REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this title'', meaning title IV of Pub. L. 96–53, Aug. 14, 1979, 93 Stat. 371, which is classified principally to this chapter. For complete classification of title IV to the Code, see Tables.

AMENDMENTS

1980—Pub. L. 96–533 substituted appropriations authorization of $12,000,000 for fiscal year 1981 for such authorization of $23,750,000 for fiscal year 1980.

§ 3511. Repealed. Pub. L. 98–164, title X, § 1011(a)(6), Nov. 22, 1983, 97 Stat. 1061

Section, Pub. L. 96–53, title IV, § 411, Aug. 14, 1979, 93 Stat. 376, required the President to submit an annual report to Congress relating to the operations of the Institute during the preceding fiscal year, and set forth the contents of such report.

§ 3512. Repealed. Pub. L. 105–277, div. G, subdiv. A, title XIV, § 1422(b)(5), Oct. 21, 1998, 112 Stat. 2681–793

Section, Pub. L. 96–53, title IV, § 413, Aug. 14, 1979, 93 Stat. 377, related to establishment of Institute within International Development Cooperation Agency.

EFFECTIVE DATE OF REPEAL

Repeal effective Apr. 1, 1999, see section 1401 of Pub. L. 105–277, set out as an Effective Date note under section 6561 of this title.

§ 3513. Expiration of statutory authorities

The authorities contained in this chapter shall expire on September 30, 1984.

(Pub. L. 96–53, title IV, § 414, Aug. 14, 1979, 93 Stat. 377.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this title'', meaning title IV of Pub. L. 96–53, Aug. 14, 1979, 93 Stat. 371, which is classified principally to this chapter. For complete classification of title IV to the Code, see Tables.

CHAPTER 51—PANAMA CANAL

Sec.
3601. Congressional statement of purpose.
3602. Definitions.

SUBCHAPTER I—ADMINISTRATION AND REGULATIONS

PART 1—PANAMA CANAL COMMISSION

3611. Establishment, purposes, offices, and residence of Commission.
3612. Supervisory Board.
3612a. General powers of Commission.
3612b. Specific powers of Commission.
3613. Administrator.
3614. Deputy Administrator.
3615. Consultative Committee.
3616. Joint Commission on the Environment.
3617. Travel expenses.
3618. Defense of Panama Canal.
3619. Joint sea level canal study.
3620. Authority of Ambassador; independence of Commission regarding its Panama Canal responsibilities.
3621. Security legislation.
3622. Code of conduct for Commission personnel.
3623. Office of Ombudsman.

PART 2—EMPLOYEES

SUBPART I—PANAMA CANAL COMMISSION PERSONNEL

3641. Definitions.
3642. Appointment and compensation; duties.
3643. Transfer of Federal employees.
3644. Compensation of individuals in uniformed services.
3645. Deduction from basic pay of amounts due for supplies or services.
3646, 3647. Repealed.
3648. Privileges and immunities of certain employees.
3649. Applicability of certain benefits.
3650. Air transportation.

SUBPART II—WAGE AND EMPLOYMENT PRACTICES

3651. Definitions.
3652. Panama Canal Employment System; merit and other employment requirements.
3653. Employment standards.
3654, 3655. Repealed.
3656. Uniform application of standards and rates.
3657. Recruitment and retention remuneration.
3657a. Quarters allowances.
3658. Benefits based on basic pay.
3659. Repealed.
3660. Review and adjustment of classifications, grades, and pay level.
3661. Panama Canal Board of Appeals; duties.
3662. Appeals to Board; procedures.
3663. Repealed.
3664. Applicability of title 5.
3665. Repealed.

SUBPART III—CONDITIONS OF EMPLOYMENT AND PLACEMENT

3671. Transferred or reemployed employees.
3672. Placement.
3673. Transition separation incentive payments.

SUBPART IV—RETIREMENT

3681. Retirement under special treaty provisions.
3682. Administration of certain disability benefits.
3683. Repealed.

SUBPART V—APPLICATION TO RELATED PERSONNEL

3691. Individuals considered employees.

SUBPART VI—LABOR-MANAGEMENT RELATIONS

3701. Labor-management relations.

PART 3—FUNDS AND ACCOUNTS

SUBPART I—FUNDS

3711. Repealed.
3712. Panama Canal Revolving Fund.
3712a. Authority to lease office space.
3713. Panama Canal emergency authority.
3714. Borrowing authority.
3714a. Dissolution of Commission.
3714b. Printing.
3715. Establishment of Compensation Fund.
3715a. Operation of Fund.
3715b. Transfers from Fund for compensation benefits.
3715c. Final evaluation of Fund; deficiency or surplus in Fund.
3715d. Continuation of benefits.

SUBPART II—ACCOUNTING POLICIES AND AUDITS

3721. Accounting policies.
3722. Repealed.
3723. Audits.

SUBPART III—INTERAGENCY ACCOUNTS

3731. Reimbursements.

SUBPART IV—POSTAL MATTERS

3741. Postal service.

SUBPART V—ACCOUNTS WITH REPUBLIC OF PANAMA

3751. Payments to Republic of Panama.

Sec.
3752. Transactions with Republic of Panama.
3753. Disaster relief.
3754. Congressional restraints on property transfers and tax expenditures; formal apprisal of Panama.

PART 4—CLAIMS FOR INJURIES TO PERSONS OR PROPERTY

SUBPART I—GENERAL PROVISIONS

3761. Settlement of claims generally.

SUBPART II—VESSEL DAMAGE

3771. Injuries in locks of canal; adjustment and payment of claims.
3772. Injuries outside locks.
3773. Measure of damages generally.
3774. Delays for which no responsibility is assumed.
3775. Settlement of claims.
3776. Actions on claims.
3777. Investigation of accident or injury giving rise to claim.
3778. Board of local inspectors.
3779. Insurance.

PART 5—PUBLIC PROPERTY

3781. Assets and liabilities of Panama Canal Company.
3782. Transfers and cross-servicing between agencies.
3783. Disposition of property of United States.
3784. Transfer of property to Republic of Panama.

PART 6—TOLLS FOR USE OF PANAMA CANAL

3791. Prescription of measurement rules and rates of tolls.
3792. Bases of tolls.
3793. Interest on investments.
3794. Procedures.
3795. Repealed.

PART 7—GENERAL REGULATIONS

3801, 3802. Repealed.

PART 8—SHIPPING AND NAVIGATION

SUBPART I—OPERATION OF CANAL

3811. Operating regulations.

SUBPART II—INSPECTION OF VESSELS

3821. Vessels subject to inspection.
3822. Foreign vessels.
3823. Regulations governing inspection.

SUBCHAPTER II—TREATY TRANSITION PERIOD

PART 1—LAWS CONTINUED IN FORCE

3831. Repealed.

PART 2—COURTS

3841 to 3844. Repealed.

PART 3—TRANSITION AUTHORITY

3851, 3852. Repealed.

SUBCHAPTER III—GENERAL PROVISIONS

PART 1—PROCUREMENT

3861. Procurement system.
3862. Panama Canal Board of Contract Appeals.

PART 2—ADMINISTRATION

3871. Annual report.
3872. Notification requirements.
3873. Exemption from Metric Conversion Act of 1975.

§ 3601. Congressional statement of purpose

It is the purpose of this chapter to provide legislation necessary or desirable for the implementation of the Panama Canal Treaty of 1977 between the United States of America and the Republic of Panama and of the related agreements accompanying that Treaty.

(Pub. L. 96–70, § 2, Sept. 27, 1979, 93 Stat. 455.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note below and Tables.

EFFECTIVE DATE

Pub. L. 96–70, title III, § 3304, Sept. 27, 1979, 93 Stat. 500, provided that: ''Except as provided in sections 1231 [enacting section 3671 of this title and amending sections 5595, 5724a, and 8102 of Title 5, Government Organization and Employees], 1232 [enacting section 3672 of this title and provisions set out as a note under section 3672 of this title], 1241 [amending section 8336 of Title 5 and enacting provisions set out as notes under section 8336 of Title 5], 1242 [amending section 8339 of Title 5 and enacting provisions set out as notes under section 8339 of Title 5], 1261 [enacting section 3691 of this title and provisions set out as a note under section 3691 of this title], 1605 [enacting section 3795 of this title and provisions set out as a note under section 3795 of this title], 2203 [enacting section 3843 of this title and provisions set out as a note under section 3843 of this title], 2402 [enacting section 3852 of this title and provisions set out as a note under section 3852 of this title], 3101 [enacting section 3861 of this title], and 3201 [amending sections 1101 and 1182 of Title 8, Aliens and Nationality, and enacting provisions set out as notes under sections 1101 and 1182 of Title 8] of this Act, the preceding provisions of this Act [see Short Title note below] shall take effect on the date on which the Panama Canal Treaty of 1977 enters into force [Oct. 1, 1979].''

SHORT TITLE OF 1999 AMENDMENT

Pub. L. 106–65, div. C, title XXXV, § 3501, Oct. 5, 1999, 113 Stat. 974, provided that: ''This title [amending section 3714a of this title and enacting provisions set out as a note under section 3714a of this title] may be cited as the 'Panama Canal Commission Authorization Act for Fiscal Year 2000'.''

SHORT TITLE OF 1997 AMENDMENT

Pub. L. 105–85, div. C, title XXXV, § 3511(a), Nov. 18, 1997, 111 Stat. 2062, provided that: ''This subtitle [subtitle B (§§ 3511–3550) of title XXXV of div. C of Pub. L. 105–85, enacting sections 3673, 3861, and 3862 of this title, amending sections 3602, 3612a, 3612b, 3613, 3620, 3622, 3642, 3650, 3652, 3656, 3657, 3658, 3661, 3662, 3664, 3671, 3681, 3701, 3712, 3714b, 3715c, 3731, 3751, 3752, 3771, 3772, 3776, and 3792 of this title and sections 5315, 5724, and 5724a of Title 5, Government Organization and Employees, repealing sections 3655, 3659, and 3665 of this title, and enacting provisions set out as notes under section 3650 of this title and section 5724 of Title 5] may be cited as the 'Panama Canal Transition Facilitation Act of 1997'.''

SHORT TITLE OF 1996 AMENDMENTS

Pub. L. 104–201, div. C, title XXXV, § 3521(a), Sept. 23, 1996, 110 Stat. 2860, provided that: ''This subtitle [subtitle B (§§ 3521–3549) of title XXXV of div. C of Pub. L. 104–201, enacting sections 3714b and 3873 of this title, amending sections 3602, 3613, 3614, 3623, 3642, 3649 to 3653, 3657, 3658, 3663, 3664, 3671, 3682, 3712, 3713, 3721, 3723, 3731, 3741, 3751, 3777, and 3811 of this title and sections 3401, 5102, 5342, 5343, 5348, 5373, 5537, 5541, 5924, 6322, and 7901

of Title 5, Government Organization and Employees, repealing sections 3654, 3683, 3711, 3795, 3801, 3802, 3831, 3841 to 3844, 3851, 3852, and 3861 of this title, enacting provisions set out as notes under sections 3613, 3614, and 3652 of this title, and repealing provisions set out as notes under sections 3795 and 3843 of this title] may be cited as the 'Panama Canal Act Amendments of 1996'.''

Pub. L. 104–106, div. C, title XXXV, § 3521, Feb. 10, 1996, 110 Stat. 638, provided that: ''This subtitle [subtitle B (§§ 3521–3530) of title XXXV of div. C of Pub. L. 104–106, enacting sections 3612a and 3612b of this title and amending sections 3611, 3612, 3645, 3712, 3713, 3723, 3731, 3761, 3775, 3776, 3791, and 3794 of this title and section 9101 of Title 31, Money and Finance] may be cited as the 'Panama Canal Amendments Act of 1995'.''

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100–705, § 1, Nov. 19, 1988, 102 Stat. 4685, provided that: ''This Act [enacting sections 3715 to 3715d of this title, amending sections 3612, 3712, and 3731 of this title, and enacting provisions set out as a note under section 3612 of this title] may be cited as the 'Panama Canal Commission Compensation Fund Act of 1988'.''

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100–203, title V, § 5421, Dec. 22, 1987, 101 Stat. 1330–271, provided that: ''This part [part 2 of subtitle E (§§ 5421–5429) of title V of Pub. L. 100–203, enacting section 3714 of this title, amending sections 3683, 3711, 3712, 3713, 3751, 3753, 3754, 3792, and 3793 of this title and section 8348 of Title 5, Government Organization and Employees, and enacting provisions set out as a note under section 3683 of this title] may be referred to as the 'Panama Canal Revolving Fund Act'.''

SHORT TITLE OF 1985 AMENDMENT

Pub. L. 99–209, § 1, Dec. 23, 1985, 99 Stat. 1716, provided that: ''This Act [enacting section 3779 of this title, amending sections 3771, 3772, and 3774 to 3776 of this title, and enacting provisions set out as a note under section 3771 of this title] may be cited as the 'Panama Canal Amendments Act of 1985'.''

SHORT TITLE

Pub. L. 96–70, § 1, Sept. 27, 1979, 93 Stat. 452, provided that: ''This Act [enacting this chapter, amending section 2778 of this title, sections 305, 5102, 5316, 5342, 5343, 5348, 5373, 5504, 5533, 5541, 5583, 5595, 5724a, 6301, 6322, 6323, 8102, 8146, 8335, 8336, 8339, 8348, 8701, and 8901 of Title 5, Government Organization and Employees, sections 1101 and 1182 of Title 8, Aliens and Nationality, section 213 of Title 29, Labor, sections 403, 3401, and 3682 of Title 39, Postal Service, and sections 191, 195, and 196 of Title 50, War and National Defense, repealing section 3402 of Title 39 and section 191b of Title 50, and enacting provisions set out as notes under sections 3601, 3602, 3672, 3691, 3795, 3843, and 3852 of this title, sections 8336 and 8339 of Title 5, and sections 1101 and 1182 of Title 8] may be cited as the 'Panama Canal Act of 1979'.''

EX. ORD. NO. 12173. CONTINUING APPLICABILITY OF PANAMA CANAL REGULATIONS

Ex. Ord. No. 12173, Nov. 29, 1979, 44 F.R. 69271, as amended by Ex. Ord. No. 12203, Mar. 26, 1980, 45 F.R. 20451, provided:

By the authority vested in me as President of the United States of America by Section 301 of Title 3 of the United States Code, by the Panama Canal Code (76A Stat. 1), as amended, and by Public Law 96–70 (93 Stat. 452) [see Short Title note above], and in accordance with the rights granted to the United States of America by the Panama Canal Treaty of 1977 ''to manage, operate, and maintain the Panama Canal, its complementary works, installations and equipment and to provide for the orderly transit of vessels through the Panama Canal,'' it is hereby ordered as follows:

1–101. All regulations that were adopted by the President or his delegates pursuant to former Title 2 of the Canal Zone Code (76A Stat. 6–50), repealed by Section 303(a)(1) [probably should be 3303(a)(1)] of Public Law 96–70, or actions taken pursuant thereto, that were in effect on September 30, 1979, and that address matters which the President is authorized to regulate pursuant to Public Law 96–70 [see Short Title note above], shall remain in effect unless or until amended, superseded, or otherwise terminated by the President or the Panama Canal Commission. This extension shall not apply to the extent that any such regulation or action is inconsistent with the provisions of the Panama Canal Treaty of 1977, its implementing agreements, or Public Law 96–70.

1–102. The Secretary of Defense shall exercise the powers and carry out the responsibilities vested in the President of the United States by the Panama Canal Code (76A Stat. 1), as amended, and Public Law 96–70 (93 Stat. 452), except for those powers and responsibilities vested in the President by Sections 1102(b), 1103, 1104, 1105(a), 1106(b), 1108, 1109(a), 1112(d), 1243(a)(1), 1321(c), 1344(b), 1504(b), 1601(a), 2206(b) and 3301 of Public Law 96–70 [sections 3612(b), 3613, 3614, 3615(a), 3616(b), 3618, 3619(a), 3622(d), 3681(a)(1), 3731(c), 3754(b), 3784(b), 3791(a), [former] 3844(b) and 3871 of this title]. This delegation shall be effective until May 15, 1980.

JIMMY CARTER.

EX. ORD. NO. 12215. DELEGATION OF PANAMA CANAL FUNCTIONS

Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, as amended by Ex. Ord. No. 12652, Sept. 19, 1988, 53 F.R. 36775, provided:

By the authority vested in me as President of the United States of America by the Panama Canal Code (76A Stat. 1), as amended, by the Panama Canal Act of 1979 (93 Stat. 452; 22 U.S.C. 3601 et seq.), and by Section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

1–1. THE SECRETARY OF DEFENSE

1–101. The Secretary of Defense shall develop for the President's consideration an appropriate legislative proposal as required by Section 3(d) of the Panama Canal Act of 1979 (93 Stat. 456; 22 U.S.C. 3602(d)). The Secretary of Defense shall coordinate development of this proposal with the Secretary of State and the heads of other interested Executive agencies.

1–102. The function vested in the President by Section 1212(d)(1) of the Panama Canal Act of 1979 (93 Stat. 464; 22 U.S.C. 3652(d)(1)) to exclude employees of, or positions within, the Department of Defense from coverage under any provision of subchapter II, Chapter 2 of Title I of the Panama Canal Act of 1979 [22 U.S.C. 3651 et seq.], is delegated to the Secretary of Defense.

1–103. The function vested in the President by Section 1281(b) of Title 6 of the Panama Canal Code (76A Stat. 455; 6 P.C.C. 1281(b)), as amended, with respect to areas and installations made available to the United States pursuant to the Agreement in Implementation of Article IV of the Panama Canal Treaty of 1977 is delegated to the Secretary of Defense.

1–104. The function vested in the President by Section 1701 of the Panama Canal Act of 1979 (93 Stat. 492; 22 U.S.C. 3801), with respect to regulations applicable within the areas and installations made available to the United States pursuant to the Agreement in Implementation of Article IV of the Panama Canal Treaty of 1977, is delegated to the Secretary of Defense.

1–105. The functions vested in the President by Sections 1243(c)(1) and 2401 of the Panama Canal Act of 1979 (93 Stat. 474 and 495; 22 U.S.C. 3681(c)(1) and 3851) are delegated to the Secretary of Defense.

1–106. The functions vested in the President by Section 1502(a) of the Panama Canal Act of 1979 (93 Stat. 488; 22 U.S.C. 3782(a)) are delegated to the Secretary of Defense.

1–2. COORDINATION OF PAY AND EMPLOYMENT PRACTICES

1–201. In order to coordinate the policies and activities of agencies under subchapter II of Chapter 2 of

Title I of the Panama Canal Act of 1979 (93 Stat. 463; 22 U.S.C. 3651 et seq.), each agency shall periodically consult with the Secretary of Defense with respect to the establishment of rates of pay, in order to develop compatible or unified systems for basic pay. In addition, each agency shall consult with the Secretary of Defense on such other matters as the Secretary may deem appropriate in order to develop compatible or unified employment practices.

1–202. The head of each agency shall, upon approval by the Secretary of Defense, adopt a schedule of basic pay pursuant to Section 1215 of the Panama Canal Act of 1979 (93 Stat. 465; 22 U.S.C. 3655) and adopt regulations governing other matters relating to pay and employment practices.

1–203. The authority vested in the President by Section 1223(a) of the Panama Canal Act of 1979 to coordinate the policies and activities of agencies (93 Stat. 467; 22 U.S.C. 3663(a)) is delegated to the Secretary of Defense. The Secretary shall exercise such functions in a manner which is in accord with the provisions of Sections 1–201 and 1–202 of this Order.

1–3. PANAMA CANAL COMMISSION

1–301. The functions vested in the President and delegated to the Secretary of Defense in this Section 1–3 of this Order shall be carried out by the Secretary of Defense, who shall, in carrying out the said functions, provide, by redelegation or otherwise, for their performance, in a manner consistent with paragraph 3 of Article III of the Panama Canal Treaty of 1977, by the Panama Canal Commission.

1–302. The authority of the President under Section 1104 of the Panama Canal Act of 1979 (93 Stat. 457; 22 U.S.C. 3614) to fix the compensation of and to define the authorities and duties of the Deputy Administrator and the Chief Engineer is delegated to the Secretary of Defense.

1–303. The functions vested in the President by Sections 1418, 1801, and 2206 of the Panama Canal Act of 1979 (93 Stat. 487, 492, and 494; 22 U.S.C. 3778, 3811, and 3844) are delegated to the Secretary of Defense.

1–304. The authority of the President under Section 1701 of the Panama Canal Act of 1979 (93 Stat. 492; 22 U.S.C. 3801) with respect to regulations applicable within the areas and installations made available to the United States pursuant to the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977 is delegated to the Secretary of Defense.

1–305. The function vested in the President by Section 1281(b) of Title 6 of the Panama Canal Code (76A Stat. 455; 6 P.C.C. 1281(b)), as amended, with respect to areas and installations in the Republic of Panama made available to the United States pursuant to the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977 is delegated to the Secretary of Defense.

1–306. The functions vested in the President by Sections 82 and 86 of Title 3 of the Panama Canal Code (76A Stat. 54 and 55; 3 P.C.C. 82 and 86), as amended, are delegated to the Secretary of Defense.

[1–307. Rescinded by Ex. Ord. No. 12652, Sept. 19, 1988, 53 F.R. 36775, eff. Jan. 1, 1989.]

1–308. Except to the extent heretofore delegated, the functions vested in the President pursuant to subchapter II of Chapter 2 of Title I of the Panama Canal Act of 1979 (93 Stat. 463) [22 U.S.C. 3651 et seq.] are hereby delegated to the Secretary of Defense.

1–4. OTHER AGENCIES

1–401. The functions vested in the President by Sections 1111 and 3301 of the Panama Canal Act of 1979 (93 Stat. 459 and 497; 22 U.S.C. 3621 and 3871), are delegated to the Secretary of State. The Secretary shall perform these functions in coordination with the Secretary of Defense.

1–402. The functions vested in the President by Sections 1112(d), 1344(b), and 1504(b) of the Panama Canal Act of 1979 (93 Stat. 460, 484, and 488; 22 U.S.C. 3622(d), 3754(b), and 3784(b)) are delegated to the Secretary of State.

1–403. The functions vested in the President by Section 1243(a)(1) of the Panama Canal Act of 1979 (93 Stat. 473; 22 U.S.C. 3681(a)(1)) are delegated to the Director of the Office of Personnel Management.

1–404. Paragraphs (22) and (23) of Section 1 of Executive Order No. 11609, as amended [set out as a note under section 301 of Title 3, The President], and Executive Order No. 11713 are revoked.

JIMMY CARTER.

§ 3602. Definitions

(a) References to Panama Canal Treaty of 1977 and related agreements

For purposes of this chapter—

(1) references to the Panama Canal Treaty of 1977 refer to the Panama Canal Treaty between the United States of America and the Republic of Panama, signed September 7, 1977; and

(2) references to the Panama Canal Treaty of 1977 and related agreements refer to the Panama Canal Treaty of 1977, the agreements relating to and implementing that Treaty, signed September 7, 1977, and the Agreement Between the United States of America and the Republic of Panama Concerning Air Traffic Control and Related Services, concluded January 8, 1979.

(b) Definitions

Subject to the provisions of subsection (c) of this section, for purposes of applying laws of the United States and regulations issued pursuant to such laws with respect to transactions, occurrences, or status on or after October 1, 1979—

(1) ''Canal Zone'' shall be deemed to refer to the areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements;

(2) ''Canal Zone waters'' and ''waters of the Canal Zone'' shall be deemed to refer to ''Panama Canal waters'' and ''waters of the Panama Canal'', respectively;

(3) ''Government of the Canal Zone'' or ''Canal Zone Government'' shall be deemed to refer to the United States of America;

(4) ''Governor of the Canal Zone'' or ''Governor'', wherever the reference is to the Governor of the Canal Zone, shall be deemed to refer to the Panama Canal Commission; and

(5) ''Panama Canal Company'' or ''Company'', wherever the reference is to the Panama Canal Company, shall be deemed to refer to the Panama Canal Commission.

