



US Department  
of Transportation  
Maritime  
Administration

**MANUAL OF ORDERS**

**MARITIME ADMINISTRATIVE ORDER**

REVOKES

MAO 200-2, dtd  
12-24-80

NO.

200-2

EFFECTIVE DATE

January 31, 1990

SUBJECT

**REGULATIONS OF THE MARITIME ADMINISTRATION, THE MARITIME  
SUBSIDY BOARD, AND THE NATIONAL SHIPPING AUTHORITY**

**Section 1. Purpose:**

This order establishes policies and assigns responsibilities for development, preparation, approval, and promulgation of regulations applicable to the public and relating to programs and activities of the Maritime Administration (MARAD), the Maritime Subsidy Board (MSB), and the National Shipping Authority (NSA).

**Section 2. Related Directives:**

|   |  |
|---|--|
| 5 U.S.C. 553                              | Administrative Procedure Act   |
| 5 U.S.C. 601 - 612                        | Regulatory Flexibility Act   |
| 44 U.S.C. Chapter 35                      | Paperwork Reduction Act of 1980  |
| Executive Order 12291                     | Federal Regulation   |
| Executive Order 12612                     | Federalism   |
| 5 CFR Part 1320                           | Controlling Paperwork Burdens on the Public  |
| 41 CFR 201-45.105                         | Directives Management  |
| 46 CFR Subpart F                          | Rule Making (Rule 6)   |
| DOT Order 1120.49                         | Management of Consumer Programs  |
| DOT Order 2100.2                          | Policy for Public Contacts in Rulemaking   |
| DOT Order 2100.5                          | Policies and Procedures for Simplification, Analysis, and Review of Regulations  |
| Maritime Administrative Order (MAO) 240-1 | Processing Formal Recommendations to the Maritime Administrator, the Deputy Maritime Administrator, and the Maritime Subsidy Board |
| Maritime Administrative Order (MAO) 260-2 | Publication of Documents in the <u>Federal Register</u>  |

Section 3. Policy and Applicability:

3.01 All regulations of the Maritime Administration, the Maritime Subsidy Board, and the National Shipping Authority shall be prepared and issued in accordance with the MARAD Regulations Manual and DOT Order 2100.5. The Regulations Manual prescribes procedures for all cognizant MARAD offices involved in the development and processing of regulations that are required to be published in the Federal Register and codified in Title 46, Code of Federal Regulations (CFR), as well as notices that are not codified.

3.02 The considerations and procedures outlined in DOT Order 2100.5, section 12, shall be controlling in the development and review of regulations.

3.03 Appropriate offices may issue supplemental documents (See Appendix II) to subsidized operators, general agents, ship managers and others outside the Government to clarify or explain regulations issued under this order. Each document shall contain an expiration date not to exceed two years following the date the document is issued. Supplemental documents that contain substantive or procedural requirements, of the type customarily included in a regulation, shall be incorporated promptly into an existing or new regulation.

3.04 The currently approved series of supplemental documents are those identified in Appendix II. The establishment of any new series of supplemental documents is subject to prior approval by the Maritime Administrator.

Section 4. Responsibilities:

4.01 The Maritime Administrator or the Maritime Subsidy Board, in accordance with their respective delegated authorities, shall approve and issue Maritime Administration/Maritime Subsidy Board regulations setting forth agency policy and prescribing rules and procedures applicable to the public.

4.02 The Director, NSA, through the Associate Administrator for Shipbuilding and Ship Operations and the Associate Administrator for Marketing, in accordance with their respective delegated authorities, shall approve and issue NSA regulations governing the activities of agents, ship managers,

Federal Port Controllers, and other parties to contracts with the United States in the areas of emergency ship operations and related activities, including, but not limited to fiscal and insurance matters, ship maintenance and repair activities, supply and acquisition procedures, and the utilization of port facilities.

