

the results of its investigations, a summary of its transactions, the purposes for which all of its expenditures were made, and any recommendations for legislation.

(b) REPORT ON FOREIGN LAWS AND PRACTICES.—The Commission shall include in its annual report to Congress—

(1) a list of the 20 foreign countries that generated the largest volume of oceanborne liner cargo for the most recent calendar year in bilateral trade with the United States;

(2) an analysis of conditions described in section 42302(a) of this title being investigated or found to exist in foreign countries;

(3) any actions being taken by the Commission to offset those conditions;

(4) any recommendations for additional legislation to offset those conditions;

(5) a list of petitions filed under section 42302(b) of this title that the Commission rejected and the reasons for each rejection; and

(6) an analysis of the impacts on competition for the purchase of certain covered services by alliances of ocean common carriers acting pursuant to an agreement under this part¹ between or among ocean common carriers, including a summary of actions, including corrective actions, taken by the Commission to promote such competition.

(c) DEFINITION OF CERTAIN COVERED SERVICES.—In this section, the term “certain covered services” has the meaning given the term in section 40102.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1489; Pub. L. 115-282, title VII, § 703, Dec. 4, 2018, 132 Stat. 4294.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|---------------------------------------|---|
| 306(a) | 46 App.:1118 (related to Commission). | June 29, 1936, ch. 858, title II, § 208 (related to Commission), 49 Stat. 1988; Pub. L. 94-273, § 36, Apr. 21, 1976, 90 Stat. 380; Pub. L. 97-31, § 12(65), Aug. 6, 1981, 95 Stat. 159. |
| 306(b) | 46 App.:1710a(g). | Pub. L. 100-418, title X, § 10002(g), Aug. 23, 1988, 102 Stat. 1572. |

In subsection (a), the words “a statement of all receipts under this chapter” are omitted as inapplicable to the Commission.

AMENDMENTS

2018—Subsec. (b)(6). Pub. L. 115-282, § 703(1), added par. (6).

Subsec. (c). Pub. L. 115-282, § 703(2), added subsec. (c).

§ 307. Expenditures

(a) IN GENERAL.—The Federal Maritime Commission may make such expenditures as are necessary in the performance of its functions from funds appropriated or otherwise made available to it, which appropriations are authorized.

(b) PROHIBITION.—Notwithstanding subsection (a), the Federal Maritime Commission may not expend any funds appropriated or otherwise made available to it to a non-Federal entity to issue an award, prize, commendation, or other honor that

¹ So in original. Subtitle I of title 46 does not contain parts.

is not related to the purposes set forth in section 40101.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1490; Pub. L. 114-120, title IV, § 403, Feb. 8, 2016, 130 Stat. 67.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--|--|
| 307 | 46 App.:1111(d) (related to Commission). | June 29, 1936, ch. 858, title II, § 201(d) (related to Commission), 49 Stat. 1986; Pub. L. 97-31, § 12(58)(B), Aug. 6, 1981, 95 Stat. 158. |

The words “by this chapter”, “after June 29, 1936”, and “further” are omitted as unnecessary.

AMENDMENTS

2016—Pub. L. 114-120 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

§ 308. Authorization of appropriations

There is authorized to be appropriated to the Federal Maritime Commission \$28,012,310 for fiscal year 2018 and \$28,544,543 for fiscal year 2019 for the activities of the Commission authorized under this chapter and subtitle IV.

(Added Pub. L. 114-120, title IV, § 401(a), Feb. 8, 2016, 130 Stat. 67; amended Pub. L. 115-282, title VII, § 702, Dec. 4, 2018, 132 Stat. 4294.)

AMENDMENTS

2018—Pub. L. 115-282 substituted “\$28,012,310 for fiscal year 2018 and \$28,544,543 for fiscal year 2019” for “\$24,700,000 for each of fiscal years 2016 and 2017”.

CHAPTER 5—OTHER GENERAL PROVISIONS

| | |
|------|--|
| 501. | Waiver of navigation and vessel-inspection laws. |
| 502. | Cargo exempt from forfeiture. |
| 503. | Notice of seizure. |
| 504. | Remission of fees and penalties. |
| 505. | Penalty for violating regulation or order. |

§ 501. Waiver of navigation and vessel-inspection laws

(a) ON REQUEST OF SECRETARY OF DEFENSE.—On request of the Secretary of Defense, the head of an agency responsible for the administration of the navigation or vessel-inspection laws shall waive compliance with those laws to the extent the Secretary considers necessary in the interest of national defense.