(c) Applicability of subsection (b)

Any reference set forth in subsection (b) of this section shall apply except as otherwise provided in this chapter or unless (1) such reference is inconsistent with the provisions of this chapter, (2) in the context in which a term is used such reference is clearly not intended, or (3) a term refers to a time before October 1, 1979.

(d) Definitions relating to Canal transition

For purposes of this chapter:

(1) The term ''Canal Transfer Date'' means December 31, 1999, such date being the date specified in the Panama Canal Treaty of 1977

for the transfer of the Panama Canal from the United States of America to the Republic of Panama.

(2) The term ''Panama Canal Authority'' means the entity created by the Republic of Panama to succeed the Panama Canal Commission as of the Canal Transfer Date.

(Pub. L. 96–70, § 3, Sept. 27, 1979, 93 Stat. 455; Pub. L. 104–201, div. C, title XXXV, §§ 3522, 3548(c)(1), Sept. 23, 1996, 110 Stat. 2860, 2869; Pub. L. 105–85, div. C, title XXXV, §§ 3512, 3550(d)(1), (2)(A), Nov. 18, 1997, 111 Stat. 2063, 2074.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (c), and (d), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

REFERENCES TO CANAL ZONE CODE DEEMED REFERENCES TO PANAMA CANAL CODE

Pub. L. 96–70, title III, § 3303(b), Sept. 27, 1979, 93 Stat. 499, provided that: ''Those provisions of the Canal Zone Code not repealed by this Act are redesignated as the 'Panama Canal Code'. Any reference to the Canal Zone Code in those laws and regulations referred to in section 3(b) of this Act [subsec. (b) of this section] shall, subject to the provisions of such section, be deemed to refer to the [former] Panama Canal Code.''

AMENDMENTS

1997—Subsec. (b). Pub. L. 105–85, § 3550(d)(2)(A), substituted ''October 1, 1979'' for ''the effective date of this Act''.

Pub. L. 105–85, § 3550(d)(1), substituted ''laws of the United States and regulations issued pursuant to such laws'' for ''the Canal Zone Code or other laws of the United States and regulations issued pursuant to such Code or other laws'' in introductory provisions.

Subsec. (c). Pub. L. 105–85, § 3550(d)(2)(A), substituted ''October 1, 1979'' for ''the effective date of this Act''.

Subsec. (d). Pub. L. 105–85, § 3512, added subsec. (d).

1996—Pub. L. 104–201, § 3548(c)(1), struck out ''and recommendation for legislation'' after ''Definitions'' in section catchline.

Subsec. (b)(4) to (7). Pub. L. 104–201, § 3522(1), inserted ''and'' at end of par. (4), substituted a period for semicolon at end of par. (5), and struck out pars. (6) and (7) which read as follows:

''(6) in chapter 57 of title 5 of the Canal Zone Code, 'hospitals' and 'Health Bureau' shall be deemed to refer, respectively, to the hospitals operated by the United States in the Republic of Panama, and to the organizational unit operating such hospitals; and

''(7) in chapter 57 of title 5 of the Canal Zone Code, in section 4784 of title 6 of such Code, and in section 2 of title 7 of such Code, 'health director' shall be deemed to refer to the senior official in charge of the hospitals operated by the United States in the Republic of Panama.''

Subsec. (d). Pub. L. 104–201, § 3522(2), struck out subsec. (d) which read as follows: ''The President shall, within two years after October 1, 1979, submit to the Congress a request for legislation which would—

''(1) amend or repeal provisions of law which in their present form are applicable only during the transition period prescribed in Article XI of that Treaty,

''(2) repeal the Canal Zone Code, and

''(3) contain provisions considered necessary and appropriate in light of the experience as of that time under that Treaty.''

SUBCHAPTER I—ADMINISTRATION AND REGULATIONS

PART 1—PANAMA CANAL COMMISSION

§ 3611. Establishment, purposes, offices, and residence of Commission

(a) For the purposes of managing, operating, and maintaining the Panama Canal and its complementary works, installations and equipment, and of conducting operations incident thereto, in accordance with the Panama Canal Treaty of 1977 and related agreements, the Panama Canal Commission (hereinafter in this chapter referred to as the ''Commission'') is established as a wholly owned government corporation (as that term is used in chapter 91 of title 31) within the executive branch of the Government of the United States. The authority of the President with respect to the Commission shall be exercised through the Secretary of Defense.

(b) The principal office of the Commission shall be located in the Republic of Panama in one of the areas made available for use of the United States under the Panama Canal Treaty of 1977 and related agreements, but the Commission may establish branch offices in such other places as it considers necessary or appropriate for the conduct of its business. Within the meaning of the laws of the United States relating to venue in civil actions, the Commission is an inhabitant and resident of the District of Columbia and the eastern judicial district of Louisiana.

(Pub. L. 96–70, title I, § 1101, Sept. 27, 1979, 93 Stat. 456; Pub. L. 104–106, div. C, title XXXV, § 3522(a), Feb. 10, 1996, 110 Stat. 638.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1996—Pub. L. 104–106 amended section generally. Prior to amendment, section read as follows: ''There is established in the executive branch of the United States Government an agency to be known as the Panama Canal Commission (hereinafter in this chapter referred to as the 'Commission'). The Commission shall, under the general supervision of the Board established by section 3612 of this title, be responsible for the maintenance and operation of the Panama Canal and the facilities and appurtenances related thereto. The authority of the President with respect to the Commission shall be exercised through the Secretary of Defense.''

RECOMMENDATIONS BY PRESIDENT ON CHANGES TO PANAMA CANAL COMMISSION STRUCTURE

Pub. L. 102–484, div. C, title XXXV, § 3522, Oct. 23, 1992, 106 Stat. 2657, provided that:

''(a) REPORT.—The President shall conduct a study and, if warranted, develop a plan setting forth recommendations for such changes, if any, to the Panama Canal Commission for the operation of the Panama Canal during the period before the termination of the Panama Canal Treaty of 1977 as the President determines would facilitate and encourage the operation of the canal through an autonomous entity under the Government of Panama after the transfer of the canal

on December 31, 1999, pursuant to the Panama Canal Treaty of 1977 and related agreements. The President shall submit the study and, if warranted, plan to Congress, together with a legislative proposal containing any changes to existing law required to implement the plan, not later than one year after the date of the enactment of this Act [Oct. 23, 1992].

''(b) PREPARATION OF PLAN.—Recommendations to the President for purposes of the study and plan required by subsection (a) shall be prepared with the participation of a representative of each of the following:

''(1) The Secretary of State.
''(2) The Secretary of Defense.
''(3) The Secretary of the Treasury.
''(4) The Secretary of Commerce.
''(5) The Secretary of Transportation.
''(6) The Panama Canal Commission.

''(c) PLAN TO BE CONSISTENT WITH PANAMA CANAL TREATY.—The study and, if warranted, plan submitted by the President pursuant to subsection (a) shall be consistent with the Panama Canal Treaty of 1977 and related agreements.''

REPORT BY COMPTROLLER GENERAL ON CHANGES TO PANAMA CANAL COMMISSION STRUCTURE

Pub. L. 102–484, div. C, title XXXV, § 3523, Oct. 23, 1992, 106 Stat. 2658, provided that:

''(a) REPORT.—The Comptroller General shall submit to Congress a report analyzing the effectiveness of the fiscal, operational, and management structure of the Panama Canal Commission and setting forth recommendations for such changes to that structure as the Comptroller General determines would, if implemented, enable the Commission to operate more efficiently and, thereby, serve as a model for the Government of Panama for the operation of the Panama Canal after the transfer of the Panama Canal on December 31, 1999, pursuant to the Panama Canal Treaty of 1977 and related agreements. The Comptroller General shall submit the report to Congress not later than one year after the date of the enactment of this Act [Oct. 23, 1992].

''(b) PREPARATION OF REPORT.—In developing the report required by subsection (a), the Comptroller General shall seek the views of each of the following:

''(1) The Secretary of State.
''(2) The Secretary of Defense.
''(3) The Secretary of the Treasury.
''(4) The Secretary of Commerce.
''(5) The Secretary of Transportation.
''(6) The Panama Canal Commission.

''(c) REPORT TO BE CONSISTENT WITH PANAMA CANAL TREATY.—The recommendations in the report submitted by the Comptroller General pursuant to subsection (a) shall be consistent with the Panama Canal Treaty of 1977 and related agreements.''

§ 3612. Supervisory Board

(a) Composition of Board

The Commission shall be supervised by a Board composed of nine members, one of whom shall be an officer of the Department of Defense. The officer of the Department of Defense who shall serve on the Board shall be designated by the Secretary of Defense and may continue to serve on the Board only while continuing to serve as an officer of the Department of Defense. Not less than five members of the Board shall be nationals of the United States and the remaining members of the Board shall be nationals of the Republic of Panama. Three members of the Board who are nationals of the United States shall hold no other office in, and shall not be employed by, the Government of the United States, and shall be chosen for the independent perspective they can bring to the Commission's affairs. Members of the Board who are nationals of the United States shall cast their votes as directed by the the[1] officer of the Department of Defense designated by the Secretary of Defense to be a member of the Board.

(b) Membership of Board; appointing authority; compensation and travel expenses; compensation for non-Government Board members

The President shall appoint the members of the Board. The members of the Board who are United States nationals shall be appointed by and with the advice and consent of the Senate. Each member of the Board shall hold office at the pleasure of the President and, before assuming the duties of such office, shall take an oath to discharge faithfully the duties of his office. Members of the Board shall serve without compensation but shall be allowed travel or transportation expenses, including per diem in lieu of subsistence, in accordance with section 3617 of this title, except that, in addition to such travel or transportation expenses, members of the Board who hold no other office with either the Government of the United States or the Republic of Panama for which they receive pay are authorized to be compensated at the daily equivalent of the annual rate of basic pay in effect for level V of the Executive Schedule under section 5316 of title 5, for each day during which they are traveling to or from or attending meetings of the Board as provided in subsection (c) of this section or, as authorized by the Chairman of the Board, while on official Panama Canal Commission business.

(c) Meetings; quorum; proxies

The Board shall hold meetings as provided in regulations adopted by the Commission and approved by the Secretary of Defense. A quorum for the transaction of business shall consist of a majority of the Board members of which a majority of those present are nationals of the United States. The Secretary of Defense, or the officer of the Department of Defense designated by the Secretary under subsection (a) of this section, may act by proxy for any other member of the Board if that other member authorizes the proxy in writing and signs the proxy. The proxy may be counted to establish a quorum and may be used by the Secretary of Defense, or the officer of the Department of Defense designated by the Secretary under subsection (a) of this section, to cast the vote of the absent Board member and to act for that member with all the powers that member would possess if present.

(Pub. L. 96–70, title I, § 1102, Sept. 27, 1979, 93 Stat. 456; Pub. L. 98–217, Feb. 14, 1984, 98 Stat. 9; Pub. L. 99–223, § 6, Dec. 28, 1985, 99 Stat. 1740; Pub. L. 100–203, title V, § 5416, Dec. 22, 1987, 101 Stat. 1330–270; Pub. L. 100–705, § 7, Nov. 19, 1988, 102 Stat. 4686; Pub. L. 101–510, div. C, title XXXV, § 3504, Nov. 5, 1990, 104 Stat. 1846; Pub. L. 104–106, div. C, title XXXV, § 3523, Feb. 10, 1996, 110 Stat. 638; Pub. L. 105–261, div. C, title XXXV, § 3511(a), Oct. 17, 1998, 112 Stat. 2270.)

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–261 substituted ''The Commission shall be supervised by a Board composed of

[1] So in original.

nine members, one of whom shall be an officer of the Department of Defense. The officer of the Department of Defense who shall serve on the Board shall be designated by the Secretary of Defense and may continue to serve on the Board only while continuing to serve as an officer of the Department of Defense.'' for ''The Commission shall be supervised by a Board composed of nine members, one of whom shall be the Secretary of Defense or an officer of the Department of Defense designated by the Secretary.'' and ''the officer of the Department of Defense designated by the Secretary of Defense to be a member of the Board'' for ''Secretary of Defense or a designee of the Secretary of Defense''.

1996—Subsec. (a). Pub. L. 104–106 added subsec. (a) and struck out former subsec. (a) which read as follows: ''The Commission shall be supervised by a Board composed of nine members, one of whom shall be the Secretary of Defense or an officer of the Department of Defense designated by the Secretary. Not less than five members of the Board shall be nationals of the United States and the remaining members shall be nationals of the Republic of Panama. At least one of the members of the Board who are nationals of the United States shall be experienced and knowledgeable in the management or operation of an American-flag steamship line which has or had ships regularly transiting the Panama Canal, at least one other such member shall be experienced and knowledgeable in United States port operations or in the business of exporting or importing one of the regular commodities dependent on the Panama Canal as a transportation route, and at least one other such member shall be experienced and knowledgeable in labor matters in the United States. Three members of the Board shall hold no other office in or be employed by the Government of the United States. Members of the Board who are nationals of the United States shall cast their votes as directed by the Secretary of Defense or his designee.''

1990—Subsec. (b). Pub. L. 101–510 substituted ''level V of the Executive Schedule under section 5316'' for ''grade GS–18 of the General Schedule under section 5332''.

1988—Subsec. (c). Pub. L. 100–705 struck out after third sentence ''Only one proxy may be valid at any one time.''

1987—Subsec. (b). Pub. L. 100–203 inserted before period at end ''or, as authorized by the Chairman of the Board, while on official Panama Canal Commission business''.

1985—Subsec. (b). Pub. L. 99–223 inserted provisions relating to compensation of members of the Board who hold no other office with either the Government of the United States or the Republic of Panama for which they receive pay.

1984—Subsec. (c). Pub. L. 98–217 inserted provisions under which the Secretary of Defense or the officer of the Department of Defense designated by the Secretary may act by proxy for other members of the Board.

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100–705, § 10, Nov. 19, 1988, 102 Stat. 4687, provided that: ''This Act [enacting sections 3715 to 3715d of this title, amending this section and sections 3712 and 3731 of this title, and enacting provisions set out as a note under section 3601 of this title] takes effect on October 1, 1988.''

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–223, § 8, Dec. 28, 1985, 99 Stat. 1740, provided that: ''Section 5 and section 6 of the Act [enacting section 3650 of this title and amending this section and sections 3647 and 3731 of this title] shall be effective as of October 1, 1985.''

§ 3612a. General powers of Commission

(a) Corporate seal

The Commission may adopt, alter, and use a corporate seal, which shall be judicially noticed.

(b) Bylaws

The Commission may by action of the Board of Directors adopt, amend, and repeal bylaws governing the conduct of its general business and the performance of the powers and duties granted to or imposed upon it by law.

(c) Suits by and against Commission

The Commission may sue and be sued in its corporate name, except that—

(1) the amenability of the Commission to suit is limited by Article VIII of the Panama Canal Treaty of 1977, section 3761 of this title, and otherwise by law;

(2) an attachment, garnishment, or similar process may not be issued against salaries or other moneys owed by the Commission to its employees except as provided by section 5520a of title 5 and sections 659, 661, and 662[1] of title 42, or as otherwise specifically authorized by the laws of the United States; and

(3) the Commission is exempt from the payment of interest on claims and judgments.

(d) Contracts, leases, agreements, or other transactions

The Commission may enter into contracts, leases, agreements, or other transactions.

(e) Obligations and expenditures

The Commission—

(1) may determine the character of, and necessity for, its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid; and

(2) may incur, allow, and pay its obligations and expenditures, subject to pertinent provisions of law generally applicable to Government corporations.

(f) Priority in payment of debts out of bankrupt estates

The Commission shall have the priority of the Government of the United States in the payment of debts out of bankrupt estates.

(g) Appointment of notaries public

(1) The Commission may appoint any United States citizen to have the general powers of a notary public to perform, on behalf of Commission employees and their dependents outside the United States, any notarial act that a notary public is required or authorized to perform within the United States. Unless an earlier expiration is provided by the terms of the appointment, any such appointment shall expire three months after the Canal Transfer Date.

(2) Every notarial act performed by a person acting as a notary under paragraph (1) shall be as valid, and of like force and effect within the United States, as if executed by or before a duly authorized and competent notary public in the United States.

(3) The signature of any person acting as a notary under paragraph (1), when it appears with the title of that person's office, is prima facie evidence that the signature is genuine, that the person holds the designated title, and that the person is authorized to perform a notarial act.

(h) Limitations on authority

The authority of the Commission under this section and section 3612b of this title is subject

[1] See References in Text note below.

to the Panama Canal Treaty of 1977 and related agreements, and to chapter 91 of title 31.

(Pub. L. 96–70, title I, § 1102a, as added Pub. L. 104–106, div. C, title XXXV, § 3524(a), Feb. 10, 1996, 110 Stat. 639; amended Pub. L. 105–85, div. C, title XXXV, §§ 3546, 3550(d)(3), Nov. 18, 1997, 111 Stat. 2073, 2074.)

REFERENCES IN TEXT

Sections 661 and 662 of title 42, referred to in subsec. (c)(2), were repealed by Pub. L. 104–193, title III, § 362(b)(1), Aug. 22, 1994, 110 Stat. 2246.

AMENDMENTS

1997—Subsec. (g). Pub. L. 105–85, § 3546(2), added subsec. (g). Former subsec. (g) redesignated (h).

Subsec. (h). Pub. L. 105–85, § 3550(d)(3), made technical amendment to reference in original act which appears in text as reference to section 3612b of this title.

Pub. L. 105–85, § 3546(1), redesignated subsec. (g) as (h).

§ 3612b. Specific powers of Commission

(a) Panama Canal management, operation, and maintenance

The Commission may manage, operate, and maintain the Panama Canal.

(b) Establishment, maintenance, and operation of activities, facilities, and appurtenances

The Commission may construct or acquire, establish, maintain, and operate such activities, facilities, and appurtenances as necessary and appropriate for the accomplishment of the purposes of this chapter, including the following:

(1) Docks, wharves, piers, and other shoreline facilities.

(2) Shops and yards.

(3) Marine railways, salvage and towing facilities, fuel-handling facilities, and motor transportation facilities.

(4) Power systems, water systems, and a telephone system.

(5) Construction facilities.

(6) Living quarters and other buildings.

(7) Warehouses, storehouses, a printing plant, and manufacturing, processing, or service facilities in connection therewith.

(8) Recreational facilities.

(c) Use of United States mails

The Commission may use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

(d) Necessary or appropriate actions

The Commission may take such actions as are necessary or appropriate to carry out the powers specifically conferred upon it.

(e) Commercial activities

The Commission may conduct and promote commercial activities related to the management, operation, or maintenance of the Panama Canal. Any such commercial activity shall be carried out consistent with the Panama Canal Treaty of 1977 and related agreements.

(f) Donations

(1) The Commission may seek and accept donations of funds, property, and services from individuals, foundations, corporations, and other private and public entities for the purpose of carrying out its promotional activities.

(2) The Commission shall establish written guidelines setting forth the criteria to be used in determining whether the acceptance of funds, property, or services authorized by paragraph (1) would reflect unfavorably upon the ability of the Commission (or any employee of the Commission) to carry out its responsibilities or official duties in a fair and objective manner or would compromise the integrity or the appearance of the integrity of its programs or of any official in those programs.

(Pub. L. 96–70, title I, § 1102b, as added Pub. L. 104–106, div. C, title XXXV, § 3524(a), Feb. 10, 1996, 110 Stat. 639; amended Pub. L. 105–85, div. C, title XXXV, § 3547, Nov. 18, 1997, 111 Stat. 2073; Pub. L. 105–261, div. C, title XXXV, § 3505, Oct. 17, 1998, 112 Stat. 2268.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979 which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1998—Subsec. (f). Pub. L. 105–261 added subsec. (f).

1997—Subsec. (e). Pub. L. 105–85 added subsec. (e).

§ 3613. Administrator

(a) Appointment

There shall be an Administrator of the Commission who shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.

(b) Compensation

The Administrator shall be paid compensation in an amount, established by the Board, not to exceed level III of the Executive Schedule.

(c) Authority for dual role

The Congress consents, for purposes of the 8th clause of article I, section 9 of the Constitution of the United States, to the acceptance by the individual serving as Administrator of the Commission of appointment by the Republic of Panama to the position of Administrator of the Panama Canal Authority. Such consent is effective only if that individual, while serving in both such positions, serves as Administrator of the Panama Canal Authority without compensation, except for payments by the Republic of Panama of travel and entertainment expenses, including per diem payments.

(d) Waiver of ethics and reporting requirements

If before the Canal Transfer Date the Republic of Panama appoints as the Administrator of the Panama Canal Authority the individual serving as the Administrator of the Commission and if that individual accepts the appointment—

(1) during any period during which that individual serves as both Administrator of the Commission and the Administrator of the Panama Canal Authority—

(A) the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611 et seq.), shall not apply to that individual with respect to

service as the Administrator of the Panama Canal Authority;

(B) that individual, with respect to participation in any particular matter as the Administrator of the Panama Canal Commission, is not subject to section 208(a) of title 18, insofar as that section would otherwise apply to that matter only because the matter will have a direct and predictable effect on the financial interest of the Panama Canal Authority;

(C) that individual is not subject to sections 203 and 205 of title 18, with respect to official acts performed as an agent or attorney for or otherwise representing the Panama Canal Authority; and

(D) that individual is not subject to sections 501(a) and 502(a)(4) of the Ethics in Government Act of 1978 (5 U.S.C. App.), with respect to compensation received for, and service in, the position of Administrator of the Panama Canal Authority; and

(2) effective upon termination of the individual's appointment as Administrator of the Panama Canal Commission at noon on the Canal Transfer Date, that individual is not subject to section 207 of title 18, with respect to acts done in carrying out official duties as Administrator of the Panama Canal Authority.

(Pub. L. 96–70, title I, § 1103, Sept. 27, 1979, 93 Stat. 457; Pub. L. 104–201, div. C, title XXXV, § 3523(a), Sept. 23, 1996, 110 Stat. 2860; Pub. L. 105–85, div. C, title XXXV, § 3521, Nov. 18, 1997, 111 Stat. 2063.)

REFERENCES IN TEXT

Level III of the Executive Schedule, referred to in subsec. (b), is set out in section 5314 of Title 5, Government Organization and Employees.

The Foreign Agents Registration Act of 1938, referred to in subsec. (d)(1)(A), is act June 8, 1938, ch. 327, 52 Stat. 631, as amended, which is classified generally to subchapter II (§ 611 et seq.) of chapter 11 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 611 of this title and Tables.

Sections 501(a) and 502(a)(4) of the Ethics in Government Act of 1978, referred to in subsec. (d)(1)(D), are sections 501(a) and 502(a)(4) of Pub. L. 95–521, which are set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

1997—Subsecs. (c), (d). Pub. L. 105–85 added subsecs. (c) and (d).

1996—Pub. L. 104–201 amended section generally. Prior to amendment, section read as follows: ''There shall be an Administrator of the Commission, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.''

SAVINGS PROVISION

Pub. L. 104–201, div. C, title XXXV, § 3523(b), Sept. 23, 1996, 110 Stat. 2860, provided that: ''Nothing in this section [amending this section] (or section 3549(3) [section 3549 of Pub. L. 104–201 did not contain a par. (3) and is not classified to the Code]) shall be considered to affect—

''(1) the tenure of the individual serving as Administrator of the Commission on the day before subsection (a) takes effect [section 3523(a) of Pub. L. 104–201, effective Sept. 23, 1996]; or

''(2) until modified under section 1103(b) of the Panama Canal Act of 1979 [subsec. (b) of this section], as amended by subsection (a), the compensation of the individual so serving.''