4.03 The Office of the Chief Counsel shall:

- 1 Direct and coordinate all activities for the development, review, processing and publication of MARAD, MSB, and NSA regulations.
- 2 Assure that all offices having responsibilities associated with or affected by proposed regulations are afforded the opportunity to review proposed and final regulations prior to issuance.
- 3 Maintain a system for the numbering, by CFR citation, of MARAD, MSB, and NSA regulations, as well as a central index of such regulations and amendments.
- 4 Prepare, in accordance with OMB guidelines and instructions issued by the Office of the General Counsel, the agency's entry for the Department's Semi-annual Regulatory Agenda, which describes regulations under development or consideration.
- 5 Periodically issue revisions to appendices I and II of this order, with the concurrence of the Associate Administrator for Administration, in order to maintain currency of the appendices.

4.04 The office(s) with primary responsibility for administering the provisions of any regulation (See appendix I) shall be responsible for the continuing, systematic review of existing regulations (not less frequently than every two years) to ensure compliance with the policies set forth in Executive Order 12291, DOT Order 2100.5, and 41 CFR 201-45.105.

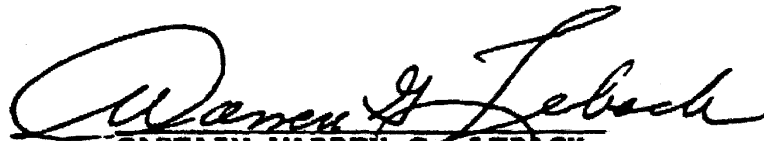
4.05 The Office of Management Services shall review all regulations and amendments: (1) which prescribe reports, forms, or recordkeeping requirements; (2) where internal organizational assignment of functions or staffing are affected; and (3) for impact on consumers pursuant to DOT Order 1120.49.

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Section 5. Procedure:

The Office of the Chief Counsel is authorized to issue, and to amend, as appropriate, with the concurrence of the Associate Administrator for Administration, a MARAD Regulations Manual.

That manual shall prescribe the procedures and requirements for development, preparation, approval, and promulgation of MARAD, MSB, and NSA regulations. These procedures and requirements shall be followed by all MARAD activities in carrying out their responsibilities with regard to regulations.

  
CAPTAIN WARREN G. LEBACK  
Maritime Administrator

OFFICES WITH PRIMARY RESPONSIBILITY OR CO-RESPONSIBILITY  
FOR MARITIME ADMINISTRATION/MARITIME SUBSIDY BOARD REGULATIONS

| <u>46 CFR<br/>PART NO.</u> | <u>SUBJECT</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>   |
|----------------------------|---|--|
| 200                        | [Reserved]  |  |
| 201                        | Rules of practice and procedure   | Office of the Chief Counsel  |
| 202                        | Procedures relating to review by the Secretary of Transportation of actions by the Maritime Subsidy Board | Secretary, Maritime Administration/<br>Maritime Subsidy Board                  |
| 204                        | Claims against the Maritime Administration under the Federal Tort Claims Act                              | Office of the Chief Counsel  |
| 205                        | Audit appeals; policy and procedure   | Office of Financial Approvals  |
| 206,<br>Subpart A          | Miscellaneous fees; charges for special statistical data  | Office of Trade Analysis and Insurance   |
| 206,<br>Subpart B          | charges for copies of regulations   | Secretary, Maritime Administration/<br>Maritime Subsidy Board                  |
| 206,<br>Subpart C          | Charges for processing applications   | Office of Trade Analysis and Insurance   |
| 207                        | Statistical data for use in operating-differential subsidy application hearings                           | Office of Trade Analysis and Insurance   |
| 221                        | Regulated transactions involving documented vessels and other maritime interests                          | Office of Ship Operations/Office of the Chief Counsel/<br>Office of Accounting |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>                                    | <u>RESPONSIBLE<br/>OFFICE(S)</u>                                       |
|----------------------------|---|--|
| 221.4-<br>221.7            | Documented vessels and<br>other maritime-<br>regulated transactions | Office of Ship<br>Operations   |
| 221.8-<br>221.11           | "   | Office of the<br>Chief Counsel   |
| 221.13                     | "   | Office of Ship<br>Operations   |
| 221.14                     | "   | Office of<br>Financial<br>Approvals                                    |
| 221.16                     | "   | Office of Ship<br>Operations   |
| 221.21-<br>221.30          | "   | Office of Ship<br>Operations/<br>Office of<br>Financial<br>Approvals   |
| 222                        | Statements, reports, and<br>agreements required to be<br>filed      | Secretary,<br>Maritime<br>Administration/<br>Maritime<br>Subsidy Board |
| 222.2-<br>222.5            | "   | Office of<br>Trade<br>Analysis and<br>Insurance                        |
| 232                        | Uniform financial reporting<br>requirements                         | Office of<br>Financial<br>Approvals                                    |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>   | <u>RESPONSIBLE<br/>OFFICE(S)</u>  |
|----------------------------|--|---|
| 237                        | Repairs to vessels under bareboat charter  | Office of Ship Operations   |
| 246                        | Formula for determining sea speed of vessels   | Office of Ship Construction   |
| 250                        | Participation of vessels built with construction-differential subsidy in the carriage of oil from Alaska in the domestic trade | Office of Trade Analysis and Insurance/<br>Office of Financial Approvals  |
| 251                        | Applications for subsidies and other direct financial aid  | Office of Financial Approvals   |
| 251.1-<br>251.31           | "  | Office of Trade Analysis and Insurance                                    |
| 252                        | Operating-differential subsidy for bulk cargo vessels operating in worldwide services  | Office of Ship Operating Assistance/<br>Office of Financial Approvals     |
| 253                        | Requirements for maintaining boom lifting capacities and other features  | Office of Ship Construction   |
| 262                        | Minimum-wage, minimum manning, and reasonable working conditions   | Office of Maritime Labor and Training/Office of Ship Operating Assistance |

