

Maritime Administration, DOT

§ 309.5

AUTHORITY: Secs. 204, 1209, Merchant Marine Act, 1936, as amended (46 U.S.C. 1114, 1289); Reorganization Plans No. 21 of 1950 (64 Stat. 1273), No. 7 of 1961 (75 Stat. 840) as amended by Pub. L. 91-469 (84 Stat. 1036); Department of Commerce Organization Order 10-8 (38 FR 19707, July 23, 1973); Maritime Administrative Order 440-3 (December 6, 1973).

SOURCE: 39 FR 30487, Aug. 23, 1974, unless otherwise noted.

§ 309.1 Procedure.

The Ship Valuation Committee, Maritime Administration, shall publish biannually in the notice section of the FEDERAL REGISTER a general notice which shall set forth the stated valuations of individual vessels upon which interim binders for war risk hull insurance have been issued. Such values shall be effective with respect to a six-month period commencing on January 1 and ending on June 30, or a six-month period commencing on July 1 and ending on December 31 of each calendar year; *Provided, however*, That if there is a substantial change in market values during the effective period of a state valuation, the Maritime Administration reserves the right to revise such valuations at any time during such period.

§ 309.2 Definitions.

(a) *Ship Valuation Committee* means the Ship Valuation Committee referred to in Maritime Administrative Order 440-3.

(b) *The date a vessel is built* is the date the vessel is delivered by the shipbuilder.

(c) *The deadweight tonnage* of a vessel means her deadweight capacity established in accordance with normal Summer Freeboard as assigned pursuant to the International Load Line Convention, 1966, and shall be her capacity (in tons of 2,240 pounds) for cargo, fuel, fresh water, spare parts, and stores, but exclusive of permanent ballast.

(d) *The speed of a vessel* means the speed determined in accordance with the formulae provided in part 246 of this chapter.

(e) *A passenger vessel* is a vessel which carries more than twelve passengers.

§ 309.3 Stated valuation.

A stated valuation represents just compensation for the vessel to which it

applies computed by the Ship Valuation Committee in accordance with sections 902(a) and 1209(a)(2) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1242(a), 1289(a)(2)). The stated valuation of a vessel does not include vessel stores and supplies, which consist of (a) consumable stores, (b) subsistence stores, (c) slop chest, (d) bar stock, and (e) fuel, as defined in Maritime Administration Inventory Book Forms MA-4736, A through K, which will be valued separately.

§ 309.4 Maximum amount insured.

A stated valuation is the maximum amount for which the Maritime Administration will provide war risk hull insurance for damage to or actual or constructive total loss of the vessel to which such valuation applies and for which claims for damage to or actual or constructive total loss of such insured vessel may be adjusted, compromised, settled, adjudged, or paid by the Maritime Administration with respect to insurance attaching during the effective period of such valuation under the standard forms of war risk hull insurance interim binder or policy prescribed by §§ 308.106 and 308.107 of this chapter.

§ 309.5 Condition of vessel.

If the true condition of a vessel is not known, the Ship Valuation Committee, in determining the stated valuation of the vessel, may assume that it is in a condition that would entitle it to the highest classification of the American Bureau of Shipping, or the equivalent if the vessel is a foreign-flag vessel, with all required certificates, including but not limited to, marine inspection certificates of the United States Coast Guard, the United States Public Health Service, and the Federal Communications Commission, with all outstanding requirements and recommendations necessary for retention of class accomplished, without regard to any grace period; and, so far as due diligence can make her so, the vessel is tight, staunch, strong, and well and sufficiently tacked, appareled, furnished, and equipped, and in every respect seaworthy and in good running condition and repair, with clean swept holds and