§ 3614. Deputy Administrator

(a) Appointment and duties

There shall be a Deputy Administrator of the Commission who shall be appointed by the President. The Deputy Administrator shall perform such duties as may be prescribed by the Board.

(b) Compensation

The Deputy Administrator shall be paid compensation at a rate of pay, established by the Board, which does not exceed the rate of basic pay in effect for level IV of the Executive Schedule, and, if eligible, shall be paid the overseas recruitment and retention differential provided for in section 3657 of this title.

(Pub. L. 96–70, title I, § 1104, Sept. 27, 1979, 93 Stat. 457; Pub. L. 101–510, div. C, title XXXV, § 3505, Nov. 5, 1990, 104 Stat. 1846; Pub. L. 104–201, div. C, title XXXV, § 3524(a), Sept. 23, 1996, 110 Stat. 2860.)

REFERENCES IN TEXT

Level IV of the Executive Schedule, referred to in subsec. (b), is set out in section 5315 of Title 5, Government Organization and Employees.

AMENDMENTS

1996—Pub. L. 104–201 struck out ''and Chief Engineer'' after ''Deputy Administrator'' in section catchline and amended text generally. Prior to amendment, text read as follows:

''(a) There shall be a Deputy Administrator and a Chief Engineer of the Commission, both of whom shall be appointed by the President. The Deputy Administrator and the Chief Engineer shall perform such duties as may be prescribed by the President.

''(b) The Deputy Administrator and the Chief Engineer shall each be paid compensation at a rate of pay established by the President which does not exceed the rate of basic pay in effect for grade GS–18 of the General Schedule under section 5332 of title 5, and, if eligible, shall each be paid the overseas recruitment or retention differential provided for in section 3657 of this title.''

1990—Subsec. (b). Pub. L. 101–510 inserted before period at end '', and, if eligible, shall each be paid the overseas recruitment or retention differential provided for in section 3657 of this title''.

DELEGATION OF FUNCTIONS

Authority of President under this section to fix the compensation of and to define authorities and duties of Deputy Administrator delegated to Secretary of Defense, see section 1–302 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

SAVINGS PROVISION

Pub. L. 104–201, div. C, title XXXV, § 3524(b), Sept. 23, 1996, 110 Stat. 2861, provided that: ''Nothing in this section [amending this section] shall be considered to affect—

''(1) the tenure of the individual serving as Deputy Administrator of the Commission on the day before subsection (a) takes effect [section 3524(a) of Pub. L. 104–201, effective Sept. 23, 1996]; or

''(2) until modified under section 1104(b) of the Panama Canal Act of 1979 [subsec. (b) of this section], as amended by subsection (a), the compensation of the individual so serving.''

§ 3615. Consultative Committee

(a) Designation and coordination

The President shall designate, and the Secretary of State shall coordinate the participation of, representatives of the United States to the Consultative Committee to be established under paragraph 7 of Article III of the Panama Canal Treaty of 1977.

(b) Functions

The Consultative Committee shall function as a diplomatic forum for the exchange of views between the United States and the Republic of Panama. The Committee shall advise the United States Government and the Government of the Republic of Panama on matters of policy affecting the operation of the Panama Canal. The Committee shall have no authority to direct the Commission or any other department or agency of the United States to initiate or withhold action.

(Pub. L. 96–70, title I, § 1105, Sept. 27, 1979, 93 Stat. 457.)

§ 3616. Joint Commission on the Environment

(a) Establishment; composition

The United States and the Republic of Panama, in accordance with the Panama Canal Treaty of 1977, shall establish a Joint Commission on the Environment (hereinafter in this section referred to as the ''Joint Commission'') to be composed of not more than three representatives of the United States and three representatives of the Republic of Panama, or such other equivalent numbers of representatives as may be agreed upon by the Governments of the two countries. The United States members of the Joint Commission shall periodically review the implementation of the Panama Canal Treaty of 1977 with respect to its impact on the environment and shall, jointly with the representatives of the Government of Panama, make recommendations to the United States Government and the Government of the Republic of Panama with respect to ways to avoid or mitigate adverse environmental impacts resulting from actions taken pursuant to such Treaty.

(b) Appointment; compensation and travel expenses

Representatives of the United States on the Joint Commission shall be appointed by the President and shall serve at the pleasure of the President. Such representatives shall serve without compensation but shall be allowed travel or transportation expenses, including per diem in lieu of subsistence, in accordance with section 3617 of this title.

(c) Protection of pay, seniority, or other rights or benefits of appointed or detailed Federal employees

Any Federal employee subject to the civil service laws and regulations who is detailed to serve with, or appointed by, the United States representatives on the Joint Commission shall not lose any pay, seniority, or other rights or benefits by reason of such detail or appointment.

(d) Compensation of necessary personnel

The United States representatives on the Joint Commission may, to such extent or in such amounts as are provided in advance in appropriation Acts, appoint and fix the compensation of such personnel as the representatives of the United States on the Joint Commission may consider necessary for the participation of the United States on the Joint Commission.

(e) Rules of procedure; establishment; approval

The United States representatives on the Joint Commission may, in cooperation with the representatives of the Republic of Panama on the Joint Commission, establish rules of procedure to be used by the Joint Commission in conducting its affairs, subject to the approval of such rules by the Governments of the United States and the Republic of Panama.

(Pub. L. 96–70, title I, § 1106, Sept. 27, 1979, 93 Stat. 457.)

§ 3617. Travel expenses

While away from their homes, regular places of business, or official stations in performance of services under this part, members of the Board of the Commission and the representatives of the United States on the Consultative Committee referred to in section 3615 of this title and on the Joint Commission on the Environment referred to in section 3616 of this title shall be allowed travel or transportation expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5.

(Pub. L. 96–70, title I, § 1107, Sept. 27, 1979, 93 Stat. 458.)

§ 3618. Defense of Panama Canal

In the event of an armed attack against the Panama Canal, or when, in the opinion of the President, conditions exist which threaten the security of the Canal, the Administrator of the Commission shall, upon the order of the President, comply with such directives as the United States military officer charged with the protection and defense of the Panama Canal may consider necessary in the exercise of his duties.

(Pub. L. 96–70, title I, § 1108, Sept. 27, 1979, 93 Stat. 458.)

§ 3619. Joint sea level canal study

(a) Committee; appointment of representatives

The President shall appoint the representatives of the United States to any joint committee or body with the Republic of Panama to study the possibility of a sea level canal in the Republic of Panama pursuant to Article XII of the Panama Canal Treaty of 1977.

(b) Transmittal of study to President of Senate and Speaker of House of Representatives

Upon the completion of any joint study between the United States and the Republic of Panama concerning the feasibility of a sea level canal in the Republic of Panama pursuant to paragraph 1 of Article XII of the Panama Canal Treaty of 1977, the text of the study shall be

transmitted by the President to the President of the Senate and to the Speaker of the House of Representatives.

(c) Congressional authorization respecting construction of sea level canal

No construction of a sea level canal by the United States in the Republic of Panama shall be undertaken except with express congressional authorization after submission of the study by the President as provided in subsection (b) of this section.

(Pub. L. 96–70, title I, § 1109, Sept. 27, 1979, 93 Stat. 459.)

§ 3620. Authority of Ambassador; independence of Commission regarding its Panama Canal responsibilities

(a) Authority of Ambassador

The United States Ambassador to the Republic of Panama shall have full responsibility for the coordination of the transfer to the Republic of Panama of those functions that are to be assumed by the Republic of Panama pursuant to the Panama Canal Treaty of 1977 and related agreements.

(b) Independence of Commission regarding its Panama Canal responsibilities

(1) The Commission shall not be subject to the direction or supervision of the United States Chief of Mission in the Republic of Panama with respect to the responsibilities of the Commission for the operation, management, or maintenance of the Panama Canal, as established in this chapter or any other Act or in the Panama Canal Treaty of 1977 and related agreements, except that the Commission shall keep the Ambassador fully and currently informed with respect to all activities and operations of the Commission.

(2) Except as provided in paragraph (1) of this subsection, section 3927 of this title shall apply with respect to the activities of the Commission.

(c) Agreements for United States to provide post-transfer administrative services for certain employee benefits

(1) The Secretary of State may enter into one or more agreements to provide for the United States to furnish administrative services relating to the benefits described in paragraph (2) after December 31, 1999, and to establish appropriate procedures for providing advance funding for the services.

(2) The benefits referred to in paragraph (1) are the following:

(A) Pension, disability, and medical benefits provided by the Panama Canal Commission pursuant to section 3682 of this title.

(B) Compensation for work injuries covered by chapter 81 of title 5.

(Pub. L. 96–70, title I, § 1110, Sept. 27, 1979, 93 Stat. 459; Pub. L. 105–85, div. C, title XXXV, § 3550(d)(4), Nov. 18, 1997, 111 Stat. 2074; Pub. L. 105–261, div. C, title XXXV, § 3506, Oct. 17, 1998, 112 Stat. 2269.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1998—Subsec. (c). Pub. L. 105–261 added subsec. (c).

1997—Subsec. (b)(2). Pub. L. 105–85 substituted ''section 3927'' for ''section 2680a''.

§ 3621. Security legislation

It is the sense of the Congress that the best interests of the United States require that the President enter into negotiations with the Republic of Panama for the purpose of arranging for the stationing of United States military forces, after the termination of the Panama Canal Treaty of 1977, in the area comprising the Canal Zone before October 1, 1979, and for the maintenance of installations and facilities, after the termination of such Treaty, for the use of United States military forces stationed in such area. The President shall report to the Congress in a timely manner the status of negotiations conducted pursuant to this section.

(Pub. L. 96–70, title I, § 1111, Sept. 27, 1979, 93 Stat. 459.)

DELEGATION OF FUNCTIONS

Functions vested in President by this section delegated to Secretary of State who shall perform such functions in coordination with Secretary of Defense, see section 1–401 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

§ 3622. Code of conduct for Commission personnel

(a) Oath; compliance with laws of United States regarding duties and responsibilities of Federal employees

Before assuming the duties of his office or employment, each member of the Board of the Commission and each officer and employee of the Commission shall take an oath to discharge faithfully the duties of his office or employment. All employees of the Commission shall be subject to the laws of the United States regarding duties and responsibilities of Federal employees.

(b) Adoption of code of conduct; time limit; contents

Not later than 60 days after all the members of the Board of the Commission have been appointed, the Board shall adopt a code of conduct applicable to the persons referred to in subsection (a) of this section. The code of conduct shall contain provisions substantially equivalent to those contained in part 735 of title 5 of the Code of Federal Regulations on October 1, 1979. The code of conduct shall, at a minimum, contain provisions substantially equivalent to the following provisions of law:

(1) the provisions of chapter 11 of title 18, relating to bribery, graft, or conflicts of interest, as appropriate to the employees concerned;

(2) section 7352 of title 5;

(3) sections 207, 208, 285, 508, 641, 645, 1001, 1917, and 2071 of title 18;

(4) section 1343, 1344, and 1349(b) of title 31;

(5) the Ethics in Government Act of 1978 (92 Stat. 1824), as amended; and

(6) those provisions of the laws and regulations of the Republic of Panama which are substantially equivalent to those of the United States set forth in this subsection.

(c) Investigations by Commission respecting violations; recommendations for suspension

The Commission shall investigate any allegations regarding the violation of the code of conduct adopted pursuant to subsection (b) of this section. The Commission may recommend that the President suspend from the performance of his duties any member of the Board of the Commission or any officer or employee of the Commission, pending judicial proceedings by appropriate authorities concerning such allegations.

(d) Measures to insure compliance with code of conduct

The President shall negotiate suitable arrangements with the Republic of Panama whereby each nation shall agree to take all measures within its legal authority to assure that members of the Board of the Commission comply with the code of conduct established pursuant to subsection (b) of this section. Without prejudice to such jurisdiction as the United States may have with respect to members of the Board, the provisions of law enumerated in subsection (b) of this section shall be enforced with respect to members of the Board only in accordance with such arrangements.

(e) Waiver of post-employment restrictions

(1) Section 207 of title 18 does not apply to a covered individual with respect to acts done in carrying out official duties as an officer or employee of the Panama Canal Authority.

(2) For purposes of paragraph (1), a covered individual is an officer or employee of the Panama Canal Authority who was an officer or employee of the Commission (other than the Administrator) and whose employment with the Commission terminated at noon on the Canal Transfer Date.

(3) This subsection is effective as of the Canal Transfer Date.

(f) Consent for acceptance of employment by Panama Canal Authority

(1) The Congress consents to the following persons accepting civil employment (and compensation for that employment) with the Panama Canal Authority for which the consent of the Congress is required by the last paragraph of section 9 of article I of the Constitution of the United States, relating to acceptance of emoluments, offices, or titles from a foreign government:

(A) Retired members of the uniformed services.

(B) Members of a reserve component of the armed forces.

(C) Members of the Commissioned Reserve Corps of the Public Health Service.

(2) The consent of the Congress under paragraph (1) is effective without regard to subsection (b) of section 908 of title 37 (relating to approval required for employment of Reserve and retired members by foreign governments).

(Pub. L. 96–70, title I, § 1112, Sept. 27, 1979, 93 Stat. 459; Pub. L. 105–85, div. C, title XXXV, §§ 3522, 3550(d)(2)(A), Nov. 18, 1997, 111 Stat. 2064, 2074.)

REFERENCES IN TEXT

The Ethics in Government Act of 1978 (92 Stat. 1824), as amended, referred to in subsec. (b)(5), is Pub. L. 95–521, Oct. 26, 1978, 92 Stat. 1824, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 101 of Pub. L. 95–521 in the Appendix to Title 5, Government Organization and Employees, and Tables.

CODIFICATION

In subsec. (b)(4), ''sections 1343, 1344, and 1349(b) of title 31'' substituted for ''section 5 of the Act of July 16, 1914 (31 U.S.C. 638a), as amended'' on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

AMENDMENTS

1997—Subsec. (b). Pub. L. 105–85, § 3550(d)(2)(A), substituted ''October 1, 1979'' for ''the effective date of this Act''.

Subsecs. (e), (f). Pub. L. 105–85, § 3522, added subsecs. (e) and (f).

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (d) of this section delegated to Secretary of State, see section 1–402 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

§ 3623. Office of Ombudsman

(a) Establishment; appointment of Ombudsman; functions

There is established within the Commission an Office of Ombudsman, to be directed by an Ombudsman, who shall be appointed by the Commission. It shall be the function of the Office of Ombudsman to receive individual complaints, grievances, requests, and suggestions of employees (and their dependents) of the Commission and other departments and agencies of the United States, including the Smithsonian Institution, conducting operations before October 1, 1979, in the area then comprising the Canal Zone concerning administrative problems, inefficiencies, and conflicts caused within departments and agencies of the United States, including the Smithsonian Institution, as a result of the implementation of the Panama Canal Treaty of 1977 and related agreements.

(b) Authority to make findings, render assistance, and offer recommendations

The Ombudsman shall make findings and render assistance with respect to the complaints, grievances, requests, and suggestions submitted to the Office of Ombudsman, and shall make appropriate recommendations to the Commission or any other department or agency of the United States, including the Smithsonian Institution.

(c) Effect on procedures for grievances, appeals, or administrative matters under this chapter, in other provisions of law, or in Federal regulations

The establishment of the Office of Ombudsman shall not affect any procedures for grievances, appeals, or administrative matters in any other

provision of this chapter, any other provision of law, or any Federal regulation.

(d) Termination date

The Office of Ombudsman shall terminate upon the termination of the Panama Canal Treaty of 1977.

(Pub. L. 96–70, title I, § 1113, Sept. 27, 1979, 93 Stat. 460; Pub. L. 104–201, div. C, title XXXV, § 3525, Sept. 23, 1996, 110 Stat. 2861.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1996—Subsecs. (d), (e). Pub. L. 104–201 redesignated subsec. (e) as (d) and struck out former subsec. (d) which read as follows: ''The Ombudsman shall be a citizen of the United States.''

PART 2—EMPLOYEES

SUBPART I—PANAMA CANAL COMMISSION PERSONNEL

§ 3641. Definitions

As used in this part—

(1) ''Executive agency'' has the meaning given that term in section 105 of title 5;

(2) ''uniformed services'' has the meaning given that term in section 2101(3) of title 5;

(3) ''competitive service'' has the meaning given that term in section 2102 of title 5; and

(4) ''United States'', when used in a geographic sense, means each of the several States and the District of Columbia.

(Pub. L. 96–70, title I, § 1201, Sept. 27, 1979, 93 Stat. 461.)

EMPLOYMENT OF COMMISSION EMPLOYEES BY GOVERNMENT OF PANAMA

Pub. L. 103–160, div. C, title XXXV, § 3504, Nov. 30, 1993, 107 Stat. 1965, provided that:

''(a) CONSENT OF CONGRESS.—Subject to subsection (b), the Congress consents to employees of the Panama Canal Commission who are not citizens of the United States accepting civil employment with agencies and organizations affiliated with the Government of Panama (and compensation for that employment) for which the consent of Congress is required by the 8th clause of section 9 of article I of the Constitution of the United States, relating to acceptance of emolument, office, or title from a foreign State.

''(b) CONDITION.—Employees described in subsection (a) may accept employment described in such subsection (and compensation for that employment) only if the employment is approved by the designated agency ethics official of the Panama Canal Commission designated pursuant to the Ethics in Government Act of 1978 (5 U.S.C. App.), and by the Administrator of the Panama Canal Commission.''

§ 3642. Appointment and compensation; duties

(a) Officers and employees

In accordance with this part, the Commission may appoint, fix the compensation of, and define the authority and duties of officers and employees (other than the Administrator and Deputy Administrator) necessary for the management, operation, and maintenance of the Panama Canal and its complementary works, installations, and equipment.

(b) Eligibility to serve as officer or employee of Commission

Individuals serving in any Executive agency (other than the Commission) or the Smithsonian Institution, including individuals in the uniformed services, may, if appointed under this section or section 3614 of this title, serve as officers or employees of the Commission.

(c) Salary protection

In the case of an individual who is an officer or employee of the Commission on November 17, 1997, and who has not had a break in service with the Commission since that date, the rate of basic pay for that officer or employee may not be less than the rate in effect for that officer or employee on that date except—

(1) as provided in a collective bargaining agreement;

(2) as a result of an adverse action against the officer or employee; or

(3) pursuant to a voluntary demotion.

(Pub. L. 96–70, title I, § 1202, Sept. 27, 1979, 93 Stat. 461; Pub. L. 104–201, div. C, title XXXV, § 3526, Sept. 23, 1996, 110 Stat. 2861; Pub. L. 105–85, div. C, title XXXV, § 3523(b), Nov. 18, 1997, 111 Stat. 2065; Pub. L. 105–261, div. C, title XXXV, § 3512(a)(1), Oct. 17, 1998, 112 Stat. 2271.)

AMENDMENTS

1998—Subsec. (c). Pub. L. 105–261, § 3512(a)(1)(C), which directed substitution of ''that date'' for ''the day before the date of enactment'', was executed by making the substitution for ''the day before that date of enactment'' before ''except'' in introductory provisions to reflect the probable intent of Congress.

Pub. L. 105–261, § 3512(a)(1)(A), (B), in introductory provisions, substituted ''November 17, 1997,'' for ''the day before the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and struck out ''on or after that date'' after ''pay for that officer or employee''.

1997—Subsec. (c). Pub. L. 105–85 added subsec. (c).

1996—Pub. L. 104–201 amended text generally. Prior to amendment, text read as follows:

''(a) In accordance with this part, the Panama Canal Commission may appoint without regard to the provisions of title 5, relating to appointments in the competitive service, fix the compensation of, and define the authority and duties of, officers, agents, attorneys, and employees (other than the Administrator, Deputy Administrator, and Chief Engineer) necessary for the management, operation, and maintenance of the Panama Canal and its complementary works, installations, and equipment.

''(b) Individuals serving in any Executive agency (other than the Commission) or the Smithsonian Institution, including individuals serving in the uniformed services, may, if appointed under this section or section 3613 or 3614 of this title, serve as officers or employees of the Commission.''

§ 3643. Transfer of Federal employees

(a) Authority to enter into agreements; reemployment rights

The head of any agency may enter into agreements for the transfer or detail to the Commission of any employee of that agency serving

under a permanent appointment. Any employee who so transfers or is so detailed shall, upon completion of the employee's tour of duty with the Commission, be entitled to reemployment with the agency from which the employee was transferred or detailed without loss of pay, seniority, or other rights or benefits to which the employee would have been entitled had the employee not been so transferred or been so detailed.

(b) "Agency" defined

For purposes of this section, the term ''agency'' means an Executive agency, the United States Postal Service, and the Smithsonian Institution.

(c) Regulations

The Office of Personnel Management shall prescribe regulations to carry out the purposes of this section.

(Pub. L. 96–70, title I, § 1203, Sept. 27, 1979, 93 Stat. 461.)

§ 3644. Compensation of individuals in uniformed services

(a) Individual serving in a position in Commission

Except as provided in subsection (b) of this section, any individual who is serving in a position in the Commission and who is a member of a uniformed service shall continue to be paid basic pay by such uniformed service and shall not be paid by the Commission for the period of the service in the uniformed service involved.

(b) Individual appointed as Administrator, Deputy Administrator, or Chief Engineer

If the individual appointed as Administrator, Deputy Administrator, or Chief Engineer of the Commission is a member of a uniformed service, the amount of basic pay otherwise payable to the individual for service in that position shall be reduced, up to the amount of that basic pay, by the amount of the basic pay payable to the individual as a member of a uniformed service.

(c) Reimbursement to uniformed service

The Commission shall annually pay to each uniformed service amounts sufficient to reimburse that uniformed service for any basic pay paid by that uniformed service to any member of that service during any period of service in the Commission by the member.

(Pub. L. 96–70, title I, § 1204, Sept. 27, 1979, 93 Stat. 461.)

§ 3645. Deduction from basic pay of amounts due for supplies or services

The Commission may deduct from the basic pay otherwise payable by the Commission to any officer or employee of the Commission any amount due from the officer or employee to the Commission or to any contractor of the Commission for transportation, board, supplies, or any other service. Any amount so deducted may be paid by the Commission to any contractor to whom it is due or may be credited by the Commission to any fund from which the Commission has expended such amount.

(Pub. L. 96–70, title I, § 1205, Sept. 27, 1979, 93 Stat. 462; Pub. L. 104–106, div. C, title XXXV, § 3529(1), Feb. 10, 1996, 110 Stat. 641.)

AMENDMENTS

1996—Pub. L. 104–106 substituted ''fund'' for ''appropriation''.

§§ 3646, 3647. Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269

Section 3646, Pub. L. 96–70, title I, § 1206, Sept. 27, 1979, 93 Stat. 462, related to cost of living allowance.

Section 3647, Pub. L. 96–70, title I, § 1207, Sept. 27, 1979, 93 Stat. 462; Pub. L. 99–223, § 5(a), Dec. 28, 1985, 99 Stat. 1739, related to educational travel benefits.

EFFECTIVE DATE OF REPEAL

Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269, provided that the repeals made by section 3507(a) are effective 11:59 p.m. (Eastern Standard Time), Dec. 30, 1999, and any right or condition of employment provided for in, or arising from, the repealed provisions is terminated.

§ 3648. Privileges and immunities of certain employees

The Secretary of Defense shall designate those officers and employees of the Commission and other individuals entitled to the privileges and immunities accorded under paragraph 3 of Article VIII of the Panama Canal Treaty of 1977. The Department of State shall furnish to the Republic of Panama a list of the names of such officers, employees, and other individuals and shall notify the Republic of Panama of any subsequent additions to or deletions from the list.

