit" are omitted as surplus. The words "or the amount of any settlement agreed upon" are omitted as being included in "settle and pay the claim".

In subsection (c)(1), the words "and when practical shall" are substituted for "and whenever he finds it practical to do so shall" to eliminate unnecessary words. The word "his" is omitted as surplus. The words "The Secretary may use" are substituted for "may be utilized" for consistency. The words "The services of" are omitted as unnecessary.

In subsection (c)(2), the words "pay reasonable compensation" are substituted for "allow . . . fair and reasonable compensation" for consistency in the revised title. The words "an underwriting agent" are substituted for "such companies or groups of companies", and the words "the agent writes" are substituted for "written by such companies or groups of companies as underwriting agent", for clarity. The word "payment" is substituted for "allowance" for consistency.

In subsection (c)(3), the words "intermediary" and "fee or other" are omitted as surplus. The word "for" is substituted for "by virtue of his participation in" to eliminate unnecessary words.

In subsection (d), the word "prepare" is omitted as being included in "submit". The words "for carrying out this chapter" are substituted for "in the performance of, and with respect to, the functions, powers, and duties vested in him by this subchapter" for consistency and to eliminate unnecessary words. The words "under chapter 91 of title 31" are substituted for "by the Government Corporation Control Act, as amended (59 Stat. 597; 31 U.S.C. 841)" in section 1307(f) of the Act of August 23, 1958 (Public Law 85-726, 72 Stat. 804) because of section 4(b) of the Act of September 13, 1982 (Public Law 97-258, 96 Stat. 1067).

In subsection (e), the words "under chapter 35 of title 31" are substituted for "in accordance with the provisions of the Accounting and Auditing Act of 1950" in section 1307(f) of the Act of August 23, 1958 (Public Law 85-726, 72 Stat. 804) because of section 4(b) of the Act of September 13, 1982 (Public Law 97-258, 96 Stat. 1067). The words "Provided, That . . . the Secretary may exercise the powers conferred in said subchapter, perform the duties and functions" are omitted as surplus. The words "Notwithstanding chapter 35" are added for clarity. The words "Comptroller General" are substituted for "General Accounting Office" because of 31:702.

AMENDMENTS

1997 - Subsec. (b)(1). Pub. L. 105-137, Sec. 4(a), inserted after second sentence "Any such policy may authorize the binding arbitration of claims made thereunder in such manner as may be agreed to by the Secretary and any commercial insurer that may be responsible for any part of a loss to which such policy relates."

Subsec. (b)(2). Pub. L. 105-137, Sec. 4(b), struck out "and" at end of subpar. (A), added subpar. (B), and redesignated former subpar. (B) as (C).

1996 - Subsec. (e). Pub. L. 104-316 substituted "for audit" for ". The Comptroller General shall audit those accounts".

-End-

-CITE-

49 USC Sec. 44309
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44309. Civil actions

-STATUTE-

(a) Losses. -

(1) Actions against united states. - A person may bring a civil action in a district court of the United States or in the United States Court of Federal Claims against the United States Government when -

(A) a loss insured under this chapter is in dispute; or

(B)(i) the person is subrogated under a contract between the person and a party insured under this chapter (other than section 44305(b)) to the rights of the insured party against the United States Government; and

(ii) the person has paid to the insured party, with the approval of the Secretary of Transportation, an amount for a physical damage loss that the Secretary has determined is a loss covered by insurance issued under this chapter (other than section 44305(b)).

(2) Limitation. - A civil action involving the same matter (except the action authorized by this subsection) may not be brought against an agent, officer, or employee of the Government carrying out this chapter.

(3) Procedure. - To the extent applicable, the procedure in an action brought under section 1346(a)(2) of title 28, United States Code, applies to an action under this subsection.

(b) Venue and Joinder. - (1) A civil action under subsection (a) of this section may be brought in the judicial district for the District of Columbia or in the judicial district in which the plaintiff or the agent of the plaintiff resides if the plaintiff resides in the United States. If the plaintiff does not reside in the United States, the action may be brought in the judicial district for the District of Columbia or in the judicial district in which the Attorney General agrees to accept service.

(2) An interested person may be joined as a party to a civil action brought under subsection (a) of this section initially or on motion of either party to the action.

(c) Time Requirements. - When an insurance claim is made under this chapter, the period during which, under section 2401 of title

28, a civil action must be brought under subsection (a) of this section is suspended until 60 days after the Secretary of Transportation denies the claim. The claim is deemed to be administratively denied if the Secretary does not act on the claim not later than 6 months after filing, unless the Secretary makes a different agreement with the claimant when there is good cause for an agreement.