46 CFR  
PART NO.

BRIEF SUBJECT DESCRIPTION

RESPONSIBLE  
OFFICE(S)

|     |  |  |
|-----|--|--|
| 272 | Policy and procedure regarding conducting of subsidy condition surveys and accomplishment of subsidized vessel maintenance and repairs   | Office of Ship Operations/<br>Office of Ship Operating Assistance        |
| 275 | Outfitting materials and equipment for construction-differential subsidy vessels   | Office of Ship Construction  |
| 276 | Construction-differential subsidy repayment  | Office of Trade Analysis and Insurance/<br>Office of Financial Approvals |
| 277 | Domestic and Foreign Trade; Interpretations  | Office of Trade Analysis and Insurance                                   |
| 278 | Employment in the foreign trade of liquid and dry bulk vessels constructed with the aid of construction-differential subsidy   | Office of Trade Analysis and Insurance                                   |
| 279 | Operating-differential subsidy for bulk cargo vessels in United States foreign commerce on the Great Lakes, connecting rivers, St. Lawrence River and the Gulf of St. Lawrence | Office of Ship Operating Assistance/<br>Office of Financial Approvals    |



| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>   |
|----------------------------|---|--|
| 280                        | Limitations on the award and payment of operating-differential subsidy to liner operators                                   | Office of Trade Analysis and Insurance/<br>Office of Financial Approvals   |
| 281.1                      | Information and procedures required under liner operating-differential subsidy agreements                                   | Office of Financial Approvals/<br>Office of Ship Operating Assistance/<br>Office of Trade Analysis and Insurance |
| 281.2-<br>281.4            | Definitions, voyage status, idle and off-hire periods   | Office of Trade Analysis and Insurance   |
| 281.5-<br>281.6            | Recovery of subsidy by MARAD, interpretation  | Office of Ship Operating Assistance  |
| 282                        | Operating-differential subsidy for liner vessels engaged in essential services in the foreign commerce of the United States | Office of Ship Operating Assistance  |
| 283                        | Dividend policy for ODS operators   | Office of Trade Analysis and Insurance/<br>Office of Financial Approvals   |
| 285                        | Determination of profit in contracts for ship construction, reconditioning or reconstruction                                | Office of Ship Construction/<br>Office of Financial Approvals  |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>   |
|----------------------------|---|--|
| 287                        | Establishment of construction reserves  | Office of Trade Analysis and Insurance/<br>Office of Financial Approvals   |
| 289                        | Insurance of construction-differential subsidy vessels, operating-differential subsidy vessels and of vessels sold or adjusted under the Merchant Ship Sales Act of 1946                    | Office of Trade Analysis and Insurance   |
| 290                        | Forms   | Secretary, Maritime Administration/<br>Maritime Subsidy Board  |
| 292                        | Procedure to be followed by operators in the rendition to MARAD of annual and final accounting under operating-differential subsidy agreements  | Office of Financial Approvals  |
| 294                        | Operating-differential subsidy for bulk cargo vessels engaged in carrying bulk raw and processed agricultural commodities from the United States to the Union of Soviet Socialist Republics | Office of Trade Analysis and Insurance/<br>Office of Ship Operating Assistance/<br>Office of Financial Approvals |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>                                       | <u>RESPONSIBLE<br/>OFFICE(S)</u>  |
|----------------------------|--|---|
| 298                        | Obligation guarantees  | Office of Ship<br>Financing/<br>Office of<br>Financial<br>Approvals             |
| 307                        | Establishment of mandatory<br>position reporting system<br>for vessels | Office of Ship<br>Operations  |
| 308                        | War risk insurance   | Office of Trade<br>Analysis<br>and Insurance                                    |
| 309                        | Values for war risk<br>insurance                                       | Office of<br>Ship Construction/<br>Ship Valuation<br>Committee .                |
| 309.101                    | "  | Office of Ship<br>Construction/<br>Ship Valuation<br>Committee                  |
| 309.201-<br>309.204        | "  | Office of Trade<br>Analysis And<br>Insurance/<br>Office of Ship<br>Construction |
| 310                        | Merchant marine training   | Office of Maritime<br>Labor and Training  |
| 315                        | Agency agreements  | Office of Ship<br>Operations  |
| 316                        | Application for agents   | Office of Ship<br>Operations  |
| 317                        | Bonding of ship's<br>personnel   | Office of<br>Financial<br>Approvals/<br>Office of Ship<br>Operations            |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>  |
|----------------------------|---|---|
| 318                        | Compensation payable to agents, general agents and berth agents   | Office of Financial Approvals/<br>Office of Ship Operations             |