(Pub. L. 96–70, title I, § 1208, Sept. 27, 1979, 93 Stat. 463.)

§ 3649. Applicability of certain benefits

Chapter 81 of title 5, relating to compensation for work injuries, chapters 83 and 84 of such title 5, relating to retirement, chapter 87 of such title 5, relating to life insurance, and chapter 89 of such title 5, relating to health insurance, are applicable to Commission employees, except any individual—

(1) who is not a citizen of the United States;

(2) whose initial appointment by the Commission occurs after October 1, 1979; and

(3) who is covered by the Social Security System of the Republic of Panama pursuant to any provision of the Panama Canal Treaty of 1977 and related agreements.

(Pub. L. 96–70, title I, § 1209, Sept. 27, 1979, 93 Stat. 463; Pub. L. 104–201, div. C, title XXXV, § 3527, Sept. 23, 1996, 110 Stat. 2861.)

AMENDMENTS

1996—Pub. L. 104–201 substituted ''Applicability of certain benefits'' for ''Inapplicability of certain benefits to certain noncitizens'' in section catchline and amended text generally. Prior to amendment, text was comprised of subsec. (a) of section 1209 of Pub. L. 96–70 which read as follows: ''Chapter 81 of title 5, relating to compensation for work injuries, chapter 83 of such title 5, relating to civil service retirement, chapter 87 of such title 5, relating to life insurance, and chapter 89 of such title 5, relating to health insurance, are inapplicable to any individual—

''(1) who is not a citizen of the United States;

''(2) whose initial appointment by the Commission occurs after October 1, 1979; and

''(3) who is covered by the Social Security System of the Republic of Panama pursuant to any provision of the Panama Canal Treaty of 1977 and related agreements.''

Prior to amendment, section 1209 also contained subsecs. (b) and (c) which amended sections 8701 and 8901 of Title 5, Government Organization and Employees.

§ 3650. Air transportation

(a) Notwithstanding any other provision of law (except subsection (b)), the Commission may contract with Panamanian carriers registered under the laws of the Republic of Panama to provide air transportation to officials and employees of the Commission who are citizens of the Republic of Panama.

(b) An official or employee of the Commission who is a citizen of the Republic of Panama may elect, for security or other reasons, to travel by an air carrier holding a certificate under section 41102 of title 49.

(Pub. L. 96–70, title I, § 1210, as added Pub. L. 99–223, § 5(b)(1), Dec. 28, 1985, 99 Stat. 1739; amended Pub. L. 104–201, div. C, title XXXV, § 3528, Sept. 23, 1996, 110 Stat. 2861; Pub. L. 105–85, div. C, title XXXV, § 3524(a)(1), (b), Nov. 18, 1997, 111 Stat. 2065.)

AMENDMENTS

1997—Pub. L. 105–85, § 3524(b)(2), substituted ''Air transportation'' for ''Travel and transportation'' in section catchline.

Subsec. (a). Pub. L. 105–85, § 3524(b)(1)(A), redesignated subsec. (d)(1) as subsec. (a) and substituted ''subsection (b)'' for ''paragraph (2)''.

Pub. L. 105–85, § 3524(a)(1), struck out subsec. (a) which read as follows: ''Subject to subsections (b) and (c) of this section, the Commission may pay travel and transportation expenses for employees in accordance with subchapter II of chapter 57 of title 5.''

Subsec. (b). Pub. L. 105–85, § 3524(b)(1)(B), redesignated subsec. (d)(2) as subsec. (b) and substituted ''An official'' for ''Notwithstanding paragraph (1), an official'' and ''who is a citizen of the Republic of Panama'' for ''referred to in paragraph (1)''.

Pub. L. 105–85, § 3524(a)(1), struck out subsec. (b) which read as follows: ''For an employee to whom section 3646 of this title applies, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding periods of service established by subchapter II of chapter 57 of title 5 or the regulations promulgated thereunder.''

Subsec. (c). Pub. L. 105–85, § 3524(a)(1), struck out subsec. (c) which read as follows: ''For an employee to whom section 3646 of this title does not apply, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding a written agreement concerning the duration of a continuing service obligation established by subchapter II of chapter 57 of title 5 or the regulations promulgated thereunder.''

Subsec. (d)(1). Pub. L. 105–85, § 3524(b)(1)(A), redesignated subsec. (d)(1) as subsec. (a).

Subsec. (d)(2). Pub. L. 105–85, § 3524(b)(1)(B), redesignated subsec. (d)(2) as subsec. (b).

1996—Pub. L. 104–201 struck out ''expenses'' after ''transportation'' in section catchline and amended text generally. Prior to amendment, text read as follows: ''The Commission may pay the expenses of vacation leave travel for an employee of the Commission to whom section 3646 of this title applies and for transportation of employee's family from the employee's post of duty in Panama to the place of the employee's actual residence at the time of appointment to the post of duty. The authorization of expenses under this section shall be in accordance with subchapter II of chapter 57 of title 5 and the regulations issued under that subchapter, except that the Commission may prescribe required periods of service notwithstanding section 5722 of title 5 and the regulations issued under subchapter II of chapter 57 of such title.''

EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105–85, div. C, title XXXV, § 3524(c), Nov. 18, 1997, 111 Stat. 2065, provided that: ''The amendments made by this section [amending this section and section 3664 of this title] shall take effect on January 1, 1999.''

EFFECTIVE DATE

Section effective Oct. 1, 1985, see section 8 of Pub. L. 99–223, set out as an Effective Date of 1985 Amendment note under section 3612 of this title.

SUBPART II—WAGE AND EMPLOYMENT PRACTICES

§ 3651. Definitions

As used in this subpart—

(1) ''agency'' means—

(A) the Commission, and

(B) any other Executive agency or the Smithsonian Institution, to the extent of any election in effect under section 3652(b) of this title;

(2) ''position'' means a civilian position in the Commission, or in any other agency if a substantial portion of the duties and responsibilities are performed in the Republic of Panama; and

(3) ''employee'' means an individual serving in a position.

(Pub. L. 96–70, title I, § 1211, Sept. 27, 1979, 93 Stat. 463; Pub. L. 104–201, div. C, title XXXV, §§ 3529, 3548(b)(1), Sept. 23, 1996, 110 Stat. 2862, 2869.)

AMENDMENTS

1996—Par. (1)(B). Pub. L. 104–201, § 3548(b)(1), which directed substitution of ''section 3652(b)'' for ''section 3652(B)(2)'' could not be executed because the phrase ''section 3652(B)(2)'' did not appear after amendment by Pub. L. 104–201, § 3529. See below.

Pub. L. 104–201, § 3529, amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''an Executive agency or the Smithsonian Institution, to the extent of any election in effect under section 3652(b)(2) of this title;''.

§ 3652. Panama Canal Employment System; merit and other employment requirements

(a) Establishment; merit and other employment requirements

The Commission shall establish a Panama Canal Employment System and prescribe the regulations necessary for its administration. The Panama Canal Employment System shall—

(1) be established in accordance with and be subject to the provisions of the Panama Canal Treaty of 1977 and related agreements, the provisions of this part, and any other applicable provision of law;

(2) be based on the consideration of the merit of each employee or candidate for em-

ployment and the qualifications and fitness of the employee to hold the position concerned;

(3) conform, to the extent practicable and consistent with the provisions of this chapter, to the policies, principles, and standards applicable to the competitive service;

(4) in the case of employees who are citizens of the United States, provide for the appropriate interchange of those employees between positions under the Panama Canal Employment System and positions in the competitive service; and

(5) not be subject to the provisions of title 5, unless specifically made applicable by this chapter.

(b) Applicability to any Executive agency and Smithsonian Institution

(1) The head of any Executive agency (other than the Commission) and the Smithsonian Institution may elect to have the Panama Canal Employment System made applicable in whole or in part to personnel of that agency in the Republic of Panama.

(2) Any Executive agency (other than the Commission) and the Smithsonian Institution, to the extent of any election under paragraph (1), shall conduct its employment and pay practices relating to employees in accordance with the Panama Canal Employment System.

(3) Notwithstanding any other provision of this chapter, the Panama Canal Act Amendments of 1996 (subtitle B of title XXXV of Public Law 104–201; 110 Stat. 2860), or the Panama Canal Transition Facilitation Act of 1997 (subtitle B of title XXXV of Public Law 105–85; 110[1] Stat. 2062), or the Panama Canal Commission Authorization Act for Fiscal Year 1999, this subpart, as in effect on September 22, 1996, shall continue to apply to an Executive agency or the Smithsonian Institution to the extent of an election under paragraph (1) by the head of the agency or the Institution, respectively.

(c) Exclusion of employees or positions from coverage

The Commission may exclude any employee or position from coverage under any provision of this subpart, other than the interchange rights extended under subsection (a)(4).

(Pub. L. 96–70, title I, § 1212, Sept. 27, 1979, 93 Stat. 464; Pub. L. 104–201, div. C, title XXXV, § 3530(a), Sept. 23, 1996, 110 Stat. 2862; Pub. L. 105–85, div. C, title XXXV, §§ 3523(d), 3550(d)(5), Nov. 18, 1997, 111 Stat. 2065, 2074; Pub. L. 105–261, div. A, title XXXV, §§ 3507(c), 3512(a)(2), Oct. 17, 1998, 112 Stat. 2269, 2271.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(3), (5) and (b)(3), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

The Panama Canal Act Amendments of 1996, referred to in subsec. (b)(3), is subtitle B of title XXXV of div. C of Pub. L. 104–201, Sept. 23, 1996, 110 Stat. 2860. For complete classification of this Act to the Code, see Short Title of 1996 Amendment note set out under section 3601 of this title and Tables.

The Panama Canal Transition Facilitation Act of 1997, referred to in subsec. (b)(3), is subtitle B of title XXXV of div. C of Pub. L. 105–85, Nov. 18, 1997, 111 Stat. 2062. For complete classification of this Act to the Code, see Short Title of 1997 Amendment note set out under section 3601 of this title and Tables.

The Panama Canal Commission Authorization Act for Fiscal Year 1999, referred to in subsec. (b)(3), is title XXXV of div. C of Pub. L. 105–261, Oct. 17, 1998, 112 Stat. 2267, which amended this section and sections 3612, 3612b, 3620, 3642, 3657, 3664, 3671, 3723, 3731, 3751, 3771, 3772, 3776, 3779, and 3862 of this title, repealed sections 3646, 3647, and 3663 of this title, and enacted provisions set out as notes under section 3657 of this title. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1998—Subsec. (b)(3). Pub. L. 105–261, § 3512(a)(2), inserted ''the'' after ''by the head of''.

Pub. L. 105–261, § 3507(c), substituted ''the Panama Canal Transition Facilitation Act of 1997 (subtitle B of title XXXV of Public Law 105–85; 110 Stat. 2062), or the Panama Canal Commission Authorization Act for Fiscal Year 1999'' for ''the Panama Canal Transition Facilitation Act of 1997''.

1997—Subsec. (b)(3). Pub. L. 105–85, § 3550(d)(5), substituted ''as in effect on September 22, 1996'' for ''as last in effect before September 23, 1996''.

Pub. L. 105–85, § 3523(d), substituted '', the Panama Canal Act Amendments of 1996 (subtitle B of title XXXV of Public Law 104–201; 110 Stat. 2860), or the Panama Canal Transition Facilitation Act of 1997'' for ''or the Panama Canal Act Amendments of 1996''.

1996—Pub. L. 104–201 amended section generally, substituting subsecs. (a) to (c) requiring the Commission to establish a Panama Canal Employment System for former subsecs. (a) to (d) requiring the President to establish such a System.

SAVINGS PROVISION

Pub. L. 104–201, div. C, title XXXV, § 3530(b), Sept. 23, 1996, 110 Stat. 2863, provided that: ''The Panama Canal Employment System and all elections, rules, regulations, and orders relating thereto, as last in effect before the amendment made by subsection (a) [amending this section] takes effect, shall continue in effect, according to their terms, until modified, terminated, or superseded under section 1212 of the Panama Canal Act of 1979 [this section], as amended by subsection (a).''

COORDINATION OF PAY AND EMPLOYMENT PRACTICES

For provisions requiring consultations with the Secretary of Defense for agencies under this subpart with respect to the establishment of rates of pay and other matters deemed appropriate by the Secretary in order to develop compatible or unified systems of basic pay and employment practices, see section 1–201 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, set out as a note under section 3601 of this title.

§ 3653. Employment standards

The Commission shall establish written standards for—

(1) determining the qualifications and fitness of employees and of candidates for employment in positions; and

(2) selecting individuals for appointment, promotion, or transfer to positions.

The standards shall conform to the provisions of this subpart, any regulations prescribed thereunder, and the Panama Canal Employment System.

(Pub. L. 96–70, title I, § 1213, Sept. 27, 1979, 93 Stat. 464; Pub. L. 104–201, div. C, title XXXV, § 3531, Sept. 23, 1996, 110 Stat. 2863.)

[1] So in original. Probably should be ''111''.

AMENDMENTS

1996—Pub. L. 104–201 substituted ''The Commission'' for ''The head of each agency'' in introductory provisions.

COORDINATION OF PAY AND EMPLOYMENT PRACTICES

For provisions requiring consultations with the Secretary of Defense for agencies under this subpart with respect to the establishment of rates of pay and other matters deemed appropriate by the Secretary in order to develop compatible or unified systems of basic pay and employment practices, see section 1–201 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, set out as a note under section 3601 of this title.

§ 3654. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3532, Sept. 23, 1996, 110 Stat. 2863

Section, Pub. L. 96–70, title I, § 1214, Sept. 27, 1979, 93 Stat. 465, related to an interim, continuing application of Canal Zone Merit System, as in effect on Sept. 30, 1979, until Panama Canal Employment System was established and in effect.

§ 3655. Repealed. Pub. L. 105–85, div. C, title XXXV, § 3523(a)(1), Nov. 18, 1997, 111 Stat. 2064

Section, Pub. L. 96–70, title I, § 1215, Sept. 27, 1979, 93 Stat. 465, related to establishment and revision of basic pay.

§ 3656. Uniform application of standards and rates

The standards established pursuant to section 3653 of this title and the rates of basic pay established pursuant to section 3642 of this title shall be applied without regard to whether the employee or individual concerned is a citizen of the United States or a citizen of the Republic of Panama.

(Pub. L. 96–70, title I, § 1216, Sept. 27, 1979, 93 Stat. 465; Pub. L. 105–85, div. C, title XXXV, § 3523(c)(1), Nov. 18, 1997, 111 Stat. 2065.)

AMENDMENTS

1997—Pub. L. 105–85 substituted ''section 3642'' for ''section 3655''.

§ 3657. Recruitment and retention remuneration

(a) Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269

(b) Restriction

Any employee described in more than one paragraph of subsection (a) of this section may qualify for a recruitment or retention differential under only one of those paragraphs.

(c) Recruitment and relocation bonuses

(1) The Commission may pay a recruitment bonus to an individual who is newly appointed to a position with the Commission, or a relocation bonus to an employee of the Commission who must relocate to accept a position, if the Commission determines that the Commission would be likely, in the absence of such a bonus, to have difficulty in filling the position.

(2) A recruitment or relocation bonus may be paid to an employee under this subsection only if the employee enters into an agreement with the Commission to complete a period of employment established in the agreement. If the employee voluntarily fails to complete such period of employment or is separated from service in such employment as a result of an adverse action before the completion of such period, the employee shall repay the entire amount of the bonus.

(3) A recruitment or relocation bonus under this subsection may be paid as a lump sum. A bonus under this subsection may not be considered to be part of the basic pay of an employee.

(d) Retention bonuses

(1) The Commission may pay a retention bonus to an employee of the Commission if the Commission determines that—

(A) the employee has unusually high or unique qualifications and those qualifications make it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date, or the Commission otherwise has a special need for the services of the employee making it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date; and

(B) the employee would be likely to leave employment with the Commission before the end of that period if the retention bonus is not paid.

(2) A retention bonus under this subsection—

(A) shall be in a fixed amount;

(B) shall be paid on a pro rata basis (over the period specified by the Commission as essential for the retention of the employee), with such payments to be made at the same time and in the same manner as basic pay; and

(C) may not be considered to be part of the basic pay of an employee.

(3) A decision by the Commission to exercise or to not exercise the authority to pay a bonus under this subsection shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5.

(e) Limit on compensation

Additional compensation provided under this section may not exceed 25 percent of the rate of basic pay of the individual to whom the compensation is paid.

(Pub. L. 96–70, title I, § 1217, Sept. 27, 1979, 93 Stat. 465; Pub. L. 104–201, div. C, title XXXV, § 3533, Sept. 23, 1996, 110 Stat. 2863; Pub. L. 105–85, div. C, title XXXV, § 3525(a), Nov. 18, 1997, 111 Stat. 2066; Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.)

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–261 struck out subsec. (a) which read as follows: ''In addition to basic pay, additional compensation may be paid, in such amounts as the head of the agency concerned determines, as an overseas recruitment or retention differential to any individual who—

''(1) before October 1, 1979, was employed by the Panama Canal Company, by the Canal Zone Government, or by any other agency in the area then known as the Canal Zone;

''(2) is an employee who was recruited on or after October 1, 1979, outside of the Republic of Panama for placement in the Republic of Panama; or

''(3) is a medical doctor employed by the Department of Defense in the Republic of Panama or by the Commission;

if, in the judgment of the head of the agency concerned, the recruitment or retention of the individual is essential.''

1997—Subsecs. (c), (d). Pub. L. 105–85, § 3525(a)(3), added subsecs. (c) and (d). Former subsec. (c) redesignated (e).

Subsec. (e). Pub. L. 105–85, § 3525(a)(1), (2), redesignated subsec. (c) as (e) and substituted ''of the individual to whom the compensation is paid'' for ''for the same or similar work performed in the United States by individuals employed by the Government of the United States''.

1996—Subsec. (d). Pub. L. 104–201 struck out subsec. (d) which read as follows: ''Subchapter III of chapter 59 of title 5, relating to overseas differentials and allowances, shall not apply with respect to any employee whose permanent duty station is in the Republic of Panama and who is employed by an agency.''

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269, provided that the amendment made by section 3507(a) striking out subsec. (a) of this section is effective 11:59 p.m. (Eastern Standard Time), Dec. 30, 1999, and any right or condition of employment provided for in, or arising from, subsec. (a) of this section is terminated.

SAVINGS PROVISION FOR BASIC PAY

Pub. L. 105–261, div. C, title XXXV, § 3507(b), Oct. 17, 1998, 112 Stat. 2269, provided that: ''Notwithstanding subsection (a) [amending this section and sections 3664, 3671, and 3731 of this title and repealing sections 3646 and 3647 of this title], benefits based on basic pay, as listed in paragraphs (1), (2), (3), (5), and (6) of section 1218 of the Panama Canal Act of 1979 [22 U.S.C. 3658(1), (2), (3), (5), (6)], shall be paid as if sections 1217(a) and 1231(a)(2)(A) and (B) of that Act [22 U.S.C. 3657(a), 3671(a)(2)(A), (B)] had been repealed effective 12:00 noon, December 31, 1999. The exception under the preceding sentence shall not apply to any pay for hours of work performed on December 31, 1999.''

COORDINATION OF PAY AND EMPLOYMENT PRACTICES

For provisions requiring consultations with the Secretary of Defense for agencies under this subpart with respect to the establishment of rates of pay and other matters deemed appropriate by the Secretary in order to develop compatible or unified systems of basic pay and employment practices, see section 1–201 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, set out as a note under section 3601 of this title.

§ 3657a. Quarters allowances

(a) "Position" and "employee" defined

Notwithstanding paragraphs (2) and (3) of section 3651 of this title, as used in this section—

(1) ''position'' means a civilian position; and

(2) ''employee'' means an individual serving in a position in the Department of Defense whose permanent duty station is in the area which, before October 1, 1979, was known as the Canal Zone.

(b) Covered employees

Under regulations prescribed by or under authority of the President, the Department of Defense may grant a quarters allowance in the case of—

(1) any employee who is a citizen of the United States and who, before October 1, 1979, was employed by the Panama Canal Company, the Canal Zone Government, or any other agency, in the area then known as the Canal Zone; and

(2) any other employee who is a citizen of the United States and who (before, on, or after the effective date of this section) is or was recruited within the United States;

for whom adequate Government owned or leased quarters are not made available.

(c) Determination of amount

The amount of any quarters allowance granted to an employee under this section shall be determined in accordance with the regulations prescribed under subsection (b) of this section, except that such allowance for any period may not exceed the amount, if any, by which—

(1) the lesser of—

(A) the actual expenses for rent and utilities incurred by the employee during such period while occupying quarters other than Government owned or leased quarters; or

(B) the maximum amount which would be authorized for such employee with respect to such period under the Department of State Standardized Regulations (Government Civilians, Foreign Areas) if such employee were covered by those regulations;

exceeds

(2) the estimated total cost of rent and utilities which the employee would have been charged if Government owned or leased quarters had been provided on a rental basis during such period.

(d) Inapplicability of election under section 3652(b) of this title

The provisions of this section shall apply without regard to whether any election by the Department of Defense under section 3652(b) of this title is then in effect.

(Pub. L. 96–70, title I, § 1217a, as added Pub. L. 98–600, § 1(a), Oct. 30, 1984, 98 Stat. 3145.)

REFERENCES IN TEXT

For effective date of this section, referred to in subsec. (b)(2), see section 2 of Pub. L. 98–600, set out below.

EFFECTIVE DATE

Pub. L. 98–600, § 2, Oct. 30, 1984, 98 Stat. 3146, provided that: ''The amendments made by this Act [enacting this section] shall take effect on October 1, 1984, and shall apply with respect to utility costs incurred, and rent payable for any period beginning, on or after that date.''

EX. ORD. NO. 12520. QUARTERS ALLOWANCE TO DEPARTMENT OF DEFENSE EMPLOYEES IN PANAMA

Ex. Ord. No. 12520, June 19, 1985, 50 F.R. 25683, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 1217a of the Panama Canal Act of 1979 (22 U.S.C. 3657a), it is hereby ordered as follows:

SECTION 1. The Secretary of Defense is authorized to prescribe the regulations referred to in section 1217a of the Panama Canal Act of 1979 [22 U.S.C. 3657a], relating to quarters allowances.

SEC. 2. The regulations prescribed under Section 1 shall be consistent with Article VII(4) of the Agreement in Implementation of Article IV of the Panama Canal Treaty and with all other relevant provisions of the Panama Canal Treaty and related agreements.

RONALD REAGAN.

§ 3658. Benefits based on basic pay

For the purpose of determining—

(1) amounts of compensation for disability or death under chapter 81 of title 5, relating to compensation for work injuries;

(2) benefits under subchapter III of chapter 83 or chapter 84 of title 5, relating to retirement;

(3) amounts of insurance under chapter 87 of title 5, relating to life insurance;

(4) amounts of overtime pay or other premium pay;

(5) annual leave benefits; and

(6) any other benefits related to basic pay;

the basic pay of each employee shall include the rate of basic pay established for his position under section 3642 of this title plus the amount of any additional compensation provided under section 3657(a)[1] of this title.

(Pub. L. 96–70, title I, § 1218, Sept. 27, 1979, 93 Stat. 466; Pub. L. 104–201, div. C, title XXXV, § 3534, Sept. 23, 1996, 110 Stat. 2863; Pub. L. 105–85, div. C, title XXXV, § 3523(c)(2), Nov. 18, 1997, 111 Stat. 2065.)

REFERENCES IN TEXT

Section 3657(a) of this title, referred to in text, was repealed by Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.

AMENDMENTS

1997—Pub. L. 105–85, in concluding provisions, substituted ''section 3642'' for ''section 3655'' and ''section 3657(a)'' for ''section 3657''.

1996—Par. (2). Pub. L. 104–201 amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''benefits under subchapter III of chapter 83 of title 5, relating to civil service retirement;''.

