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**ACT OF MAY 13, 1954**  
**(COMMONLY REFERRED TO AS THE "ST. LAWRENCE SEAWAY ACT")**

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February 24, 2004

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**(COMMONLY REFERRED TO AS THE "ST. LAWRENCE SEAWAY ACT")**

[As Amended Through P.L. 108-201, February 24, 2004]

AN ACT Providing for creation of the Saint Lawrence Seaway Development Corporation to construct part of the Saint Lawrence Seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the Saint Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the Saint Lawrence Seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1.<sup>1</sup> There is hereby created, subject to the direction and supervision of the Secretary of Transportation, a body corporate to be known as the Saint Lawrence Seaway Development Corporation (hereinafter referred to as the "Corporation").

(33 U.S.C. 981)

MANAGEMENT OF CORPORATION

SEC. 2. (a) The management of the corporation shall be vested in an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of seven years. Any Administrator appointed to fill a vacancy in that position prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(b) There is hereby established the Advisory Board of the Saint Lawrence Seaway Development Corporation, which shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, not more than three of whom shall belong to the same political party. The Advisory Board shall meet at the call of the Administrator, who shall require it to meet not less often than once each ninety days; shall review the general policies of the Corporation, including its policies in connection with design and construction of facilities and the establishment of rules of measurement for vessels and cargo and rates of charges or tolls; and shall advise the Administrator with respect thereto. Members of the Advisory Board shall receive for their services as members compensation of not to exceed \$50 per diem when actually engaged

<sup>1</sup>Section heading was repealed along with the text of section 1 and a new section 1 was inserted by section 8(g)(1) of Public Law 89-670, 80 Stat. 943.

in the performance of their duties, together with their necessary traveling expenses while going to and coming from meetings.

(33 U.S.C. 982)

#### FUNCTIONS OF CORPORATION

SEC. 3. (a) The Corporation is authorized and directed to construct, in United States territory, deep-water navigation works substantially in accordance with the "Controlled single stage project, 238-242" (with a controlling depth of twenty-seven feet in channels and canals and locks at least eight hundred feet long, eighty feet wide, and thirty feet over the sills), designated as "works solely for navigation" in the joint report dated January 3, 1941, of the Canadian Temporary Great Lakes-Saint Lawrence Basin Committee and the United States Saint Lawrence Advisory Committee, in the International Rapids section of the Saint Lawrence River together with necessary dredging in the Thousand Islands section; and to operate and maintain such works in coordination with the Saint Lawrence Seaway Authority of Canada, created by chapter 24 of the acts of the fifth session of the Twenty-first Parliament of Canada 15-16, George VI (assented to December 21, 1951): *Provided*, That the Corporation shall not proceed with the aforesaid construction unless and until—

(1) the Saint Lawrence Seaway Authority of Canada provides assurances satisfactory to the Corporation that it will complete the Canadian portions of the navigation works authorized by section 10, chapter 24 of the acts of the fifth session of the Twenty-first Parliament of Canada 15-16, George VI, 1951, as nearly as possible concurrently with the completion of the works authorized by this section;<sup>1</sup>

(2) the Corporation has received assurances satisfactory to it that the State of New York, or an entity duly designated by it, or other licensee of the Federal Power Commission, in conjunction with an appropriate agency in Canada, as nearly as possible concurrently with the navigation works herein authorized, will construct and complete the dams and power works approved by the International Joint Commission in its order of October 29, 1952 (docket 68) or any amendment or modification thereof.

(b) The Corporation shall make necessary arrangements to assure the coordination of its activities with those of the Saint Lawrence Seaway Authority of Canada and the entity designated by the State of New York, or other licensee of the Federal Power Commission, authorized to construct and operate the dams and power works authorized by the International Joint Commission in its order of October 29, 1952 (docket 68) or any amendment or modification thereof.

(33 U.S.C. 983)

<sup>1</sup> So in law. Probably should end with "and".