(b) BY HEAD OF AGENCY.—

(1) IN GENERAL.—When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator’s capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

(2) DETERMINATIONS.—The Maritime Administrator shall—

(A) for each determination referred to in paragraph (1), identify any actions that could

be taken to enable qualified United States flag capacity to meet national defense requirements;

(B) provide notice of each such determination to the Secretary of Transportation and the head of the agency referred to in paragraph (1) for which the determination is made; and

(C) publish each such determination on the Internet Web site of the Department of Transportation not later than 48 hours after notice of the determination is provided to the Secretary of Transportation.

(3) NOTICE TO CONGRESS.—

(A) IN GENERAL.—The head of an agency referred to in paragraph (1) shall notify the Committee on Transportation and Infrastructure and the Committee on Armed Services of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Armed Services of the Senate—

(i) of any request for a waiver of the navigation or vessel-inspection laws under this section not later than 48 hours after receiving such a request; and

(ii) of the issuance of any such waiver not later than 48 hours after such issuance.

(B) CONTENTS.—Such head of an agency shall include in each notification under subparagraph (A)(ii) an explanation of—

(i) the reasons the waiver is necessary; and

(ii) the reasons actions referred to in paragraph (2)(A) are not feasible.

(c) TERMINATION OF AUTHORITY.—The authority granted by this section shall terminate at such time as the Congress by concurrent resolution or the President may designate.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1490; Pub. L. 110-417, div. C, title XXXV, § 3510, Oct. 14, 2008, 122 Stat. 4769; Pub. L. 112-213, title III, § 301, Dec. 20, 2012, 126 Stat. 1562; Pub. L. 112-239, div. C, title XXXV, § 3517(a)(2), Jan. 2, 2013, 126 Stat. 2229.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|--|
| 501 | 46 App.:3 note prec. | Dec. 27, 1950, ch. 1155, §§ 1, 2, 64 Stat. 1120. |

In subsection (b), the words “When the head of an agency . . . considers it necessary” are substituted for “either upon his own initiative or upon the written recommendation of the head of any other Government agency, when he deems that such action is necessary” to eliminate unnecessary words.

AMENDMENTS

2013—Subsec. (b)(3)(A). Pub. L. 112-239 substituted “the Committee on Transportation and Infrastructure and the Committee on Armed Services of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Armed Services of the Senate” for “the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate” in introductory provisions.

2012—Subsec. (b). Pub. L. 112-213 designated existing provisions as par. (1), inserted par. (1) heading, and added pars. (2) and (3).

2008—Subsec. (b). Pub. L. 110-417 reenacted heading without change and amended text generally. Prior to amend-

ment, text read as follows: “When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual may waive compliance with those laws to the extent, in the manner, and on the terms the individual prescribes.”

§ 502. Cargo exempt from forfeiture

Cargo on a vessel is exempt from forfeiture under this title if—

(1) the cargo is owned in good faith by a person not the owner, master, or crewmember of the vessel; and

(2) the customs duties on the cargo have been paid or secured for payment as provided by law.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1490.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|-----------------------------------|
| 502 | 46 App.:326. | R.S. § 4378. |

§ 503. Notice of seizure

When a forfeiture of a vessel or cargo accrues, the official of the United States Government required to give notice of the seizure of the vessel or cargo shall include in the notice, if they are known to that official, the name and the place of residence of the owner or consignee at the time of the seizure.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1490.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|-----------------------------------|
| 503 | 46 App.:327. | R.S. § 4379. |

§ 504. Remission of fees and penalties

Any part of a fee, tax, or penalty paid or a forfeiture incurred under a law or regulation relating to vessels or seamen may be remitted if—

(1) application for the remission is made within one year after the date of the payment or forfeiture; and

(2) it is found that the fee, tax, penalty, or forfeiture was improperly or excessively imposed.

(Pub. L. 109-304, § 4, Oct. 6, 2006, 120 Stat. 1491.)

HISTORICAL AND REVISION NOTES

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|-----------------------------------|
| 504 | 46:2108. | |

This section replaces 46 U.S.C. 2108, which was enacted as part of the codification of subtitle II of title 46 in 1983. That provision was based on section 26 of the Act of June 26, 1884, ch. 121, 23 Stat. 59, which prior to the subtitle II codification appeared at 46 U.S.C. 8 (1982 ed.). In the enactment of 46 U.S.C. 2108, the scope of the 1884 provision was narrowed, presumably inadvertently. This section restores the remissions authority to its prior scope. Note that 19 C.F.R. § 4.24 (2003) still refers to “the authority to make refunds in accordance with section 26 of the Act of June 26, 1884 (46 U.S.C. 8)” as if that provision had not been replaced by 46 U.S.C. 2108 in 1983.

§ 505. Penalty for violating regulation or order

A person convicted of knowingly and willfully violating a regulation or order of the Federal Mar-