COORDINATION OF PAY AND EMPLOYMENT PRACTICES

For provisions requiring consultations with the Secretary of Defense for agencies under this subpart with respect to the establishment of rates of pay and other matters deemed appropriate by the Secretary in order to develop compatible or unified systems of basic pay and employment practices, see section 1–201 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, set out as a note under section 3601 of this title.

§ 3659. Repealed. Pub. L. 105–85, div. C, title XXXV, § 3523(a)(2), Nov. 18, 1997, 111 Stat. 2064

Section, Pub. L. 96–70, title I, § 1219, Sept. 27, 1979, 93 Stat. 466, related to salary protection upon conversion of pay rate.

§ 3660. Review and adjustment of classifications, grades, and pay level

An employee may request at any time that the employee's agency—

(1) review the classification of the employee's position or the grade or pay level for the employee's position, or both; and

(2) revise or adjust that classification, grade or pay level, or both, as the case may be.

The request for review and revision or adjustment shall be submitted and adjudicated in accordance with the regularly established appeals procedures of the agency.

[1] See References in Text note below.

(Pub. L. 96–70, title I, § 1220, Sept. 27, 1979, 93 Stat. 466.)

§ 3661. Panama Canal Board of Appeals; duties

(a) Subject to the provisions of this part, the Commission shall prescribe regulations establishing a Panama Canal Board of Appeals. The regulations shall provide for the number of members of the Board and their appointment, compensation, and terms of office, the selection of a Chairman of the Board, the appointment and compensation of the Board's employees, and other appropriate matters relating to the Board.

(b) The Board shall review and determine the appeals of employees in accordance with section 3662 of this title. The decisions of the Board shall conform to the provisions of this subpart.

(Pub. L. 96–70, title I, § 1221, Sept. 27, 1979, 93 Stat. 466; Pub. L. 105–85, div. C, title XXXV, § 3548, Nov. 18, 1997, 111 Stat. 2073.)

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–85 substituted ''Commission'' for ''President''.

§ 3662. Appeals to Board; procedures

(a) Persons entitled to appeal; form; time

An employee may appeal to the Panama Canal Board of Appeals from an adverse determination made by an agency under section 3660 of this title. The appeal shall be made in writing within a reasonable time (as specified in regulations prescribed by, or under the authority of, the Commission) after the date of the transmittal by the agency to the employee of written notice of the adverse determination.

(b) Personal appearance

The Board may authorize, in connection with an appeal pursuant to subsection (a) of this section, a personal appearance before the Board by the employee, or by a representative of the employee designated for that purpose.

(c) Consideration of evidence; decision

After investigation and consideration of the evidence submitted, the Board shall—

(1) prepare a written decision on the appeal;

(2) transmit its decision to the agency concerned; and

(3) transmit copies of the decision to the employee concerned or to the designated representative.

(d) Finality of decision

The decision of the Board on any question or other matter relating to an appeal is final and conclusive. The agency concerned shall take action in accordance with the decision of the Board.

(Pub. L. 96–70, title I, § 1222, Sept. 27, 1979, 93 Stat. 467; Pub. L. 105–85, div. C, title XXXV, § 3548, Nov. 18, 1997, 111 Stat. 2073.)

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–85 substituted ''Commission'' for ''President''.

§ 3663. Repealed. Pub. L. 105–261, div. C, title XXXV, § 3508(a), Oct. 17, 1998, 112 Stat. 2269

Section, Pub. L. 96–70, title I, § 1223, Sept. 27, 1979, 93 Stat. 467; Pub. L. 104–201, div. C, title XXXV, § 3535,

Sept. 23, 1996, 110 Stat. 2863, related to the Central Examining Office.

§ 3664. Applicability of title 5

The following provisions of title 5 apply to the Panama Canal Commission:

(1) Part I of title 5 (relating to agencies generally).

(2) Chapter 21 (relating to employee definitions).

(3) Section 2302(b)(8) (relating to whistleblower protection) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

(4) All provisions relating to preference eligibles.

(5) Section 5514 (relating to offset from salary).

(6) Section 5520a (relating to garnishments).

(7) Sections 5531–5535 (relating to dual pay and employment).

(8) Subchapter VI of chapter 55 (relating to accumulated and accrued leave).

(9) Subchapter IX of chapter 55 (relating to severance and back pay).

(10) Chapter 59 (relating to allowances).

(11) Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.

(12) Section 6323 (relating to military leave; Reserves and National Guardsmen).

(13) Chapter 71 (relating to labor relations).

(14) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

(15) Chapter 81 (relating to compensation for work injuries).

(16) Chapters 83 and 84 (relating to retirement).

(17) Chapter 85 (relating to unemployment compensation).

(18) Chapter 87 (relating to life insurance).

(19) Chapter 89 (relating to health insurance).

(Pub. L. 96–70, title I, § 1224, Sept. 27, 1979, 93 Stat. 467; Pub. L. 104–201, div. C, title XXXV, § 3536, Sept. 23, 1996, 110 Stat. 2864; Pub. L. 105–85, div. C, title XXXV, § 3524(a)(2), Nov. 18, 1997, 111 Stat. 2065; Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.)

AMENDMENTS

1998—Par. (11). Pub. L. 105–261 struck out par. (11) which read as follows: ''Chapter 63 (relating to leave for CONUS employees).''

1997—Pars. (10) to (20). Pub. L. 105–85 redesignated pars. (11) to (20) as (10) to (19), respectively, and struck out former par. (10) which read as follows: ''Chapter 57 (relating to travel, transportation, and subsistence).''

1996—Pub. L. 104–201 substituted ''title 5'' for ''certain laws'' in section catchline and amended text generally. Prior to amendment, text read as follows: ''This part does not affect the applicability of—

''(1) the provisions of title 5 which relate to preference eligibles;

''(2) the provisions of title 5 which relate to removal or suspension from the competitive service; and

''(3) the provisions of section 5544(a) of title 5 which relate to wage-board overtime and Sunday rates, with respect to classes of employees who were covered by those provisions on September 27, 1979.''

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269, provided that the amendment made by section 3507(a) striking out par. (11) of this section is effective 11:59 p.m. (Eastern Standard Time), Dec. 30, 1999, and any right or condition of employment provided for in, or arising from, par. (11) of this section is terminated.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–85 effective Jan. 1, 1999, see section 3524(c) of Pub. L. 105–85, set out as a note under section 3650 of this title.

§ 3665. Repealed. Pub. L. 105–85, div. C, title XXXV, § 3523(a)(3), Nov. 18, 1997, 111 Stat. 2065

Section, Pub. L. 96–70, title I, § 1225(b), Sept. 27, 1979, 93 Stat. 468, related to minimum pay level and minimum annual increases.

SUBPART III—CONDITIONS OF EMPLOYMENT AND PLACEMENT

§ 3671. Transferred or reemployed employees

(a) Terms and conditions of employment

(1) With respect to any individual employed in the Panama Canal Company or the Canal Zone Government—

(A) who is transferred—

(i) to a position in the Commission; or

(ii) to a position in an Executive agency or in the Smithsonian Institution the permanent duty station of which is in the Republic of Panama (including the area known before October 1, 1979, as the Canal Zone); or

(B) who is separated by reason of a reduction in force on September 30, 1979, and is appointed to a position in the Commission before April 1, 1980;

the terms and conditions of employment set forth in paragraph (2) of this subsection shall be generally no less favorable, on or after the date of the transfer referred to in subparagraph (A) of this paragraph or the date of the appointment referred to in subparagraph (B) of this paragraph, as the case may be, than the terms and conditions of employment with the Panama Canal Company and Canal Zone Government on September 30, 1979, or, in the case of a transfer described in subparagraph (A)(ii) of this paragraph which takes place before that date, on the date of the transfer.

(2) The terms and conditions of employment referred to in paragraph (1) of this subsection are the following:

(A), (B) Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.

(C) premium pay and night differential;

(D) reinstatement and restoration rights;

(E) injury and death compensation benefits;

(F) to (H) Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.

(I) reduction-in-force rights;

(J) an employee grievance system, and the right to appeal adverse and disciplinary actions and position classification actions;

(K) veterans' preference eligibility;

(L) holidays;

(M) saved pay provisions; and

(N) severance pay benefits.

(b) Break in service

Any individual described in subsection (a)(1)(B) of this section who would have met the service requirement for early retirement benefits under section 8336(i) or 8339(d)(2) of title 5 (as amended by sections 1241(a) and 1242 of this Act, respectively), but for a break in service of more than 3 days immediately after September 30, 1979, shall be considered to meet that requirement. Any break in service by any such individual for purposes of section 8332 of such title 5 during the period beginning September 30, 1979, and ending on the date of the appointment referred to in such subsection (a)(1)(B) shall be considered a period of creditable service under such section 8332 for such individual, except that such period shall not be taken into account for purposes of determining average pay (as defined in section 8331(4) of such title 5) and no deduction, contribution, or deposit shall be required for that period under section 8334 of such title 5.

(c) Applicability of sections 903(c) and 904(a)(2) of title 20; sabbaticals

(1) Section 903(c) of title 20 shall not apply with respect to any teacher who was employed by the Canal Zone Government school system on September 30, 1979, and who was transferred from such position to a teaching position which is under the Department of Defense Overseas Dependent School System and the permanent duty station of which is in the Republic of Panama, until the rates of basic compensation established under section 903(c) of title 20 equal or exceed the rates of basic compensation then in effect for teachers who were so transferred.

(2) Section 904(a)(2) of title 20 shall not apply with respect to any teacher who was employed by the Canal Zone Government school system on September 30, 1979, and who was transferred from such position to a teaching position which is under the Department of Defense Overseas Dependent School System and the permanent duty station of which is in the Republic of Panama.

(3)(A) The head of a department or agency of the United States may grant a sabbatical to any teacher to whom paragraph (1) of this subsection applies for not to exceed 11 months in order to permit the teacher to engage in study or uncompensated work experience which is in the United States and which will contribute to the teacher's development and effectiveness. Basic compensation shall be paid to teachers on sabbatical under this section in the same manner and to the same extent as basic compensation would have been paid to teachers on sabbatical while employed in the Canal Zone Government school system on September 30, 1979. A sabbatical shall not result in a loss of, or reduction in, leave to which the teacher is otherwise entitled, credit for time or service, or performance or efficiency rating. The head of the department or agency may authorize in accordance with chapter 57 of title 5 such travel expenses (including per diem allowance) as the head of the department or agency may determine to be essential for the study or experience.

(B) A sabbatical under this paragraph may not be granted to any teacher—

(i) more than once in any 10-year period;

(ii) unless the teacher has completed 7 years of service as a teacher; and

(iii) if the teacher is eligible for voluntary retirement with a right to an immediate annuity.

(C)(i) Any teacher in a department or agency of the United States may be granted a sabbatical under this paragraph only if the teacher agrees, as a condition of accepting the sabbatical, to serve in the civil service upon the completion of the sabbatical for a period of two consecutive years.

(ii) Each agreement required under clause (i) of this subparagraph shall provide that in the event the teacher fails to carry out the agreement (except for good and sufficient reason as determined by the head of the department or agency that granted the sabbatical) the teacher shall be liable to the United States for payment of all expenses (including salary) of the sabbatical. The amount shall be treated as a debt due the United States.

(Pub. L. 96–70, title I, § 1231(a)–(c), Sept. 27, 1979, 93 Stat. 468, 469; Pub. L. 104–201, div. C, title XXXV, § 3537, Sept. 23, 1996, 110 Stat. 2864; Pub. L. 105–85, div. C, title XXXV, § 3550(d)(2)(C), Nov. 18, 1997, 111 Stat. 2074; Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.)

REFERENCES IN TEXT

This Act, referred to in subsec. (b), is Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

CODIFICATION

Section 1231(d) of Pub. L. 96–70 amended sections 5595, 5724a, and 8102 of Title 5, Government Organization and Employees.

AMENDMENTS

1998—Subsec. (a)(2)(A), (B). Pub. L. 105–261 struck out subpars. (A) and (B) which read as follows:

''(A) rates of basic pay;

''(B) tropical differential;''.

Subsec. (a)(2)(F) to (H). Pub. L. 105–261 struck out subpars. (F) to (H) which read as follows:

''(F) leave and travel;

''(G) transportation and repatriation benefits;

''(H) group health and life insurance;''.

1997—Subsec. (c)(3)(A). Pub. L. 105–85 substituted ''September 30, 1979'' for ''the day before October 1, 1979''.

1996—Subsec. (a)(3). Pub. L. 104–201 struck out par. (3) which read as follows:

''(3)(A) The provisions of this subsection shall take effect on September 27, 1979.

''(B) No spending authority (as described in section 651(c)(2)(C) of title 2) provided for under this subsection shall take effect before October 1, 1979.

''(C) Effective October 1, 1979, any individual who, but for subparagraph (B) of this paragraph, would have been entitled to one or more payments pursuant to this subsection for periods before October 1, 1979, shall be entitled, to the extent or in such amounts as are pro-

vided in advance in appropriation Acts, to a lump sum payment equal to the total amount of all such payments.''

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269, provided that the amendment made by section 3507(a) striking out subsec. (a)(2)(A), (B), and (F) to (H) of this section is effective 11:59 p.m. (Eastern Standard Time), Dec. 30, 1999, and any right or condition of employment provided for in, or arising from, subsec. (a)(2)(A), (B), and (F) to (H) of this section is terminated.

§ 3672. Placement

(a) Citizens separated from employment with Panama Canal Company or Canal Zone Government

Any citizen of the United States—

(1) who, on March 31, 1979, was an employee of the Panama Canal Company or the Canal Zone Government;

(2) who separates or is scheduled to separate on or after such date for any reason other than misconduct or delinquency; and

(3) who is not placed in another appropriate position in the Government of the United States in the Republic of Panama;

shall, upon the employee's request, be accorded appropriate assistance for placement in vacant positions in the Government of the United States in the United States.

(b) Citizens eliminated from employment with Executive agency or Canal Zone Government as a result of implementation of Panama Canal Treaty of 1977

Any citizen of the United States—

(1) who, on March 31, 1979, was employed in the Canal Zone as an employee of an Executive agency (other than the Panama Canal Company or the Canal Zone Government) or the Smithsonian Institution;

(2) whose position is eliminated as the result of the implementation of any provision of the Panama Canal Treaty of 1977 and related agreements; and

(3) who is not appointed to another appropriate position in the Government of the United States in the Republic of Panama;

shall, upon the employee's request, be accorded appropriate assistance for placement in vacant positions in the Government of the United States in the United States.

(c) Establishment and administration of program by Office of Personnel Management

The Office of Personnel Management shall establish and administer a Government-wide placement program for all eligible employees who request appointment to positions under this section.

(d) Effective date

The provisions of this section shall take effect on September 27, 1979.

(Pub. L. 96–70, title I, § 1232, Sept. 27, 1979, 93 Stat. 470.)

§ 3673. Transition separation incentive payments

(a) In applying to the Commission and employees of the Commission the provisions of section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(f) of division A of Public Law 104–208; 110 Stat. 3009–383), relating to voluntary separation incentives for employees of certain Federal agencies (in this section referred to as ''section 663'')—

(1) the term ''employee'' shall mean an employee of the Commission who has served in the Republic of Panama in a position with the Commission for a continuous period of at least three years immediately before the employee's separation under an appointment without time limitation and who is covered under the Civil Service Retirement System or the Federal Employees' Retirement System under subchapter III of chapter 83 or chapter 84, respectively, of title 5, other than—

(A) an employee described in any of subparagraphs (A) through (F) of subsection (a)(2) of section 663; or

(B) an employee of the Commission who, during the 24-month period preceding the date of separation, has received a recruitment or relocation bonus under section 3657(c) of this title or who, within the 12-month period preceding the date of separation, received a retention bonus under section 3657(d) of this title;

(2) the strategic plan under subsection (b) of section 663 shall include (in lieu of the matter specified in subsection (b)(2) of that section)—

(A) the positions to be affected, identified by occupational category and grade level;

(B) the number and amounts of separation incentive payments to be offered; and

(C) a description of how such incentive payments will facilitate the successful transfer of the Panama Canal to the Republic of Panama;

(3) a separation incentive payment under section 663 may be paid to a Commission employee only to the extent necessary to facilitate the successful transfer of the Panama Canal by the United States of America to the Republic of Panama as required by the Panama Canal Treaty of 1977;

(4) such a payment—

(A) may be in an amount determined by the Commission not to exceed $25,000; and

(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of an eligible employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on November 18, 1997, or during the period beginning on October 1, 1998, and ending on December 31, 1998;

(5) in the case of not more than 15 employees who (as determined by the Commission) are unwilling to work for the Panama Canal Authority after the Canal Transfer Date and who occupy critical positions for which (as determined by the Commission) at least two years of experience is necessary to ensure that seasoned managers are in place on and after the Canal Transfer Date, such a payment (notwithstanding paragraph (4))—

(A) may be in an amount determined by the Commission not to exceed 50 percent of the basic pay of the employee; and

(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of such an employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on November 18, 1997; and

(6) the provisions of subsection (f) of section 663 shall not apply.

(b) A decision by the Commission to exercise or to not exercise the authority to pay a transition separation incentive under this section shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5.

(Pub. L. 96–70, title I, § 1233, as added Pub. L. 105–85, div. C, title XXXV, § 3526, Nov. 18, 1997, 111 Stat. 2067.)

REFERENCES IN TEXT

Section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(f) of division A of Public Law 104–208; 110 Stat. 3009–383), referred to in subsec. (a), is set out as a note under section 5597 of Title 5, Government Organization and Employees.

SUBPART IV—RETIREMENT

§ 3681. Retirement under special treaty provisions

(a) Purchase of retirement equity; individuals entitled to participate

(1) Subject to subsection (b) of this section, and under such regulations as the President may prescribe, the Secretary of the Treasury shall pay to the Social Security System of the Republic of Panama, out of funds deposited in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund under section 8334(a)(2) of title 5, such sums of money as may be necessary to aid in the purchase of a retirement equity in such System for each individual who—

(A) meets the requirements of paragraph (2) of this subsection;

(B) is separated from employment in the Panama Canal Company, the Canal Zone Government, or the Commission by reason of the implementation of any provision of the Panama Canal Treaty of 1977 and related agreements; and

(C) becomes employed in a position covered by the Social Security System of the Republic of Panama through the transfer of a function or activity to the Republic of Panama from the United States or through a job placement assistance program.

(2) This subsection applies with respect to any individual only if the individual—

(A) has been credited with at least 5 years of civilian service under section 8332 of title 5, relating to creditable service for purposes of civil service retirement;

(B) is not eligible for an immediate retirement annuity under chapter 83 of title 5, relating to civil service retirement, and elects not to receive a deferred annuity under that chapter based on any portion of that service, and

(C) elects to withdraw from the Civil Service Retirement and Disability Fund the individual's entire lump-sum credit (as defined in section 8331(8) of title 5) and to transfer that amount to the Social Security System of the Republic of Panama pursuant to the special regime referred to in paragraph 3 of Article VIII of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977.

(b) Limitation on amount paid to Social Security System of Republic of Panama

The amount paid to the Social Security System of the Republic of Panama with respect to any individual under subsection (a) of this section shall not exceed the individual's entire lump-sum credit (as so defined).

(c) Purchase of nontransferable deferred annuity; employees entitled to participate

(1) Pursuant to paragraph 2(b) of Annex C to the Agreement in Implementation of Article IV of the Panama Canal Treaty of 1977, the President, or the President's designee, shall purchase from a source determined by the President to be appropriate, in accordance with such regulations as the President or the President's designee may prescribe, and to such extent or in such amounts as may be provided in advance in appropriation Acts, a nontransferable deferred annuity for the benefit of each employee of an agency or instrumentality of the Government of the United States in the Republic of Panama—

(A) who is not a citizen of the United States;

(B) who was employed on October 1, 1979, and during any period before that date by an agency or instrumentality of the Government of the United States at any permanent duty station in the Republic of Panama (including, with respect to employment before that date, the area then known as the Canal Zone);

(C) who, for any period of service with such agency or instrumentality before October 1, 1979, at any such permanent duty station was not covered, by reason of that service, by the United States Civil Service Retirement system or any other Federal retirement system providing benefits similar to those retirement benefits provided by the Social Security System of the Republic of Panama; and

(D) who, on October 1, 1979, is under a Federal retirement system and, on or before that date, has accrued in one or more agencies or instrumentalities of the United States a total of 5 years or more of service which—

(i) is creditable toward any Federal retirement system as in effect on October 1, 1979;

(ii) would have been creditable toward any such retirement system if the retirement system were in effect at the time of the service accrued by the employee; or

(iii) consists of any combination of service described in clauses (i) and (ii) of this subparagraph.

(2) The retirement annuity referred to in paragraph (1) of this subsection with respect to any employee will cover retroactively, from October 1, 1979, all periods of service, described in subparagraph (D) of that paragraph, by that employee at any permanent duty station in the Republic of Panama (including the area known be-

fore that date as the Canal Zone) in agencies and instrumentalities of the Government of the United States during which that employee was not covered by the United States Civil Service Retirement System or any other Federal retirement system providing benefits similar to those retirement benefits provided by the Social Security System of the Republic of Panama.

(Pub. L. 96–70, title I, § 1243, Sept. 27, 1979, 93 Stat. 473; Pub. L. 105–85, div. C, title XXXV, § 3550(d)(6), Nov. 18, 1997, 111 Stat. 2074.)

AMENDMENTS

1997—Subsec. (c)(2). Pub. L. 105–85 substituted ''retroactively'' for ''retroactivity''.

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (a)(1) delegated to Director of Office of Personnel Management and function vested in President by subsec. (c)(1) of this section delegated to Secretary of Defense, see sections 1–105 and 1–403 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, 36045, set out as a note under section 3601 of this title.

§ 3682. Administration of certain disability benefits

(a) Continuation of cash relief payments to employees under Act of July 8, 1937

(1) The Commission, or any other United States Government agency or private entity acting pursuant to an agreement with the Commission, under the Act entitled ''An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act'', approved July 8, 1937 (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease.

(2) Subject to subsection (b), cash relief under this subsection may not exceed $1.50 per month for each year of service of the employees so furnished relief, with a maximum of $45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.

(b) Additional amounts for relief under subsection (a)

An additional amount of $20 per month shall be paid to each person who receives payment of cash relief under subsection (a) of this section and shall be allowed without regard to the limitations contained therein.

(c) Increases in cash relief payments

Each cash relief payment made pursuant to this section shall be increased on the same effective date and by the same percent, adjusted to the nearest dollar, as civil service retirement annuities are increased under the cost-of-living adjustment provisions of section 8340(b) of title 5. Such increase shall apply only to cash relief payments made after October 1, 1979, as increased by annuity increases made after that date under such section 8340(b) of title 5.

(d) Cash relief payments to widows

The Commission may pay cash relief to the widow of any former employee of the Canal Zone Government or the Panama Canal Company who, until the time of his death, receives or has received cash relief under subsection (a) of this section, under section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), or under the Act of July 8, 1937, referred to in such subsection (a). The term ''widow'' as used in this subsection includes only the following:

(1) a woman legally married to such employee at the time of his termination for disability and at his death;

(2) a woman who, although not legally married to such former employee at the time of his termination, had resided continuously with him for at least five years immediately preceding the employee's termination under such circumstances as would at common law make the relationship a valid marriage and who continued to reside with him until his death; and

(3) a woman who has not remarried or assumed a common-law relationship with any other person.

Cash relief granted to such a widow shall not at any time exceed 50 percent of the rate at which cash relief, inclusive of any additional payment under subsection (b) of this section, would be payable to the former employee were he then alive.