## CORPORATE POWERS

SEC. 4. (a) For the purpose of carrying out its functions under this joint resolution the Corporation—

- (1) shall have succession in its corporate name;
- (2) may adopt and use a corporate seal, which shall be judicially noticed;
- (3) may sue and be sued in its corporate name;
- (4) may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised;
- (5) may make and carry out such contracts or agreements as are necessary or advisable in the conduct of its business;
- (6) shall be held to be an inhabitant and resident of the northern judicial district of New York within the meaning of the laws of the United States relating to venue of civil suits;
- (7) may appoint and fix the compensation, in accordance with the provisions of the Classification Act of 1949, of such officers, attorneys, and employees as may be necessary for the conduct of its business, define their authority and duties, and delegate to them such of the powers vested in the Corporation as the Administrator may determine;
- (8) may acquire, by purchase, lease, condemnation, or donation such real and personal property and any interest therein, and may sell, lease, or otherwise dispose of such real and personal property, as the Administrator deems necessary for the conduct of its business;
- (9) shall determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed and paid, subject to provisions of law specifically applicable to Government corporations;
- (10) may retain toll revenues for purposes of eventual reinvestment in the Seaway.<sup>1</sup>
- (11) may provide services and facilities necessary in the maintenance and operation of the seaway, including but not limited to providing, at reasonable prices, services to vessels using the seaway and to visitors to the seaway, but not to include overnight housing accommodations for visitors;
- (12) may participate with the Saint Lawrence Seaway Authority of Canada, or its designee, in the ownership and operation of a toll bridge company: *Provided*, That the United States' portion of the revenue from the tolls charged to the users of any toll bridge operated under this section shall be applied solely to the cost of the bridge and approaches, including maintenance and operation, amortization of principal and interest, as established by the Secretary of the Treasury; and<sup>2</sup>
- (13)<sup>3</sup> shall be credited with amounts received from any of the activities authorized by clauses (10) and (11).

<sup>1</sup> So in original. The period probably should be a semicolon.

<sup>2</sup> Section 805(a)(1) of P.L. 99-662 (100 Stat. 4272) attempted to strike out "and" at the end of paragraph (11). Section 805(a)(2) of such law attempted to strike out the period at the end of paragraph (12) and insert "; and". These amendments are unexecutable due to an earlier amendment made by P.L. 97-369 which redesignated paragraphs (10), (11), and (12) as paragraphs (11), (12), and (13).

<sup>3</sup> So in original. There are two paragraphs designated as (13).

(13)<sup>3</sup> shall accept such amounts as may be transferred to the Corporation under section 9505(c)(1) of the Internal Revenue Code of 1954, except that such amounts shall be available only for the purpose of operating and maintaining those works which the Corporation is obligated to operate and maintain under subsection (a) of section 3 of this Act.

(b) Amounts credited under subsection (a) (12)<sup>1</sup> are available to pay any obligation or expense of the Corporation under this Act, except as specifically provided in subsection (a) (11)<sup>2</sup>.

(33 U.S.C. 984)

#### FINANCING

SEC. 5. (a) To finance its activities, the Corporation may issue revenue bonds payable from corporate revenue to the Secretary of the Treasury. The total face value of all bonds so issued shall not be greater than \$140,000,000. Not more than fifty per centum of the bonds may be issued during any one year. Such obligations shall have maturities agreed upon by the Corporation and the Secretary of the Treasury, not in excess of fifty years. Such obligations may be redeemable at the option of the Corporation before maturity in such manner as may be stipulated in such obligations, but the obligations thus redeemed shall not be refinanced by the Corporation. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Corporation to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of the Corporation's obligations hereunder.

(b) Effective as of the date of enactment of this subsection the obligations of the Corporation incurred under subsection (a) of this section shall bear no interest, and the obligation of the Corporation to pay the unpaid interest which has accrued on such obligations is terminated.