(d) Interpleader. - (1) If the Secretary admits the Government owes money under an insurance claim under this chapter and there is a dispute about the person that is entitled to payment, the Government may bring a civil action of interpleader in a district court of the United States against the persons that may be entitled to payment. The action may be brought in the judicial district for the District of Columbia or in the judicial district in which any party resides.

(2) The district court may order a party not residing or found in the judicial district in which the action is brought to appear in a civil action under this subsection. The order shall be served in a reasonable manner decided by the district court. If the court decides an unknown person might assert a claim under the insurance that is the subject of the action, the court may order service on that person by publication in the Federal Register.

(3) Judgment in a civil action under this subsection discharges the Government from further liability to the parties to the action and to all other persons served by publication under paragraph (2) of this subsection.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1172; Pub. L. 105-277, div. C, title I, Sec. 110(c)(1), Oct. 21, 1998, 112 Stat. 2681-587.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44309(a)	49 App.:1540 (1st sentence less 19th-70th words, 3d sentence).	Aug. 23, 1958, Pub. L. 85-726, Sec. 1310, 72 Stat. 805.
44309(b)(1)	49 App.:1540 (1st sentence 19th-70th words, 2d sentence).	
44309(b)(2)	49 App.:1540 (4th sentence).	
44309(c)	49 App.:1540 (last sentence).	
44309(d)	49 App.:1540 (5th-8th sentences).	

In subsection (a), the words "A person may bring" are substituted

for "may be maintained" for clarity. The words "a civil action" are substituted for "suit" because of rule 2 of the Federal Rules of Civil Procedure (28 App. U.S.C.). The words "A civil action . . . (except the action authorized by this subsection) may not be brought" are substituted for "and this remedy shall be exclusive of any other action", and the words "involving the" are substituted for "by reason of", for clarity. The words "carrying out this chapter" are substituted for "employed or retained under this subchapter", and the words "in an action" are substituted for "for suits in the district courts", for consistency. The words "applies to" are substituted for "shall otherwise be the same as that provided for" to eliminate unnecessary words. The words "an action under this subsection" are substituted for "such suits" for consistency.

In subsection (b)(1), the words "A civil action under subsection (a) of this section may be brought" are added for clarity. The words "the plaintiff or the agent of the plaintiff resides" are substituted for "the claimant or his agent resides" for consistency in the revised title. The words "if the plaintiff resides in the United States" are added for clarity. The words "notwithstanding the amount of the claim" are omitted as obsolete because jurisdiction under 28:1331 no longer depends on the amount of the claim. The words "and any provision of existing law as to the jurisdiction of United States district courts" are omitted as obsolete.

In subsection (b)(2), the words "interested person" are substituted for "All persons having or claiming or who might have an interest in such insurance" to eliminate unnecessary words. The word "either" is omitted as surplus. The words "to a civil action brought under subsection (a) of this section" are added for clarity.

In subsection (c), the words "during which, under section 2401 of title 28, a civil action must be brought under subsection (a) of this section" are substituted for "within which suits may be commenced contained in section 2401 of title 28 providing for bringing of suits against the United States" for clarity. The words "from such time of filing" are omitted as surplus. The words "60 days after the Secretary of Transportation denies the claim" are substituted for "the claim shall have been administratively denied by the Secretary and for sixty days thereafter" for clarity.

In subsection (d)(1), the words "a civil action of interpleader" are substituted for "an action in the nature of a bill of interpleader" because of the Federal Rules of Civil Procedure (28 App. U.S.C.). The words "persons that may be entitled to payment" are substituted for "such parties" for clarity.

In subsection (d)(2), the words "in which the action is brought" are added for clarity. The words "The order shall be" are added because of the restatement. The words "the court may order service on that person" are substituted for "it may direct service upon such persons unknown" as being more precise.

In subsection (d)(3), the words "in a civil action under this subsection" are substituted for "in any such suit" for clarity.

AMENDMENTS

1998 - Subsec. (a). Pub. L. 105-277 amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: "A person may bring a civil action in a district court of the United

States against the United States Government when a loss insured under this chapter is in dispute. A civil action involving the same matter (except the action authorized by this subsection) may not be brought against an agent, officer, or employee of the Government carrying out this chapter. To the extent applicable, the procedure in an action brought under section 1346(a)(2) of title 28 applies to an action under this subsection."