(e) Applicability of subchapter III of chapter 83 of title 5

Subchapter III of chapter 83 of title 5 applies with respect to those individuals who were in the service of the Canal Zone Government or the Panama Canal Company on October 5, 1958, and who, except for the operation of section 13(a)(1) of the Act entitled ''An Act to implement item 1 of a Memorandum of Understanding attached to the treaty of January 25, 1955, entered into by the Government of the United States of America and the Government of the Republic of Panama with respect to wage and employment practices of the Government of the United States of America in the Canal Zone'', approved July 25, 1958 (72 Stat. 405), would have been within the classes of individuals subject to the Act of July 8, 1937, referred to in subsection (a) of this section.

(Pub. L. 96–70, title I, § 1245, Sept. 27, 1979, 93 Stat. 475; Pub. L. 104–201, div. C, title XXXV, §§ 3538, 3548(c)(2), Sept. 23, 1996, 110 Stat. 2864, 2869.)

REFERENCES IN TEXT

The reference to the Act of July 8, 1937, in subsecs. (a)(1), (d), and (e), is act July 8, 1937, ch. 443, 50 Stat. 478, as amended, which was classified to section 1372 of Title 48, Territories and Insular Possessions, prior to

repeal by Pub. L. 87–845, § 26(b), Oct. 18, 1962, 76A Stat. 701.

The Canal Zone Code, referred to in subsec. (a)(2), was enacted by Pub. L. 87–845, § 1, Oct. 18, 1962, 76A Stat. 1, redesignated the Panama Canal Code by Pub. L. 96–70, title III, § 3303(b), Sept. 27, 1979, 93 Stat. 499, and repealed by Pub. L. 104–201, div. C, title XXXV, § 3549, Sept. 23, 1996, 110 Stat. 2870.

Section 13(a)(1) of Act July 25, 1958, referred to in subsec. (e), probably means section 13(a) of Pub. L. 85–550, July 25, 1958, 72 Stat. 405, as amended, which is set out as a note under section 8331 of Title 5, Government Organization and Employees.

AMENDMENTS

1996—Pub. L. 104–201, §§ 3538, 3548(c)(2), amended section catchline to read ''Administration of certain disability benefits''.

Subsec. (a). Pub. L. 104–201, § 3538, added subsec. (a) and struck out former subsec. (a) which read as follows: ''The Commission, under the regulations prescribed by the President pursuant to the Act entitled 'An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act', approved July 8, 1937, as amended (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease. Subject to subsection (b) of this section, that cash relief may not exceed $1.50 per month for each year of service of the employees so furnished relief, with a maximum of $45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.''

§ 3683. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(6), Sept. 23, 1996, 110 Stat. 2868

Section, Pub. L. 96–70, title I, § 1246, Sept. 27, 1979, 93 Stat. 476; Pub. L. 100–203, title V, § 5428(a), Dec. 22, 1987, 101 Stat. 1330–274, authorized Commission to purchase artificial limbs or other appliances for persons who were injured in service of Isthmian Canal Commission or of Panama Canal before Sept. 7, 1916.

SUBPART V—APPLICATION TO RELATED PERSONNEL

§ 3691. Individuals considered employees

(a) Individuals considered employees for purposes of certain sections

For the purposes of sections 3646,[1] 3671, and 3672 of this title, including any amendment made by sections 1231, 1241, and 1242 of this Act, the United States Attorney for the District of the Canal Zone and the Assistant United States Attorneys and their clerical assistants, and the United States Marshal for the District of the Canal Zone and his deputies and clerical assistants shall be considered employees of the Commission.

[1] See References in Text note below.

(b) Individuals considered employees for certain purposes

For the purposes of this Act, including any amendment made by this Act, the Executive Director of the Canal Zone Civilian Personnel Policy Coordinating Board, the Manager, Central Examining Office, and their staffs shall be considered to have been employees of the Panama Canal Company with respect to service in those positions before October 1, 1979, and as employees of the Commission with respect to service in those positions on or after that date.

(Pub. L. 96–70, title I, § 1261(a), (b), Sept. 27, 1979, 93 Stat. 476.)

REFERENCES IN TEXT

Section 3646 of this title, referred to in subsec. (a), was repealed by Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.

Section 1231 of this Act, referred to in subsec. (a), amended sections 5595, 5724a, and 8102 of Title 5, Government Organization and Employees.

Section 1241 of this Act, referred to in subsec. (a), amended section 8336 of Title 5 and enacted provisions set out as notes thereunder.

Section 1242 of this Act, referred to in subsec. (a), amended section 8339 of Title 5 and enacted provisions set out as notes thereunder.

This Act, referred to in subsec. (b), is Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

EFFECTIVE DATE

Pub. L. 96–70, title I, § 1261(c), Sept. 27, 1979, 93 Stat. 476, provided that: ''The provisions of this section [enacting this section] shall take effect on the date of the enactment of this Act [Sept. 27, 1979].''

SUBPART VI—LABOR-MANAGEMENT RELATIONS

§ 3701. Labor-management relations

(a) Applicability of chapter 71 of title 5

Nothing in this chapter shall be construed to affect the applicability of chapter 71 of title 5, relating to labor-management and employee relations, with respect to the Commission or the operations of any other Executive agency conducted in that area of the Republic of Panama which, on September 30, 1979, was the Canal Zone, except that in applying those provisions—

(1) the definition of ''employee'' shall be applied without regard to clause (i) of section 7103(a)(2) of such title 5 which relates to nationality and citizenship;

(2) a unit shall be considered to be appropriate notwithstanding the fact that it includes any supervisor if that supervisor's position (or type of position) was, before October 1, 1979, represented before the Panama Canal Company by a labor organization that included employees who were not supervisors; and

(3) any negotiated grievance procedures under section 7121 of title 5, including any provisions relating to binding arbitration, shall, with respect to any personnel action to which subchapter II of chapter 75 of such title applies (as determined under section 7512 of such title), be available to the same extent and in

the same manner as if employees of the Panama Canal Commission were not excluded from such subchapter under section 7511(b)(8) of such title.

(b) United States laws applicable

Labor-management and employee relations of the Commission, other Executive agencies, and the Smithsonian Institution, their employees, and organizations of those employees, in connection with operations conducted in that area of the Republic of Panama which, on September 30, 1979, was the Canal Zone, shall be governed and regulated solely by the applicable laws, rules, and regulations of the United States.

(c) Resolution of collective bargaining impasses

(1) This subsection applies to any matter that becomes the subject of collective bargaining between the Commission and the exclusive representative for any bargaining unit of employees of the Commission during the period beginning on November 18, 1997, and ending on the Canal Transfer Date.

(2)(A) The resolution of impasses resulting from collective bargaining between the Commission and any such exclusive representative during that period shall be conducted in accordance with such procedures as may be mutually agreed upon between the Commission and the exclusive representative (without regard to any otherwise applicable provisions of chapter 71 of title 5). Such mutually agreed upon procedures shall become effective upon transmittal by the Chairman of the Supervisory Board of the Commission to the Congress of notice of the agreement to use those procedures and a description of those procedures.

(B) The Federal Services Impasses Panel shall not have jurisdiction to resolve any impasse between the Commission and any such exclusive representative in negotiations over a procedure for resolving impasses.

(3) If the Commission and such an exclusive representative do not reach an agreement concerning a procedure for resolving impasses with respect to a bargaining unit and transmit notice of the agreement under paragraph (2) on or before July 1, 1998, the following shall be the procedure by which collective bargaining impasses between the Commission and the exclusive representative for that bargaining unit shall be resolved:

(A) If bargaining efforts do not result in an agreement, either party may timely request the Federal Mediation and Conciliation Service to assist in achieving an agreement.

(B) If an agreement is not reached within 45 days after the date on which either party requests the assistance of the Federal Mediation and Conciliation Service in writing (or within such shorter period as may be mutually agreed upon by the parties), the parties shall be considered to be at an impasse and the Federal Mediation and Conciliation Service shall immediately notify the Federal Services Impasses Panel of the Federal Labor Relations Authority, which shall decide the impasse.

(C) If the Federal Services Impasses Panel fails to issue a decision within 90 days after the date on which notice under subparagraph (B) is received by the Panel (or within such shorter period as may be mutually agreed upon by the parties), the efforts of the Panel shall be terminated.

(D) In such a case, the Chairman of the Panel (or another member in the absence of the Chairman) shall immediately determine the matter by a drawing (conducted in such manner as the Chairman (or, in the absence of the Chairman, such other member) determines appropriate) between the last offer of the Commission and the last offer of the exclusive representative, with the offer chosen through such drawing becoming the binding resolution of the matter.

(4) In the case of a notice of agreement described in paragraph (2)(A) that is transmitted to the Congress as described in the second sentence of that paragraph after July 1, 1998, the impasse resolution procedures covered by that notice shall apply to any impasse between the Commission and the other party to the agreement that is unresolved on the date on which that notice is transmitted to the Congress.

(Pub. L. 96–70, title I, § 1271, Sept. 27, 1979, 93 Stat. 476; Pub. L. 103–160, div. C, title XXXV, § 3505, Nov. 30, 1993, 107 Stat. 1966; Pub. L. 105–85, div. C, title XXXV, § 3527, Nov. 18, 1997, 111 Stat. 2068.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1997—Subsec. (c). Pub. L. 105–85 added subsec. (c).
1993—Subsec. (a)(3). Pub. L. 103–160 added par. (3).

EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103–160, div. C, title XXXV, § 3506, Nov. 30, 1993, 107 Stat. 1966, provided that:

''(a) IN GENERAL.—Except as provided in subsection (b), this title [amending this section and enacting provisions set out as a note under section 3641 of this title] shall take effect as of October 1, 1993.

''(b) SPECIAL RULE.—Paragraph (3) of section 1271(a) of the Panama Canal Act of 1979 (22 U.S.C. 3701(a)), as added by section 3505(3), shall take effect on the date of the enactment of this Act [Nov. 30, 1993] and shall apply with respect to grievances arising on or after such date.''

PART 3—FUNDS AND ACCOUNTS

SUBPART I—FUNDS

§ 3711. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(8), Sept. 23, 1996, 110 Stat. 2868

Section, Pub. L. 96–70, title I, § 1301, Sept. 27, 1979, 93 Stat. 477; Pub. L. 100–203, title V, § 5428(e), Dec. 22, 1987, 101 Stat. 1330–274, directed that, on Oct. 1, 1979, unexpended balances of Canal Zone Government appropriations accounts be covered into general fund of Treasury, repealed any appropriations to which expenditures under such accounts had been chargeable before Oct. 1, 1979, and authorized Commission to pay claims or make payments chargeable to such accounts.

§ 3712. Panama Canal Revolving Fund

(a) Establishment

There is established in the Treasury of the United States a revolving fund to be known as ''Panama Canal Revolving Fund''. The Panama Canal Revolving Fund shall, subject to subsection (b), be available to the Commission to carry out the purposes, functions, and powers authorized by this chapter, including for the following purposes:

(1) The hire of passenger motor vehicles and aircraft.

(2) Uniforms or allowances therefor.

(3) Official receptions and representation expenses of the Board, the Secretary of the Commission, and the Administrator.

(4) The operation of guide services.

(5) A residence for the Administrator.

(6) Disbursements by the Administrator for employee and community projects.

(7) The procurement of expert and consultant services.

(8) Promotional activities, including the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, film, or other media presentation designed to promote the Panama Canal as a resource of the world shipping industry.

(9) The purchase and transportation to the Republic of Panama of passenger motor vehicles, including large, heavy-duty vehicles.

(10) Payment to the Panama Canal Authority, not later than the Canal Transfer Date, of such amount as is computed by the Commission to be the future amount of severance pay to be paid by the Panama Canal Authority to employees whose employment with the Authority is terminated, to the extent that such severance pay is attributable to periods of service performed with the Commission before the Canal Transfer Date (and assuming for purposes of such computation that the Panama Canal Authority, in paying severance pay to terminated employees, will provide for crediting of periods of service with the Commission).

(b) Tolls and other receipts into Panama Canal Revolving Fund; restriction on use of funds

(1) There shall be deposited in the Panama Canal Revolving Fund, on a continuing basis, toll receipts (other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 3714a of this title) and all other receipts of the Commission. Except as provided in section 3713 of this title, no funds may be obligated or expended by the Commission in any fiscal year unless such obligation or expenditure has been specifically authorized by law.

(2) No funds may be authorized for the use of the Commission, or obligated or expended by the Commission in any fiscal year; in excess of—

(A) the amount of revenues deposited in the Panama Canal Revolving Fund and the Panama Canal Commission Dissolution Fund during such fiscal year; plus

(B) the amount of revenues deposited in the Panama Canal Revolving Fund before such fiscal year and remaining unobligated at the beginning of such fiscal year; plus

(C) the $100,000,000 borrowing authority provided for in section 3714 of this title.

Not later than 30 days after the end of each fiscal year, the Secretary of the Treasury shall report to the Congress the amount of revenues deposited in the Panama Canal Revolving Fund during such fiscal year.

(c) Authority of Commission to make deposits

With the approval of the Secretary of the Treasury, the Commission may deposit amounts in the Panama Canal Revolving Fund in any Federal Reserve bank, any depositary for public funds, or such other place and in such manner as the Commission and the Secretary may agree.

(d) Costs of implementation

(1) It is the sense of the Congress that the additional costs resulting from the implementation of the Panama Canal Treaty of 1977 and related agreements should be kept to the absolute minimum level. To this end, the Congress declares appropriated costs of implementation to be borne by the taxpayers over the life of such Treaty should be kept to a level no greater than the March 1979 estimate of those costs ($870,700,000) presented to the Congress by the executive branch during consideration of this chapter by the Congress, less personnel retirement costs of $205,000,000, which were subtracted and charged to tolls, therefore resulting in net taxpayer cost of approximately $665,700,000, plus appropriate adjustments for inflation.

(2) It is further the sense of the Congress that the actual costs of implementation be consistent with the obligations of the United States to operate the Panama Canal safely and efficiently and keep it secure.

(e) Termination of Commission and Office of Transition Administration; transfer of Fund

(1) The Panama Canal Commission and the Office of Transition Administration (described in section 3504 of Public Law 106–65) shall terminate on October 1, 2004.

(2) Upon termination pursuant to paragraph (1), the Panama Canal Revolving Fund shall be transferred to the General Services Administration (GSA). GSA shall use the amounts in the Fund to make payments of any outstanding liabilities of the Commission, as well as any expenses associated with the termination of the Office of Transition Administration and the Commission. The fund shall be the exclusive source available for payment of any outstanding liabilities of the Commission.

(Pub. L. 96–70, title I, § 1302, Sept. 27, 1979, 93 Stat. 477; Pub. L. 99–195, § 1(a), Dec. 23, 1985, 99 Stat. 1349; Pub. L. 100–203, title V, § 5422(a), (b)(1), Dec. 22, 1987, 101 Stat. 1330–271, 1330–272; Pub. L. 100–705, § 9, Nov. 19, 1988, 102 Stat. 4687; Pub. L. 102–484, div. C, title XXXV, § 3521(b)(1), Oct. 23, 1992, 106 Stat. 2657; Pub. L. 104–106, div. C, title XXXV, § 3525, Feb. 10, 1996, 110 Stat. 640; Pub. L. 104–201, div. C, title XXXV, § 3539, Sept. 23, 1996, 110 Stat. 2865; Pub. L. 105–85, div. C, title XXXV, § 3528, Nov. 18, 1997, 111 Stat. 2069; Pub. L. 108–309, § 121, Sept. 30, 2004, 118 Stat. 1140.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (d)(1), was in the original ''this Act'', meaning Pub. L. 96–70, Sept.

27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979 which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

Section 3504 of Public Law 106–65, referred to in subsec. (e)(1), is section 3504 of Pub. L. 106–65, div. C, title XXXV, Oct. 5, 1999, 113 Stat. 975, which amended section 3714a of this title and enacted provisions set out as a note under section 3714a of this title.

AMENDMENTS

2004—Subsec. (e). Pub. L. 108–309 added subsec. (e).

1997—Subsec. (a). Pub. L. 105–85, § 3528(b)(1), substituted ''for the following purposes:'' for ''for—'' in introductory provisions.

Subsec. (a)(1) to (7). Pub. L. 105–85, § 3528(b)(2), (3), capitalized initial letter of first word and substituted a period for the semicolon at end.

Subsec. (a)(8). Pub. L. 105–85, § 3528(b)(2), (4), capitalized initial letter of first word and substituted ''industry.'' for ''industry; and''.

Subsec. (a)(9). Pub. L. 105–85, § 3528(b)(2), capitalized initial letter of first word.

Subsec. (a)(10). Pub. L. 105–85, § 3528(a), added par. (10).

1996—Pub. L. 104–201 amended section generally, reenacting section catchline without change, revising and restating former subsecs. (a)(1), (c), (d), and (f) as subsecs. (a) to (d), and striking out provisions of former subsecs. (a)(2), (b), and (e), which related to termination of the Fund, transfer of funds, and congressional review of Commission budgets.

Subsec. (c)(1). Pub. L. 104–106, § 3525(1)(A), struck out ''and subject to paragraph (2)'' after ''section 3713 of this title''.

Subsec. (c)(2), (3). Pub. L. 104–106, § 3525(1)(B), (C), redesignated par. (3) as (2) and struck out former par. (2) which read as follows: ''No funds may be obligated or expended by the Commission in any fiscal year for administrative expenses except to the extent or in such amounts as are provided in appropriations Acts.''

Subsec. (e). Pub. L. 104–106, § 3525(2), added subsec. (e) and struck out former subsec. (e) which read as follows: ''The Committee on Appropriations of each House of Congress shall review the annual budget of the Commission, including operations and capital expenditures.''

1992—Subsec. (c)(1). Pub. L. 102–484, § 3521(b)(1)(A), inserted ''(other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 3714a of this title)'' after ''toll receipts''.

Subsec. (c)(3)(A). Pub. L. 102–484, § 3521(b)(1)(B), inserted ''and the Panama Canal Dissolution Fund'' after ''Panama Canal Revolving Fund''.

1988—Subsecs. (e), (f). Pub. L. 100–705 redesignated subsec. (e), relating to costs of implementation, as (f).

1987—Pub. L. 100–203, § 5422(b)(1), substituted ''Panama Canal Revolving Fund'' for ''Panama Canal Commission Fund'' in section catchline.

Subsecs. (a) to (d). Pub. L. 100–203, § 5422(a), added subsecs. (a) to (d) and struck out former subsecs. (a) to (d) which related to termination of Panama Canal Company Fund on Oct. 1, 1979, subsequent deposit of tolls and other receipts into Panama Canal Commission Fund, restriction on use of funds, and authority of the Commission to enter into contracts, respectively.

Subsec. (e). Pub. L. 100–203, § 5422(a), added subsec. (e), directing Appropriations Committee of each House to review annual budget of the Commission.

1985—Subsec. (b). Pub. L. 99–195 provided for deposit of interest receipts as miscellaneous receipts.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–705 effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as a note under section 3612 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Pub. L. 100–203, title V, § 5429, Dec. 22, 1987, 101 Stat. 1330–275, provided that: ''This part and the amendments made by this part [part 2 (§§ 5421–5429) of subtitle E of title V of Pub. L. 100–203, enacting section 3714 of this title, amending this section, sections 3683, 3711, 3713, 3751, 3753, 3754, 3792, and 3793 of this title, and section 8348 of Title 5, Government Organization and Employees, and enacting provisions set out as a note under section 3601 of this title] take effect on January 1, 1988.''

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–195, § 2, Dec. 23, 1985, 99 Stat. 1349, provided that: ''The amendments made by this Act [amending this section and section 3793 of this title] shall apply only to tolls and other receipts of the Commission deposited in the Treasury on or after the date of the enactment of this Act [Dec. 23, 1985].''

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under subsec. (b) of this section is listed on page 142), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

§ 3712a. Authority to lease office space

Notwithstanding section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490),[1] the Commission is authorized to negotiate directly and enter into contracts for the lease of, and for improvements to, real property in the United States for use by the Commission as office space, on such terms as the Commission considers to be in the interest of the United States, and to make direct payments therefor.

(Pub. L. 100–203, title V, § 5415, Dec. 22, 1987, 101 Stat. 1330–270.)

REFERENCES IN TEXT

Section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490), referred to in text, was section 210 of act June 30, 1949, ch. 288, as amended, which was classified to section 490 of former Title 40, Public Buildings, Property, and Works, and was repealed and reenacted as sections 581 to 584, 588 and 589 and parts of sections 585 to 587 and 592 of Title 40, Public Buildings, Property, and Works, by Pub. L. 107–217, §§ 1, 6(b), Aug. 21, 2002, 116 Stat. 1062, 1304. For disposition of section 490 of former Title 40, see Table at beginning of Title 40.

CODIFICATION

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1987, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

§ 3713. Panama Canal emergency authority

If authorizing legislation described in section 3712(b)(1) of this title has not been enacted for a fiscal year, then the Commission may withdraw funds from the Panama Canal Revolving Fund in order to defray emergency expenses and to ensure the continuous, efficient, and safe operation of the Panama Canal, including expenses for capital projects. The authority of this section may be exercised only until authorizing legislation described in section 3712(b)(1) of this title is enacted, or for a period of 24 months after the end of the fiscal year for which such

[1] See References in Text note below.

authorizing legislation was last enacted, whichever occurs first. Within 60 days after the end of any calendar quarter in which expenditures are made under this section, the Commission shall report such expenditures to the appropriate committees of the Congress.

(Pub. L. 96–70, title I, § 1303, Sept. 27, 1979, 93 Stat. 478; Pub. L. 100–203, title V, § 5423(a), (b)(1), Dec. 22, 1987, 101 Stat. 1330–273; Pub. L. 104–106, div. C, title XXXV, § 3529(2), Feb. 10, 1996, 110 Stat. 642; Pub. L. 104–201, div. C, title XXXV, § 3548(b)(2), Sept. 23, 1996, 110 Stat. 2869.)

AMENDMENTS

1996—Pub. L. 104–201 substituted ''section 3712(b)(1)'' for ''section 3712(c)(1)'' in two places.

Pub. L. 104–106 struck out ''The authority of this section may not be used for administrative expenses.'' after ''capital projects.''

1987—Pub. L. 100–203 substituted ''authority'' for ''Fund'' in section catchline and amended text generally. Prior to amendment, text read as follows:

''(a) On October 1, 1979, the Secretary of the Treasury shall establish and thereafter shall maintain in the Treasury a fund to be known as the 'Panama Canal Emergency Fund'. There are authorized to be appropriated for deposit in such Fund (1) for the fiscal year beginning on October 1, 1979, $40,000,000, and (2) for any fiscal year beginning on or after October 1, 1980, such additional sums as may be specifically authorized by law for such fiscal year.

''(b) The Commission may make withdrawals from the Panama Canal Emergency Fund by check in order to defray emergency expenses and to insure the continuous, efficient, and safe operation of the Panama Canal, if funds appropriated for the operation and maintenance of the Canal are insufficient for such purposes. Any withdrawal from such Fund to cover increased costs attributable to unprogrammed increases in traffic may not be made in amounts greater than the revenues from such increased traffic. Such Fund shall not be available for payments to Panama under Article XIII of the Panama Canal Treaty of 1977. Any withdrawal from such fund or expenditure made under this subsection shall be reported forthwith by the Commission to the Congress and to the Office of Management and Budget.''

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

§ 3714. Borrowing authority

(a) Limitation on amount; issuance of notes and other obligations

The Panama Canal Commission may borrow from the Treasury, for any of the purposes of the Commission, not more than $100,000,000 outstanding at any time. For this purpose, the Commission may issue to the Secretary of the Treasury its notes or other obligations—

(1) which shall have maturities (of not later than December 31, 1999) agreed upon by the Commission and the Secretary of the Treasury, and

(2) which may be redeemable at the option of the Commission before maturity.