(33 U.S.C. 985)

**[Section 6 amended section 101 of the Government Corporation Control Act.]**

#### PAYMENTS IN LIEU OF TAXES

SEC. 7. The Corporation is authorized to make payments to State and local governments in lieu of property taxes upon property which was subject to State and local taxation before acquisition by the Corporation. Such payments may be in the amounts, at the times, and upon the terms the Corporation deems appropriate, but the Corporation shall be guided by the policy of making payments not in excess of the taxes which would have been payable for such property in the condition in which it was acquired, except in cases where special burdens are placed upon the State or local govern-

<sup>1</sup> Reference to subsection (a)(12) probably should be to subsection (a)(13).

<sup>2</sup> Reference to subsection (a)(11) probably should be to subsection (a)(12).

ment by the activities of the Corporation or its agents. The Corporation, its property, franchises, and income are hereby expressly exempted from taxation in any manner or form by any State, county, municipality, or any subdivision thereof, but such exemption shall not extend to contractors for the Corporation.

(33 U.S.C. 986)

#### SERVICES AND FACILITIES OF OTHER AGENCIES

SEC. 8. (a) The Corporation may, with the consent of the agency concerned, accept and utilize, on a reimbursable basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, except that any such agency having custody of any data relating to any of the matters within the jurisdiction of the Corporation shall, upon request of the Administrator, make such data available to the Corporation without reimbursement.

(b) The Corporation shall contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the Corporation's employees and their beneficiaries. The Corporation shall also contribute to the employee's compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

(33 U.S.C. 987)

#### MISAPPROPRIATION OF FUNDS

SEC. 9. (a) All general penal statutes relating to the larceny, embezzlement, or conversion, of public moneys or property of the United States shall apply to the moneys and property of the Corporation.

(b) Any person who, with intent to defraud the Corporation, or to deceive any director, officer, or employee of the Corporation or any officer or employee of the United States, (1) makes any false entry in any book of the Corporation, or (2) makes any false report or statement for the Corporation, shall, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(c) Any person who shall receive any compensation, rebate, or reward, or shall enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud the Corporation or wrongfully and unlawfully to defeat its purposes, shall, on conviction thereof, be fined not more than \$5,000 or imprisoned not more than five years, or both.

(33 U.S.C. 990)

## REPORTS TO CONGRESS

SEC. 10. (a) ~~【Repealed by section 1121(j) of Public Law 104-66 (109 Stat. 724).】~~ The Corporation shall submit to the President for transmission to the Congress at the beginning of each regular session an annual report of its operations under this Act.

(b) The Corporation, after the effective date of this amendment, shall submit special reports to the Congress whenever there is proposed a new feature, design, or phase of the seaway project, not heretofore included in estimates, or whenever there is proposed an abandonment of any feature, design, or phase, heretofore included in estimates, involving an estimated value exceeding one million dollars, and such special reports shall include justification for the modifications.

(33 U.S.C. 989)

## SEPARABILITY OF PROVISIONS

SEC. 11. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

(33 U.S.C. 981 nt)

## RATES OF CHARGES OR TOLLS

SEC. 12. (a) The Corporation is further authorized and directed to negotiate with the Saint Lawrence Seaway Authority of Canada, or such other agency as may be designated by the Government of Canada, an agreement as to the rules for the measurement of vessels and cargoes and the rates of charges or tolls to be levied for the use of the Saint Lawrence Seaway, and for an equitable division of the revenues of the seaway between the Corporation and the Saint Lawrence Seaway Authority of Canada. Any formula for a division of revenues which takes into consideration annual debt charges shall include the total cost, including both interest and debt principal, incurred by the United States in financing activities authorized by this Act, whether or not reimbursable by the Corporation. Such rules for the measurement of vessels and cargoes and rates of charges or tolls shall, to the extent practicable, be established or changed only after giving due notice and holding a public hearing. In the event that such negotiations shall not result in agreement, the Corporation is authorized and directed to establish unilaterally such rules of measurement and rates of charges or tolls for the use of the works under its administration: *Provided, however,* That the Corporation shall give three months' notice, by publication in the Federal Register, of any proposals to establish or change unilaterally the basic rules of measurement and of any proposals to establish or change unilaterally the rates of charges or tolls, during which period a public hearing shall be conducted. Any such establishment of or changes in basic rules of measurement or rates of charges or tolls shall be subject to and shall take effect thirty days following the date of approval thereof by the President, and shall be final and conclusive, subject to review as hereinafter