| 319                        | Duties of berth agents and general agents   | Office of Ship Operations/<br>Office of Port and Intermodal Development |
| 320                        | Certificate of ownership and operation for general agency vessels   | Office of Ship Operations/<br>Office of Financial Approvals             |
| 321                        | Authority of general agents to provide for American merchant marine library service   | Office of Ship Operations/<br>Office of Financial Approvals             |
| 322                        | Applicability of former Maritime Commission and War Shipping Administration orders, regulations and instructions and allowability of expenses under service agreements with National Shipping Authority (NSA) | Office of Financial Approvals/<br>Office of Ship Operations             |
| 323                        | Maximum brokerage commission applicable to NSA vessels  | Office of Financial Approvals/<br>Office of Ship Operations             |
| 324                        | Procedural rules for financial transactions under agency agreements   | Office of Financial Approvals/<br>Office of Ship Operations             |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>                                     |
|----------------------------|---|--|
| 325                        | Procedures to be followed by general agents in preparation of invoices and payment of compensation pursuant to provisions of NSA Order No. 47 | Office of Financial Approvals/<br>Office of Ship Operations          |
| 326                        | Marine protection and indemnity insurance under general agency and berth agency agreements  | Office of Trade Analysis and Insurance/<br>Office of Ship Operations |
| 327                        | Seamen's claims, administrative action and litigation   | Office of Trade Analysis and Insurance/<br>Office of Ship Operations |
| 328                        | Slop chests   | Office of Ship Operations/<br>Office of Financial Approvals          |
| 329                        | Voyage data   | Office of Ship Operations/<br>Office of Trade Analysis and Insurance |
| 330                        | Launch services   | Office of Financial Approvals/<br>Office of Ship Operations          |
| 331                        | Authority and responsibility to undertake to decommission and deliver ships to reserve fleet  | Office of Ship Operations  |
| 332                        | Repatriation of seamen  | Office of Ship Operations/<br>Office of the Chief Counsel            |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>   | <u>RESPONSIBLE<br/>OFFICE(S)</u>                            |
|----------------------------|--|---|
| 333                        | Authority and responsibility of general agents to undertake to decommission tankers to be withdrawn from operation and placed in a reserve fleet   | Office of Ship Operations                                   |
| 334                        | Radar observer certificates, ships' safety and use of radar  | Office of Ship Operations                                   |
| 335                        | Authority and responsibility of general agents to undertake emergency repairs in foreign ports   | Office of Ship Operations/<br>Office of Financial Approvals |
| 336                        | Authority and responsibility of general agents to undertake in continental United States ports voyage repairs and service equipment of vessels operated for the account of the NSA under general agency agreement. | Office of Ship Operations                                   |
| 337                        | General agent's responsibility in connection with foreign repair customs entries   | Office of Ship Operations                                   |
| 338                        | Procedure for accomplishment of vessel repairs under NSA master lump sum repair contract - NSA - LUMPSUMREP  | Office of Ship Operations                                   |
| 339                        | Procedure for accomplishment of ship repairs under NSA individual contract for minor repairs - NSA - WORKSMALREP   | Office of Ship Operations                                   |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>  |
|----------------------------|---|---|
| 340                        | Priority use and allocation of shipping services, containers and port facilities services for national security and national defense-related operations | Office of National Security Plans/Office of Ship Operations/<br>Office of Port and Intermodal Development |
| 345                        | Restrictions upon the transfer of or change in use or in terms governing utilization of port facilities   | Office of Port and Intermodal Development   |
| 346                        | Federal Port Controllers  | Office of Port and Intermodal Development   |
| 347                        | Operating contract  | Office of Port and Intermodal Development   |
| 350                        | Seamen's Service Awards   | Office of Maritime Labor and Training   |
| 351                        | Depositories  | Office of Financial Approvals   |
| 355                        | Establishing citizenship  | Office of the Chief Counsel   |
| 360                        | Transfer of marine equipment by MARAD   | Office of Ship Operations   |