(b) Restrictions on use

Amounts borrowed under this section shall not be available for payments to Panama under Article XIII of the Panama Canal Treaty of 1977.

(c) Effect on investment interest in Panama Canal

Amounts borrowed under this section shall increase the investment of the United States in the Panama Canal, and repayment of such amounts shall decrease such investment.

(d) Report to Congress

The Commission shall report to the Congress and to the Office of Management and Budget on each exercise of borrowing authority under this section.

(Pub. L. 96–70, title I, § 1304, as added Pub. L. 100–203, title V, § 5424(a), Dec. 22, 1987, 101 Stat. 1330–273.)

EFFECTIVE DATE

Section effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as an Effective Date of 1987 Amendment note under section 3712 of this title.

§ 3714a. Dissolution of Commission

(a) Study and report

(1) The Commission shall conduct a study of—

(A) the costs associated with the dissolution of the Commission, including the composition, location, and costs of the office authorized to be established under subsection (b); and

(B) costs and liabilities incurred or administered by the Commission that will not be paid before the date of that dissolution.

(2) The Commission shall submit to the Congress, by not later than September 30, 1996, a report on the findings and conclusions of the study under this subsection. The report shall include an estimate of the period of time which may be required to close out the affairs of the Commission after the termination of the Panama Canal Treaty of 1977.

(b) Termination office

The Commission shall during fiscal year 1998 establish an office to close out the affairs of the Commission that are still pending after the termination of the Panama Canal Treaty of 1977.

(c) Panama Canal Commission Dissolution Fund

(1) There is established in the Treasury of the United States a fund to be known as the ''Panama Canal Commission Dissolution Fund'' (hereinafter in this section referred to as the ''Fund''). The Fund shall be managed by the Commission until the termination of the Panama Canal Treaty of 1977 and by the office established under subsection (b) thereafter.

(2)(A) Subject to paragraph (5), the Fund shall be available after September 30, 1998, to pay—

(i) the costs of operating the office established under subsection (b); and

(ii) the costs and liabilities associated with dissolution of the Commission, including such costs incurred or identified after the termination of the Panama Canal Treaty of 1977.

(B) Payments from the Fund made during the period beginning on October 1, 1998, and ending with the termination of the Panama Canal Treaty of 1977 shall be subject to the approval of the Board provided for in section 3612 of this title.

(3) The Fund shall consist of—

(A) such amounts as may be deposited into the Fund by the Commission, from amounts

collected as toll receipts, to pay the costs described in paragraph (2); and

(B) amounts credited to the Fund under paragraph (4).

(4)(A) The Secretary of the Treasury shall invest excess amounts in the Fund in public debt securities with maturities suitable to the needs of the Fund, as determined by the manager of the Fund.

(B) Securities invested under subparagraph (A) shall bear interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(C) Interest earned on securities invested under subparagraph (A) shall be credited to and form part of the Fund.

(5)(A) Amounts in the Fund may not be obligated or expended in any fiscal year unless the obligation or expenditure is specifically authorized by law.

(B) The office established by subsection (b) is authorized to expend or obligate funds from the Fund for the purposes enumerated in clauses (i) and (ii) of paragraph (2)(A) until October 1, 2004.

(6) The Fund shall terminate on October 1, 2004. Amounts in the Fund on that date shall be deposited in the general fund of the Treasury of the United States.

(Pub. L. 96–70, title I, § 1305, as added Pub. L. 102–484, div. C, title XXXV, § 3521(a), Oct. 23, 1992, 106 Stat. 2656; amended Pub. L. 106–65, div. C, title XXXV, § 3504(a), Oct. 5, 1999, 113 Stat. 975.)

AMENDMENTS

1999—Subsec. (c)(5). Pub. L. 106–65 designated existing provisions as subpar. (A) and added subpar. (B).

OPERATION OF OFFICE OF TRANSITION ADMINISTRATION AND OVERSIGHT OF CLOSE-OUT ACTIVITIES

Pub. L. 106–65, div. C, title XXXV, § 3504(b), (c), Oct. 5, 1999, 113 Stat. 975, provided that:

''(b) OPERATION OF THE OFFICE OF TRANSITION ADMINISTRATION.—

''(1) IN GENERAL.—The Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) shall continue to govern the Office of Transition Administration until October 1, 2004.

''(2) PROCUREMENT.—For purposes of exercising authority under the procurement laws of the United States, the director of the Office of Transition Administration shall have the status of the head of an agency.

''(3) OFFICES.—The Office of Transition Administration shall have offices in the Republic of Panama and in the District of Columbia. Section 1110(b)(1) of the Panama Canal Act of 1973 (22 U.S.C. 3620(b)(1)) does not apply to such office in the Republic of Panama.

''(4) OFFICE OF TRANSITION ADMINISTRATION DEFINED.—In this subsection the term 'Office of Transition Administration' means the office established under section 1305 of the Panama Canal Act of 1979 (22 U.S.C. 3714a) to close out the affairs of the Panama Canal Commission.

''(5) EFFECTIVE DATE.—This subsection shall be effective on and after the termination of the Panama Canal Treaty of 1977.

''(c) OVERSIGHT OF CLOSE-OUT ACTIVITIES.—The Panama Canal Commission shall enter into an agreement with the head of a department or agency of the Federal Government to supervise the close out of the affairs of the Commission under section 1305 of the Panama Canal Act of 1979 and to certify the completion of that function.''

§ 3714b. Printing

(a) Sections 501 through 517 and 1101 through 1123 of title 44 shall not apply to direct purchase by the Commission for its use of printing, binding, and blank-book work in the Republic of Panama when the Commission determines that such direct purchase is in the best interest of the Government.

(b) This section shall not affect the Commission's authority, under chapter 5 of title 44, to operate a field printing plant.

(Pub. L. 96–70, title I, § 1306, as added Pub. L. 104–201, div. C, title XXXV, § 3540, Sept. 23, 1996, 110 Stat. 2866; amended Pub. L. 105–85, div. C, title XXXV, § 3549, Nov. 18, 1997, 111 Stat. 2073.)

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–85 substituted ''Sections 501 through 517 and 1101 through 1123'' for ''Section 501''.

§ 3715. Establishment of Compensation Fund

There is established in the Treasury of the United States the Panama Canal Commission Compensation Fund (hereafter in this Act referred to as the ''Fund'').

(Pub. L. 100–705, § 2, Nov. 19, 1988, 102 Stat. 4685.)

REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 100–705, Nov. 19, 1988, 102 Stat. 4685, known as the Panama Canal Commission Compensation Fund Act of 1988, which enacted sections 3715 to 3715d of this title, amended sections 3612, 3712, and 3731 of this title, and enacted provisions set out as notes under sections 3601 and 3612 of this title. For complete classification of this Act to the Code, see Short Title of 1988 Amendment note set out under section 3601 of this title and Tables.

CODIFICATION

Section was enacted as part of the Panama Canal Commission Compensation Fund Act of 1988, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as an Effective Date of 1988 Amendment note under section 3612 of this title.

§ 3715a. Operation of Fund

(a) Deposits to Fund

The Panama Canal Commission shall make deposits on a regular basis to the Fund, beginning on October 1, 1988, to accumulate an amount sufficient to defray the estimated total cost of liability for the workers' compensation benefits and other payments payable under chapter 81 of title 5 for the disability or death of employees of the Panama Canal Commission or any of its predecessor agencies on account of injuries sustained on or before December 31, 1999, except for those claims arising before, on, or after October 1, 1988, for which the Secretary of Labor has assumed fiscal responsibility.

(b) Calculation of amounts to be deposited

The amounts deposited under subsection (a) shall be based upon periodic actuarial studies conducted by experts or consultants whose services are procured by the Panama Canal Commis-

sion by contract. The amounts of such deposits shall take into consideration interest earnings in accordance with subsection (c) of this section and expected cost of living adjustments as provided in section 8146a of title 5, but not amounts payable by the Commission for continuation of pay pursuant to section 8118 of such title.

(c) Investment of amounts in Fund

The Secretary of the Treasury, upon the request of the Secretary of Labor, shall invest moneys in the Fund in public debt securities which shall bear interest at rates determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturity. Such interest shall be credited to and form a part of the Fund.

(Pub. L. 100–705, § 3, Nov. 19, 1988, 102 Stat. 4685.)

CODIFICATION

Section was enacted as part of the Panama Canal Commission Compensation Fund Act of 1988, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as an Effective Date of 1988 Amendment note under section 3612 of this title.

§ 3715b. Transfers from Fund for compensation benefits

The Secretary of the Treasury shall, upon request of the Secretary of Labor, transfer funds from the Fund to the Employees' Compensation Fund to reimburse the Employees' Compensation Fund for the total cost of workers' compensation benefits and other payments described in section 3715a(a) of this title that are provided on or after October 1, 1988.

(Pub. L. 100–705, § 4, Nov. 19, 1988, 102 Stat. 4685.)

CODIFICATION

Section was enacted as part of the Panama Canal Commission Compensation Fund Act of 1988, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as an Effective Date of 1988 Amendment note under section 3612 of this title.

§ 3715c. Final evaluation of Fund; deficiency or surplus in Fund

(a) Final evaluation of Fund

By March 31, 1998, the Secretary of Labor shall, on the basis of an actuarial study conducted by experts or consultants whose services are procured by the Secretary of Labor by contract, make a final determination of the amounts estimated to be necessary to meet expenditures for workers' compensation benefits and other payments described in section 3715a(a) of this title, as calculated in accordance with the second sentence of section 3715a(b) of this title. Amounts in the Fund shall be used to pay for the final determination under this subsection.

(b) Deficiency or surplus in Fund

If amounts in the Fund are not sufficient to meet expenditures as determined by the Secretary of Labor under subsection (a) for workers' compensation benefits and other payments described in section 3715a(a) of this title, then amounts in the Panama Canal Revolving Fund not otherwise obligated shall be transferred to the Fund to make up the deficiency. Any amounts remaining in the Fund in excess of the final determination amount as described in subsection (a) shall be transferred to the Panama Canal Revolving Fund, and may be used to satisfy lawful obligations of the Revolving Fund arising on or before December 31, 1999.

(c) Continuity of Fund

(1) Amounts in the Fund (including amounts transferred as a result of the final determination made under subsection (a)) shall be maintained by the Secretary of the Treasury, shall be made available for transfer to the Employees' Compensation Fund in such amounts as are requested by the Secretary of Labor pursuant to section 3715b of this title, and may be discontinued only in accordance with paragraph (2).

(2) At such time as the Secretary of Labor certifies that no further liability exists for workers compensation benefits or other payments described in section 3715a(a) of this title, the Secretary of the Treasury may discontinue the Fund in the manner provided by law.

(Pub. L. 100–705, § 5, Nov. 19, 1988, 102 Stat. 4686; Pub. L. 101–510, div. C, title XXXV, § 3507, Nov. 5, 1990, 104 Stat. 1847; Pub. L. 105–85, div. C, title XXXV, § 3545, Nov. 18, 1997, 111 Stat. 2072.)

CODIFICATION

Section was enacted as part of the Panama Canal Commission Compensation Fund Act of 1988, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–85 substituted ''By March 31, 1998'' for ''Upon the termination of the Panama Canal Commission''.

1990—Pub. L. 101–510, § 3507(1), struck out ''Upon the termination of the Panama Canal Commission:'' before subsec. (a).

Subsec. (a). Pub. L. 101–510, § 3507(2), substituted ''Upon the termination of the Panama Canal Commission, the Secretary of Labor'' for ''The Secretary of Labor'' and struck out at end ''The Secretary of the Treasury shall, in accordance with such final determination, transfer from the Fund to the Employee Compensation Fund amounts sufficient to meet expenditures for workers compensation benefits and other payments described in section 3715a(a) of this title.''

Subsec. (b). Pub. L. 101–510, § 3507(3), inserted ''under subsection (a)'' after ''Secretary of Labor'' and struck out ''Employees Compensation'' before ''Fund to make up''.

Subsec. (c). Pub. L. 101–510, § 3507(4), added subsec. (c).

EFFECTIVE DATE

Section effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as an Effective Date of 1988 Amendment note under section 3612 of this title.

§ 3715d. Continuation of benefits

The provisions of chapter 81 of title 5 shall, on or after October 1, 1988, continue to be the exclu-

sive remedy, in accordance with section 8116 of such title, for the disability or death of any employee of the Panama Canal Commission, or any of its predecessor agencies, who is covered under such chapter, resulting from injuries sustained while in the performance of the employee's duty. The rights of any such employee for workers' compensation benefits shall be based only on the provisions of that chapter.

(Pub. L. 100–705, § 6, Nov. 19, 1988, 102 Stat. 4686.)

CODIFICATION

Section was enacted as part of the Panama Canal Commission Compensation Fund Act of 1988, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as an Effective Date of 1988 Amendment note under section 3612 of this title.

SUBPART II—ACCOUNTING POLICIES AND AUDITS

§ 3721. Accounting policies

(a) Establishment and maintenance of accounts; specifications

The Commission shall establish and maintain its accounts pursuant to chapter 91 of title 31 and the provisions of this part. Such accounts shall specify all revenues received by the Commission, including tolls for the use of the Panama Canal, expenditures for capital replacement, expansion, and improvement, and all costs of maintenance and operation of the Panama Canal and of its complementary works, installations, and equipment, including depreciation, payments to the Republic of Panama under the Panama Canal Treaty of 1977, and interest on the investment of the United States calculated in accordance with section 3793 of this title.

(b) Regulations establishing the basis of accounting for assets

The Commission may issue regulations establishing the basis of accounting for the assets which are made available for the use of the Commission. Such regulations may provide for depreciation of the net replacement value of the assets which will ultimately require replacement to maintain the service capacity of the Panama Canal. Such regulations may also provide that depreciation of such assets be recorded ratably over their service lives.

(Pub. L. 96–70, title I, § 1311, Sept. 27, 1979, 93 Stat. 479; Pub. L. 104–201, div. C, title XXXV, § 3541(a), Sept. 23, 1996, 110 Stat. 2866.)

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–201 substituted "chapter 91 of title 31" for "the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)".

§ 3722. Repealed. Pub. L. 104–66, title II, § 2201(a), Dec. 21, 1995, 109 Stat. 732

Section, Pub. L. 96–70, title I, § 1312, Sept. 27, 1979, 93 Stat. 479, related to annual reports to President and Congress.

§ 3723. Audits

(a) Financial transactions of Commission; access to books, accounts, etc.

Notwithstanding any other provision of law, and subject to subsection (c), financial transactions of the Commission shall be audited by the Comptroller General of the United States (hereinafter in this chapter referred to as the "Comptroller General"). In conducting any such audit, the appropriate representatives of the Comptroller General shall have access to all books, accounts, financial records, reports, files, and other papers, items, or property in use by the Commission and necessary to facilitate such audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. Any such audit shall first be conducted with respect to the fiscal year in which this chapter becomes effective. An audit performed under this section is subject to the requirements of paragraphs (2), (3), and (5) of section 9105(a) of title 31.

(b) Omitted

(c) Independent auditors

At the discretion of the Board provided for in section 3612 of this title, the Commission may hire independent auditors to perform, in lieu of the Comptroller General, the audit and reporting functions prescribed in subsections (a) and (b).

(d) Examination and report on Commission's financial forecast

In addition to auditing the financial statements of the Commission, the Comptroller General (or the independent auditor if one is employed pursuant to subsection (c)) shall, in accordance with standards for an examination of a financial forecast established by the American Institute of Certified Public Accountants, examine and report on the Commission's financial forecast that it will be in a position to meet its financial liabilities on December 31, 1999.

(Pub. L. 96–70, title I, § 1313, Sept. 27, 1979, 93 Stat. 479; Pub. L. 104–106, div. C, title XXXV, § 3526(a), Feb. 10, 1996, 110 Stat. 640; Pub. L. 104–201, div. C, title XXXV, §§ 3541(b), 3546(a)(9), (b), Sept. 23, 1996, 110 Stat. 2867, 2868; Pub. L. 105–261, div. C, title XXXV, § 3512(a)(3), Oct. 17, 1998, 112 Stat. 2271.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original "this Act", meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

CODIFICATION

Subsec. (b) of this section, which required the Comptroller General, not later than six months after the end of each fiscal year, to submit to Congress a report of the audit conducted pursuant to subsec. (a) of this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 4 of House Document No. 103–7.

AMENDMENTS

1998—Subsecs. (a), (b), (d). Pub. L. 105–261 substituted ''subsection (c)'' for ''subsection (d)''.

1996—Pub. L. 104–106, § 3526(a)(1), substituted ''Audits'' for ''Audit by the Comptroller General of the United States'' as section catchline.

Subsec. (a). Pub. L. 104–201, § 3541(b), which directed substitution of ''chapter 91 of title 31'' for ''the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)'', could not be executed because that phrase did not appear subsequent to amendment by Pub. L. 104–106, § 3526(a)(2)(B). See below.

Pub. L. 104–106, § 3526(a)(2), substituted ''Notwithstanding any other provision of law, and subject to subsection (d), financial transactions'' for ''Financial transactions'', struck out ''pursuant to the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)'' after ''as the 'Comptroller General')'', substituted ''conducting any such audit'' for ''conducting any audit pursuant to such Act'' and ''Any such audit shall first'' for ''An audit pursuant to such Act shall first'', and inserted at end ''An audit performed under this section is subject to the requirements of paragraphs (2), (3), and (5) of section 9105(a) of title 31.''

Subsec. (b). Pub. L. 104–106, § 3526(a)(3), substituted ''Subject to subsection (d) of this section, the Comptroller General'' for ''The Comptroller General'' in introductory provisions.

Subsec. (c). Pub. L. 104–201, § 3546(b), redesignated subsec. (d) as (c).

Pub. L. 104–201, § 3546(a)(9), struck out subsec. (c) which read as follows: ''In conducting the audits and preparing the reports provided for in this section and in carrying out his other responsibilities pursuant to law, the Comptroller General shall, with respect to fiscal year 1980, take into account the problems inherent in converting the existing accounting system of the Panama Canal Company to conform to the requirements established in section 3721 of this title. Accordingly, the Comptroller General shall take no adverse action with respect to the Commission, nor shall any violation of sections 1341, 1342, and 1349–1351 and subchapter II of chapter 15 of title 31 be considered to have taken place, so long as the Commission is in substantial compliance with the requirements of this chapter. The Comptroller General shall make such recommendations to the Commission and to the Congress as he may consider appropriate to insure that full compliance with the financial controls provided for in chapter 91 of title 31 is achieved promptly.''

Pub. L. 104–201, § 3541(b), substituted ''chapter 91 of title 31'' for ''the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)''.

Subsec. (d). Pub. L. 104–201, § 3546(b), redesignated subsec. (e) as (d). Former subsec. (d) redesignated (c).

Pub. L. 104–106, § 3526(a)(4), added subsec. (d).

Subsec. (e). Pub. L. 104–201, § 3546(b), redesignated subsec. (e) as (d).

Pub. L. 104–106, § 3526(a)(4), added subsec. (e).

SUBPART III—INTERAGENCY ACCOUNTS

§ 3731. Reimbursements

(a) Reimbursement of the Employees' Compensation Fund, Bureau of Employees' Compensation, Department of Labor, and other Government departments and agencies by Commission

The Commission shall reimburse the Employees' Compensation Fund, Bureau of Employee's Compensation, Department of Labor, for the benefit payments to the Commission's employees, and shall also reimburse other Government departments and agencies for payments of a similar nature made on its behalf.

(b) Reimbursement of Commission by Department of Defense

The Department of Defense shall reimburse the Commission for amounts expended by the Commission in maintaining defense facilities in standby condition for the Department of Defense.

(c) Designation of funds of Department of Defense or any other department or agency of United States to carry out purposes of this subsection

Notwithstanding any other provision of law, funds appropriated (for any fiscal year beginning after September 30, 1979) to or for the use of the Department of Defense, or to any other department or agency of the United States as may be designated by the President to carry out the purposes of this subsection, shall be available for—

(1) conducting the educational and health care activities, including kindergartens and college, carried out by the Canal Zone Government and the Panama Canal Company before October 1, 1979, and

(2) providing the services related thereto to the categories of persons to which such services were provided before October 1, 1979.

Notwithstanding any other provision of law, the Department of Defense, or any department or agency designated by the President to provide health care services to those categories of persons referred to in this subsection, shall provide such services to such categories of persons on a basis no less favorable than that applied to its own employees and their dependents.

(d) Reimbursement to departments or agencies furnishing services

Amounts expended for furnishing services referred to in subsection (c) of this section to persons eligible to receive them, less amounts payable by such persons, shall be fully reimbursable to the department or agency furnishing the services, except to the extent that such expenditures are the responsibility of that department or agency. The funds of the Commission shall be available for such reimbursements on behalf of—

(1) employees of the Commission, and

(2) other persons authorized to receive such services who are eligible to receive them pursuant to the Panama Canal Treaty of 1977 and related agreements.

The appropriations or funds of any other department or agency of the United States conducting operations in the Republic of Panama, including the Smithsonian Institution, shall be available for reimbursements on behalf of employees of such department or agency and their dependents.

(e) Repealed. Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269

(f) Reimbursement of United States by Republic of Panama for salaries and other employment costs

For purposes of the reimbursement of the United States by the Republic of Panama for the salaries and other employment costs of employees of the Commission who are assigned to assist

the Republic of Panama in the operation of activities which are transferred to that Government as a result of any provision of the Panama Canal Treaty of 1977 and related agreements, which reimbursement is provided for in paragraph 8 of Article 10 of that Treaty, the Commission shall be deemed to be the United States of America.

(g) Operation of Canal Zone College

Notwithstanding any other provision of law, the President, through the appropriate department or agency of the United States, shall, until January 1, 2000, operate the educational institution known as the ''Canal Zone College''. Such institution shall continue to provide, insofar as practicable, the level of services which it offered immediately before October 1, 1979.

(h) Prohibition of funds for uses other than Commission activities

Except as expressly provided in this chapter, funds available to the Panama Canal Commission may not be made available to any other agency as that term is defined in section 551 of title 5, nor may funds be authorized or appropriated for any function other than Panama Canal Commission activities.

(Pub. L. 96–70, title I, § 1321, Sept. 27, 1979, 93 Stat. 480; Pub. L. 99–223, § 5(c), Dec. 28, 1985, 99 Stat. 1739; Pub. L. 100–705, § 8, Nov. 19, 1988, 102 Stat. 4686; Pub. L. 102–484, div. C, title XXXV, § 3512, Oct. 23, 1992, 106 Stat. 2655; Pub. L. 103–337, div. C, title XXXVI, § 3604, Oct. 5, 1994, 108 Stat. 3112; Pub. L. 104–106, div. C, title XXXV, § 3529(3), Feb. 10, 1996, 110 Stat. 642; Pub. L. 104–201, div. C, title XXXV, § 3542, Sept. 23, 1996, 110 Stat. 2867; Pub. L. 105–85, div. C, title XXXV, §§ 3525(b), 3550(d)(2)(A), (B), Nov. 18, 1997, 111 Stat. 2066, 2074; Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (h), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1998—Subsec. (e). Pub. L. 105–261 struck out subsec. (e) which provided that appropriations or funds of the Commission or of any other department or agency of the United States conducting operations in the Republic of Panama were available to defray the cost of certain health care services and educational services.

1997—Subsec. (c)(1). Pub. L. 105–85, § 3550(d)(2)(A), substituted ''October 1, 1979'' for ''the effective date of this Act''.

Subsec. (c)(2). Pub. L. 105–85, § 3550(d)(2)(B), substituted ''October 1, 1979'' for ''such effective date''.

Subsec. (e)(2). Pub. L. 105–85, § 3525(b), substituted '', to other Commission employees when determined by the Commission to be necessary for their recruitment or retention, and to other persons'' for ''and persons''.