provided. Any person aggrieved by an order of the Corporation establishing or changing such rules or rates may, within such thirty-day period, apply to the Corporation for a rehearing of the matter upon the basis of which the order was entered. The Corporation shall have power to grant or deny the application for rehearing and upon such rehearing or without further hearing to abrogate or modify its order. The action of the Corporation in denying an application for rehearing or in abrogating or modifying its order shall be final and conclusive thirty days after its approval by the President unless within such thirty-day period a petition for review is filed by a person aggrieved by such action in the United States Court of Appeals for the circuit in which the works to which the order applies are located or in the United States Court of Appeals for the District of Columbia. The court in which such petition is filed shall have the same jurisdiction and powers as in the case of petitions to review orders of the Federal Power Commission filed under section 313 (b) of the Federal Power Act (16 U.S.C. 825l). The judgment of the court shall be final subject to review by the Supreme Court upon certiorari or certification as provided in sections 1254 (1) and 1254 (2) of title 28 of the United States Code. The filing of an application for rehearing shall not, unless specifically ordered by the Corporation, operate as a stay of the Corporation's order. The filing of a petition for review shall not, unless specifically ordered by the court, operate as a stay of the Corporation's order.

(b) In the course of its negotiations, or in the establishment, unilaterally, of the rates of charges or tolls as provided in subsection (a), the Corporation shall be guided by the following principles:

(1)<sup>1</sup> That the rates shall be fair and equitable and shall give due consideration to encouragement of increased utilization of the navigation facilities, and to the special character of bulk agricultural, mineral, and other raw materials.

(2)<sup>1</sup> That rates shall vary according to the character of cargo with the view that each classification of cargo shall so far as practicable derive relative benefits from the use of these facilities.

(3)<sup>1</sup> That the rates on vessels in ballast without passengers or cargo may be less than the rates for vessels with passengers or cargo.

(4)<sup>1</sup> That the rates prescribed shall be calculated to cover, as nearly as practicable, all costs of operating and maintaining the works under the administration of the Corporation, including depreciation and payments in lieu of taxes.

(33 U.S.C. 988)

#### REBATE OF CHARGES OR TOLLS

SEC. 13. (a) The Corporation shall transfer to the Harbor Maintenance Trust Fund, at such times and under such terms and conditions as the Secretary of the Treasury may prescribe, all revenues derived from the collection of charges or tolls established under section 12 of this Act.

<sup>1</sup> So in law. Margins are incorrect.

(b)(1) The Corporation shall certify to the Secretary of the Treasury, in such form and at such times as the Secretary of the Treasury shall prescribe—

(A) the identity of any person who pays a charge or toll to the Corporation pursuant to section 12 of this Act with respect to a commercial vessel (as defined in section 4462(a)(4) of the Internal Revenue Code of 1954),<sup>2</sup>

(B) the amount of the toll or charge paid by such person with respect to such vessel.

(2) Within 30 days of the receipt of a certification described in paragraph (1), the Secretary of the Treasury shall rebate, out of the Harbor Maintenance Trust Fund, to the person described in paragraph (1) the amount of the charge or toll paid pursuant to section 12 of this Act.

(33 U.S.C. 988a)

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<sup>2</sup>So in law. Probably should end with “and”.