| <u>46 CFR<br/>PART NO.</u> | <u>BRIEF SUBJECT DESCRIPTION</u>  | <u>RESPONSIBLE<br/>OFFICE(S)</u>                                       |
|----------------------------|---|--|
| 370                        | Claims  | Office of the<br>Chief Counsel   |
| 380                        | Procedures<br>Subpart A   | Office of Trade<br>Analysis and<br>Insurance                           |
|                            | Subpart C   | Office of<br>Management<br>Services                                    |
|                            | Subpart E   | Secretary,<br>Maritime<br>Administration/<br>Maritime<br>Subsidy Board |
| 381                        | Cargo Preference -<br>U.S.-flag vessels   | Office of<br>Market<br>Development                                     |
| 382                        | Procedures for determining<br>fair and reasonable rates<br>for bulk cargo vessels | Office of Ship<br>Operating<br>Assistance                              |
| 385                        | Research and development<br>grant and cooperative<br>agreement regulations        | Senior Advisor<br>for Research<br>and Development                      |
| 390                        | Capital Construction<br>Fund  | Office of Ship<br>Financing/<br>Office of<br>Financial<br>Approvals    |
| 391                        | Federal income tax<br>aspects of the Capital<br>Construction Fund                 | Office of Ship<br>Financing/<br>Office of<br>Financial<br>Approvals    |



OFFICES WITH PRIMARY RESPONSIBILITY  
FOR SUPPLEMENTAL DOCUMENTS

| <u>Supplemental Document</u>  | <u>Office</u>                                   |
|---|---|
| Circular Letters to Subsidized Operators                            | Office of Trade<br>Analysis<br>and Insurance    |
| Circular Letters to Subsidized Operators<br>the US-USSR Grain Trade | Office of Trade in<br>Analysis<br>and Insurance |
| Circular Letters to General Agents                                  | Office of Ship<br>Operations                    |
| Operating Letters to General Agents                                 | Office of Ship<br>Operations                    |
| Accounting Instructions   | Office of<br>Financial<br>Approvals             |