-End-

-CITE-

49 USC Sec. 44310
02/01/2010

-EXPCITE-

TITLE 49 - TRANSPORTATION
SUBTITLE VII - AVIATION PROGRAMS
PART A - AIR COMMERCE AND SAFETY
subpart iii - safety
CHAPTER 443 - INSURANCE

-HEAD-

Sec. 44310. Ending effective date

-STATUTE-

The authority of the Secretary of Transportation to provide insurance and reinsurance under this chapter is not effective after December 31, 2013.

-SOURCE-

(Pub. L. 103-272, Sec. 1(e), July 5, 1994, 108 Stat. 1173; Pub. L. 105-85, div. A, title X, Sec. 1088(a), Nov. 18, 1997, 111 Stat. 1921; Pub. L. 105-137, Sec. 5(a), Dec. 2, 1997, 111 Stat. 2641; Pub. L. 105-277, div. C, title I, Sec. 110(c)(2), Oct. 21, 1998, 112 Stat. 2681-588; Pub. L. 106-6, Sec. 6, Mar. 31, 1999, 113 Stat. 10; Pub. L. 106-31, title VI, Sec. 6002(f), May 21, 1999, 113 Stat. 113; Pub. L. 106-181, title VII, Sec. 711, Apr. 5, 2000, 114 Stat. 160; Pub. L. 108-11, title IV, Sec. 4001(c), Apr. 16, 2003, 117 Stat. 606; Pub. L. 108-176, title I, Sec. 106(d), Dec. 12, 2003, 117 Stat. 2499; Pub. L. 110-181, div. A, title III, Sec. 378, Jan. 28, 2008, 122 Stat. 85.)

-MISC1-

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
44310	49 App.:1542.	Aug. 23, 1958, Pub. L. 85-726, Sec. 1312, 72 Stat. 806; July 20, 1961, Pub. L. 87-89, 75 Stat. 210; June

13, 1966, Pub. L. 89-447, 80 Stat. 199; Sept. 8, 1970, Pub. L. 91-399, 84 Stat. 837; Aug. 9, 1975, Pub. L. 94-90, Sec. 2, 89 Stat. 439; July 31, 1976, Pub. L. 94-374, 90 Stat. 1065; Nov. 9, 1977, Pub. L. 95-163, Sec. 6, 91 Stat. 1280; Oct. 14, 1982, Pub. L. 97-309, Sec. 3, 96 Stat. 1453; Oct. 30, 1987, Pub. L. 100-148, 101 Stat. 878; Oct. 31, 1992, Pub. L. 102-581, Sec. 402, 106 Stat. 4897.

The words "is not effective after" are substituted for "shall expire at the termination of" for clarity and consistency in the revised title.

AMENDMENTS

2008 - Pub. L. 110-181 substituted "December 31, 2013" for "March 30, 2008".

2003 - Pub. L. 108-176 substituted "March 30, 2008" for "December 31, 2004".

Pub. L. 108-11, substituted "2004" for "2003".

2000 - Pub. L. 106-181 substituted "after December 31, 2003." for "after August 6, 1999."

1999 - Pub. L. 106-31 substituted "August 6, 1999" for "May 31, 1999".

Pub. L. 106-6 substituted "May" for "March".

1998 - Pub. L. 105-277 substituted "March 31, 1999" for "December 31, 1998".

1997 - Pub. L. 105-137 substituted "December 31, 1998" for "September 30, 2002".

Pub. L. 105-85 substituted "September 30, 2002" for "September 30, 1997".

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.

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by Pub. L. 106-181 applicable only to fiscal years beginning after Sept. 30, 1999, see section 3 of Pub. L. 106-181, set out as a note under section 106 of this title.

EFFECTIVE DATE OF 1997 AMENDMENTS

Pub. L. 105-137, Sec. 5(b), Dec. 2, 1997, 111 Stat. 2641, provided that: "The amendment made by subsection (a) [amending this section] takes effect on October 1, 1997."

Pub. L. 105-85, div. A, title X, Sec. 1088(b), Nov. 18, 1997, 111 Stat. 1921, provided that: "This section [amending this section] shall take effect as of September 30, 1997."

CONTINUATION OF AVIATION INSURANCE LAWS

Pub. L. 102-581, title IV, Sec. 404, Oct. 31, 1992, 106 Stat. 4898, provided that: "Notwithstanding any other provision of law, the provisions of title XIII of the Federal Aviation Act of 1958 [now this chapter] and all insurance policies issued by the Secretary of Transportation under such title, as in effect on September 30, 1992, shall be treated as having continued in effect until the date of the enactment of this Act [Oct. 31, 1992]."

-End-