1996—Subsec. (d). Pub. L. 104–106 struck out ''appropriations or'' before ''funds of the Commission'' in introductory provisions.

Subsec. (e). Pub. L. 104–201 inserted concluding provisions ''Notwithstanding the provisions relating to the availability of adequate schools contained in section 5924(4)(A) of title 5, the Commission shall by regulation determine the extent to which costs of educational services may be defrayed under this subsection.''

1994—Subsec. (e)(2). Pub. L. 103–337 inserted ''or the United States'' after ''schools in the Republic of Panama''.

1992—Subsec. (e)(1). Pub. L. 102–484 inserted ''provided by medical facilities licensed and approved by the Republic of Panama (and not operated by the United States)'' after ''health care services''.

1988—Subsec. (h). Pub. L. 100–705 added subsec. (h).

1985—Subsec. (e). Pub. L. 99–223 amended subsec. (e) generally, striking out '', in accordance with subsection (d) of this section,'' after ''shall be available'' in provisions preceding par. (1) and inserting ''employees of the Commission who are citizens of the United States and'' in par. (2).

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105–261, div. C, title XXXV, § 3507(a), Oct. 17, 1998, 112 Stat. 2269, provided that the amendment made by section 3507(a) striking out subsec. (e) of this section is effective 11:59 p.m. (Eastern Standard Time), Dec. 30, 1999, and any right or condition of employment provided for in, or arising from, subsec. (e) of this section is terminated.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–705 effective Oct. 1, 1988, see section 10 of Pub. L. 100–705, set out as a note under section 3612 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–223 effective Oct. 1, 1985, see section 8 of Pub. L. 99–223, set out as a note under section 3612 of this title.

SUBPART IV—POSTAL MATTERS

§ 3741. Postal service

(a) Possession or administration of funds by Commission

The Commission shall take possession of and administer the funds of the Canal Zone postal service and shall assume its obligations.

(b) Expiration of responsibility for unpaid balances

Effective December 1, 1999, neither the Commission nor the United States Government shall be responsible for the distribution of any accumulated unpaid balances relating to Canal Zone postal-savings deposits, postal-savings certificates, and postal money orders.

(c) Mail addressed to Canal Zone from or through United States

Mail addressed to the Canal Zone from or through the continental United States may be routed by the United States Postal Service to the military post offices of the United States Armed Forces in the Republic of Panama. Such military post offices shall provide the required directory services and shall accept such mail to the extent permitted under the Panama Canal Treaty of 1977 and related agreements. The Commission shall furnish personnel, records, and other services to such military post offices to assure wherever appropriate the distribution, rerouting, or return of such mail.

(Pub. L. 96–70, title I, § 1331, Sept. 27, 1979, 93 Stat. 481, 482; Pub. L. 104–201, div. C, title XXXV, § 3543, Sept. 23, 1996, 110 Stat. 2867.)

AMENDMENTS

1996—Pub. L. 104–201 reenacted section catchline without change and amended text generally. Prior to

amendment, text was comprised of subsecs. (a) to (d) of section 1331 of Pub. L. 96–70 which provided for discontinuation of postal service under former Canal Zone Code, savings provision, possession and administration of postal funds by Commission, and handling of mail addressed to the Canal Zone. Prior to amendment, section 1331 also contained a subsec. (e) which amended sections 403, 3401, 3402, and 3682 of Title 39, Postal Service.

SUBPART V—ACCOUNTS WITH REPUBLIC OF PANAMA

§ 3751. Payments to Republic of Panama

(a) Payments required under Panama Canal Treaty; annual audit

The Commission shall pay to the Republic of Panama those payments required under paragraph 5 of Article III and paragraph 4 of Article XIII of the Panama Canal Treaty of 1977. Payments made under paragraph 5 of Article III of such Treaty shall be audited annually by the Comptroller General and any overpayment, as determined in accordance with Understanding (1) incorporated in the Resolution of Ratification of the Panama Canal Treaty (adopted by the United States Senate on April 18, 1978), for the services described in that paragraph which are provided shall be refunded by the Republic of Panama or set off against amounts payable by the United States to the Republic of Panama under paragraph 5 of Article III of the Panama Canal Treaty of 1977.

(b) Excess operating revenues

In determining whether operating revenues exceed expenditures for the purpose of payments to the Republic of Panama under paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977, such operating revenues in a fiscal period shall be reduced by (1) all costs of such period as shown by the accounts established pursuant to section 3721 of this title, and (2) the cumulative sum from prior years (beginning with the year in which the Panama Canal Treaty of 1977 enters into force) of any excess of costs of the Panama Canal Commission over operating revenues.

(c) Retroactive taxation

The President shall not accede to any interpretation of paragraph 1 of Article IX of the Panama Canal Treaty of 1977 which would permit the Republic of Panama to tax retroactively organizations and businesses operating, and citizens of the United States living, in the Canal Zone before October 1, 1979.

(d) Accumulated unpaid balances

Any accumulated unpaid balance under paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977 at the termination of such Treaty shall be payable only to the extent of any operating surplus in the last year of the Treaty's duration, and nothing in such paragraph may be construed as obligating the United States to pay after the date of the termination of the Treaty any such unpaid balance which has accrued before such date.

(e) Toll rates; payment of costs of operation and maintenance of canal with unexpended funds

As provided in section 3792(b) of this title, tolls shall not be prescribed at rates calculated to cover payments to the Republic of Panama pursuant to paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977. Moreover, no payments may be made to the Republic of Panama under paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977 unless unexpended funds are used to pay all costs of operation and maintenance of the canal, including but not limited to (1) operating expenses determined in accordance with generally accepted accounting principles, (2) payments to the Republic of Panama under paragraphs 4(a) and 4(b) of such Article XIII and under paragraph (5) of Article III of such Treaty, (3) amounts in excess of depreciation and amortization which are programed for plant replacement, expansion, and improvements, (4) payments to the Treasury of the United States under section 3793 of this title, (5) reimbursement to the Treasury of the United States for costs incurred by other departments and agencies of the United States in providing educational, health, and other services to the Commission, its employees and their dependents, and other categories of persons in accordance with section 3731 of this title, (6) any costs of Treaty implementation associated with the maintenance and operation of the Panama Canal, and (7) amounts programmed to meet working capital requirements.

(f) Prohibitions

The prohibitions contained in this section and in sections 3712(b) and 3783 of this title shall apply notwithstanding any other provision of law authorizing transfers of funds between accounts, reprograming of funds, use of funds for contingency purposes, or waivers of prohibitions.

(g) Exemption from automatic budget cuts

Notwithstanding any other provision of law, no reduction under any order issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 shall apply to the Commission if the implementation of such an order would result in a payment to the Republic of Panama under paragraph 4(c) of article XIII of the Panama Canal Treaty of 1977 and this section.

(Pub. L. 96–70, title I, § 1341, Sept. 27, 1979, 93 Stat. 482; Pub. L. 99–368, § 6, Aug. 1, 1986, 100 Stat. 776; Pub. L. 100–203, title V, § 5426, Dec. 22, 1987, 101 Stat. 1330–274; Pub. L. 104–201, div. C, title XXXV, § 3548(b)(3), Sept. 23, 1996, 110 Stat. 2869; Pub. L. 105–85, div. C, title XXXV, § 3550(d)(7), Nov. 18, 1997, 111 Stat. 2074; Pub. L. 105–261, div. C, title XXXV, § 3512(b), Oct. 17, 1998, 112 Stat. 2271.)

REFERENCES IN TEXT

The Balanced Budget and Emergency Deficit Control Act of 1985, referred to in subsec. (g), is title II of Pub. L. 99–177, Dec. 12, 1985, 99 Stat. 1038, as amended, which enacted chapter 20 (§ 900 et seq.) and sections 654 to 656 of Title 2, The Congress, amended sections 602, 622, 631 to 642, and 651 to 653 of Title 2, sections 1104 to 1106, and 1109 of Title 31, Money and Finance, and section 911 of Title 42, The Public Health and Welfare, repealed section 661 of Title 2, enacted provisions set out as notes under section 900 of Title 2 and section 911 of Title 42, and amended provisions set out as a note under section 621 of Title 2. For complete classification of this Act to the Code, see Short Title note set out under section 900 of Title 2 and Tables.

AMENDMENTS

1998—Subsec. (f). Pub. L. 105–261 made technical correction to Pub. L. 104–201. See 1996 Amendment note below.

1997—Subsec. (f). Pub. L. 105–85, which directed substitution of ''sections 3712(b)'' for ''sections 3712(c)'', could not be executed because the words ''sections 3712(c)'' did not appear subsequent to amendment by Pub. L. 104–201, as amended by Pub. L. 105–261. See 1996 and 1998 Amendments notes below and above.

1996—Subsec. (f). Pub. L. 104–201, as amended by Pub. L. 105–261, substituted ''sections 3712(b)'' for ''sections 3712(c)''.

1987—Subsec. (e)(7). Pub. L. 100–203 added cl. (7).

1986—Subsec. (g). Pub. L. 99–368 added subsec. (g).

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105–261, div. C, title XXXV, § 3512(b), Oct. 17, 1998, 112 Stat. 2271, provided that the amendment made by section 3512(b) is effective as of Sept. 23, 1996, and as if included in section 3548(b)(3) of the Panama Canal Act Amendments of 1996, Pub. L. 104–201, as enacted.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99–368, § 7, Aug. 1, 1986, 100 Stat. 777, provided that: ''The amendment made by section 6 [amending this section] shall take effect with respect to fiscal year 1986 and subsequent fiscal years.''

§ 3752. Transactions with Republic of Panama

(a) Commission assistance on reimbursable basis

The Commission may, on a reimbursable basis, provide to the Republic of Panama materials, supplies, equipment, work, or services, including water and electric power, requested by the Republic of Panama, at such rates as may be agreed upon by the Commission and the Republic of Panama. Payment for such materials, supplies, equipment, work, or services may be made by direct payment by the Republic of Panama to the Commission or by offset against amounts due the Republic of Panama by the United States.

(b) Commission assistance on nonreimbursable basis

The Commission may provide office space, equipment, supplies, personnel, and other in-kind services to the Panama Canal Authority on a nonreimbursable basis.

(c) Other department of agency assistance on reimbursable basis

Any executive department or agency of the United States may, on a reimbursable basis, provide to the Panama Canal Authority materials, supplies, equipment, work, or services requested by the Panama Canal Authority, at such rates as may be agreed upon by that department or agency and the Panama Canal Authority.

(Pub. L. 96–70, title I, § 1342, Sept. 27, 1979, 93 Stat. 483; Pub. L. 105–85, div. C, title XXXV, § 3542, Nov. 18, 1997, 111 Stat. 2072.)

AMENDMENTS

1997—Pub. L. 105–85 designated existing provisions as subsec. (a) and added subsecs. (b) and (c).

§ 3753. Disaster relief

If an emergency arises because of disaster or calamity by flood, hurricane, earthquake, fire, pestilence, or like cause, not foreseen or otherwise provided for, and occurring in the Republic of Panama in such circumstances as to constitute an actual or potential hazard to health, safety, security, or property in the areas and installations made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements, the Commission may expend funds available to the Commission for such purpose, and utilize or furnish materials, supplies, equipment, and services for relief, assistance, and protection.

(Pub. L. 96–70, title I, § 1343, Sept. 27, 1979, 93 Stat. 483; Pub. L. 100–203, title V, § 5428(b), Dec. 22, 1987, 101 Stat. 1330–274.)

AMENDMENTS

1987—Pub. L. 100–203 substituted ''funds available'' for ''available funds appropriated''.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

§ 3754. Congressional restraints on property transfers and tax expenditures; formal apprisal of Panama

(a) The Congress enacts this section in the exercise of its authority under Article IV, section 3, clause 2 of the Constitution of the United States to dispose of and make necessary rules and regulations with respect to property of the United States.

(b) Prior to the transfer of property of the United States located in the Republic of Panama to the Republic of Panama pursuant to section 3784 of this title the President shall formally advise the Government of Panama that—

(1) in fulfilling its obligations under the Panama Canal Treaty of 1977, the United States shall make no payments to the Republic of Panama derived from tax revenues of the United States;

(2) the United States retains full discretion and authority to determine whether and the extent to which tax revenues of the United States may be expended in exercising United States rights and carrying out United States responsibilities under the Panama Canal Treaty of 1977 and related agreements;

(3) no tax revenues of the United States shall be made available for obligations and expenditure after October 1, 1979, for purposes of implementing the Panama Canal Treaty of 1977 and related agreements, unless hereafter specifically approved by the Congress through the authorization and appropriation process;

(4) the total amount expended by the Commission from funds available for the use of the Commission shall not exceed the total amount deposited in the Panama Canal Revolving Fund; and

(5) the foregoing paragraphs of this subsection do not apply to expenditures made by the United States in fulfilling United States obligations to transfer the remains of our honored dead from Mount Hope Cemetery in the former Canal Zone to an appropriate and dignified resting place in accordance with Reservation 3 to the Treaty Concerning the Per-

manent Neutrality and Operation of the Panama Canal.

(Pub. L. 96–70, title I, § 1344, Sept. 27, 1979, 93 Stat. 484; Pub. L. 100–203, title V, § 5428(c), Dec. 22, 1987, 101 Stat. 1330–274.)

AMENDMENTS

1987—Subsec. (b)(4). Pub. L. 100–203 substituted ''available'' for ''appropriated to or'' and ''Panama Canal Revolving Fund'' for ''Panama Canal Commission Fund''.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (b) delegated to Secretary of State, see section 1–402 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

PART 4—CLAIMS FOR INJURIES TO PERSONS OR PROPERTY

SUBPART I—GENERAL PROVISIONS

§ 3761. Settlement of claims generally

(a) Claims for injury to, or loss of, property or personal injury or death arising from operation of Panama Canal

Subject to the provisions of this part, the Commission may adjust and pay claims for injury to, or loss of, property or for personal injury or death, arising from the operation of the Panama Canal or related facilities and appurtenances.

(b) Limitation on amount of claims

The Commission may pay not more than $50,000 on any claim described in subsection (a).

(c) Source of award; release

An award made to a claimant under this section shall be payable out of any moneys made available to the Commission. The acceptance by the claimant of the award shall be final and conclusive on the claimant, and shall constitute a complete release by the claimant of his claim against the United States and against any employee of the United States acting in the course of his employment who is involved in the matter giving rise to the claim.

(d) Action for damages on claims cognizable under this part; action against officers or employees of United States for injuries resulting from acts outside scope of their employment

Except as provided in section 3776 of this title, no action for damages on claims cognizable under this part shall lie against the United States or the Commission, and no such action shall lie against any officer or employee of the United States. Neither this section nor section 3776 of this title shall preclude actions against officers or employees of the United States for injuries resulting from their acts outside the scope of their employment or not in the line of their duties, or from their acts committed with the intent to injure the person or property of another.

(e) Applicability of provisions of section 1346 and chapter 171 of title 28

The provisions of section 1346(b) of title 28 and the provisions of chapter 171 of such title shall not apply to claims cognizable under this part.

(Pub. L. 96–70, title I, § 1401, Sept. 27, 1979, 93 Stat. 484; Pub. L. 100–203, title V, § 5417(a), Dec. 22, 1987, 101 Stat. 1330–271; Pub. L. 104–106, div. C, title XXXV, § 3529(4), Feb. 10, 1996, 110 Stat. 642.)

AMENDMENTS

1996—Subsec. (c). Pub. L. 104–106 struck out ''appropriated for or'' after ''any moneys''.

1987—Subsec. (b). Pub. L. 100–203 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''No claim for an amount exceeding $50,000 shall be adjusted and paid by the Commission under the provisions of this subpart.''

SUBPART II—VESSEL DAMAGE

§ 3771. Injuries in locks of canal; adjustment and payment of claims

(a) Subject to section 3779(b) of this title and to subsection (b) of this section, the Commission shall promptly adjust and pay damages for injuries to vessels, or to the cargo, crew, or passengers of vessels, which may arise by reason of their passage through the locks of the Panama Canal when the injury was proximately caused by negligence or fault on the part of an officer or employee of the United States acting within the scope of his employment and in the line of his duties in connection with the operation of the Canal. If the negligence or fault of the vessel, master, crew, or passengers proximately contributed to the injury, the award of damages shall be diminished in proportion to the negligence or fault attributable to the vessel, master, crew, or passengers. Damages may not be allowed and paid for injuries to any protrusion beyond any portion of the hull of a vessel, whether it is permanent or temporary in character. A vessel is considered to be passing through the locks of the Canal, under the control of officers or employees of the United States, from the time the first towing line is made fast on board before entrance into the locks and until the towing lines are cast off upon, or immediately prior to, departure from the lock chamber. No payment for damages on a claim may be made under this section unless the claim is filed with the Commission within one year after the date of the injury or by November 18, 1998, whichever is later.

(b)(1) With respect to a claim under subsection (a) for damages for injuries to a vessel or its cargo, if, at the time the injuries were incurred, the navigation or movement of the vessel was not under the control of a Panama Canal pilot, the Commission may pay not more than $50,000 on the claim, unless the injuries were caused by another vessel under the control of a Panama Canal pilot.

(2) The provisions of subsections (c) through (e) of section 3761 of this title shall apply to any claim described in paragraph (1).

(Pub. L. 96–70, title I, § 1411, Sept. 27, 1979, 93 Stat. 485; Pub. L. 99–209, § 2(a), (b), Dec. 23, 1985, 99 Stat. 1716; Pub. L. 100–203, title V, § 5417(b),

Dec. 22, 1987, 101 Stat. 1330–271; Pub. L. 105–85, div. C, title XXXV, § 3543(a), Nov. 18, 1997, 111 Stat. 2072; Pub. L. 105–261, div. C, title XXXV, §§ 3509(a)(1), 3512(a)(4), Oct. 17, 1998, 112 Stat. 2269, 2271.)

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–261 inserted ''to section 3779(b) of this title and'' after ''Subject'' in first sentence and substituted ''by November 18, 1998'' for ''November 18, 1997''.

1997—Subsec. (a). Pub. L. 105–85 substituted ''within one year after the date of the injury or November 18, 1997,'' for ''within 2 years after the date of the injury, or within 1 year after December 23, 1985,''.

1987—Subsec. (b)(1). Pub. L. 100–203 substituted ''pay not more than $50,000 on the claim'' for ''adjust and pay the claim only if the amount of the claim does not exceed $50,000''.

1985—Subsec. (a). Pub. L. 99–209, § 2(a), designated existing provisions as subsec. (a), substituted ''Subject to subsection (b) of this section, the'' for ''The'', substituted ''the Panama Canal when the injury was proximately caused by negligence or fault on the part of an officer or employee of the United States acting within the scope of his employment and in the line of his duties in connection with the operation of the Canal'' for ''The Panama Canal under the control of officers or employees of the United States'', struck out provision that damages could not be paid where the injury was proximately caused by the negligence or fault of the vessel, master, crew, or passengers, and inserted provision that no payment for damages on a claim may be made under this section unless the claim is filed with the Commission within 2 years after the date of the injury, or within 1 year after Dec. 23, 1985, whichever is later.

Subsec. (b). Pub. L. 99–209, § 2(b), added subsec. (b).

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–209, § 7, Dec. 23, 1985, 99 Stat. 1718, provided that:

''(a) RETROACTIVE APPLICABILITY.—The amendments made by subsections (a) and (c) of section 2 [amending this section and section 3772 of this title], and the amendments made by sections 4 and 5 of this Act [amending sections 3775 and 3776 of this title], shall apply to any claim arising on or after October 1, 1979.

''(b) FUTURE APPLICABILITY.—

''(1) SECTIONS 3 AND 6.—The amendments made by sections 3 [amending section 3774 of this title] and 6 [enacting section 3779 of this title] of this Act shall apply to any claim arising on or after the date of the enactment of this Act [Dec. 23, 1985].

''(2) SECTION 2(b).—The amendment made by subsection (b) of section 2 [amending this section] shall apply to any claim arising from an incident occurring on or after the date of the enactment of this Act [Dec. 23, 1985].''

§ 3772. Injuries outside locks

Subject to section 3779(b) of this title, the Commission shall promptly adjust and pay damages for injuries to vessels, or to the cargo, crew, or passengers of vessels which may arise by reason of their presence in the Panama Canal, or waters adjacent thereto, other than the locks, when the injury was proximately caused by negligence or fault on the part of an officer or employee of the United States acting within the scope of his employment and in the line of his duties in connection with the operation of the Canal. If the negligence or fault of the vessel, master, crew, or passengers proximately contributed to the injury, the award of damages shall be diminished in proportion to the negligence or fault attributable to the vessel, master, crew, or passengers. In the case of a vessel which is required by or pursuant to regulations prescribed pursuant to section 3811 of this title to have a Panama Canal pilot on duty aboard, damages may not be adjusted and paid for injuries to the vessel, or its cargo, crew, or passengers, incurred while the vessel was underway and in motion, unless at the time the injuries were incurred the navigation or movement of the vessel was under the control of a Panama Canal pilot. No payment for damages on a claim may be made under this section unless the claim is filed with the Commission within one year after the date of the injury or by November 18, 1998, whichever is later.

(Pub. L. 96–70, title I, § 1412, Sept. 27, 1979, 93 Stat. 485; Pub. L. 99–209, § 2(c), Dec. 23, 1985, 99 Stat. 1716; Pub. L. 105–85, div. C, title XXXV, § 3543(a), Nov. 18, 1997, 111 Stat. 2072; Pub. L. 105–261, div. C, title XXXV, §§ 3509(a)(2), 3512(a)(4), Oct. 17, 1998, 112 Stat. 2270, 2271.)

AMENDMENTS

1998—Pub. L. 105–261 substituted ''Subject to section 3779(b) of this title, the Commission'' for ''The Commission'' in first sentence and ''by November 18, 1998'' for ''November 18, 1997''.

1997—Pub. L. 105–85 substituted ''within one year after the date of the injury or November 18, 1997,'' for ''within 2 years after the date of the injury, or within 1 year after December 23, 1985,''.

1985—Pub. L. 99–209 struck out provisions limiting the amount of the claim to $120,000, and inserted provision that no payment for damages on a claim may be made under this section unless the claim is filed with the Commission within 2 years after the date of the injury, or within 1 year after Dec. 23, 1985, whichever is later.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–209 applicable to any claim arising on or after Oct. 1, 1979, see section 7(a) of Pub. L. 99–209, set out as a note under section 3771 of this title.

§ 3773. Measure of damages generally

In determining the amount of the award of damages for injuries to a vessel for which the Commission is determined to be liable, there may be included—

(1) the actual or estimated cost of repairs;

(2) charter hire actually lost by the owners, or charter hire actually paid, depending upon the terms of the charter party, for the time the vessel is undergoing repairs;

(3) maintenance of the vessel and wages of the crew, if they are found to be actual additional expenses or losses incurred outside of the charter hire; and

(4) other expenses which are definitely and accurately shown to have been incurred necessarily and by reason of the accident or injuries.

Agent's fees, or commissions, or other incidental expenses of similar character, or any items which are indefinite, indeterminable, speculative, or conjectural may not be allowed. The Commission shall be furnished such vouchers, receipts, or other evidence as may be necessary in support of any item of a claim. If a vessel is not operated under charter but by the owner directly, evidence shall be secured if available as

to the sum for which vessels of the same size and class can be chartered in the market. If the charter value cannot be determined, the value of the vessel to its owners in the business in which it was engaged at the time of the injuries shall be used as a basis for estimating the damages for the vessel's detention; and the books of the owners showing the vessel's earnings about the time of the accident or injuries shall be considered as evidence of probable earnings during the time of detention. If the books are unavailable, such other evidence shall be furnished as may be necessary.

(Pub. L. 96–70, title I, § 1413, Sept. 27, 1979, 93 Stat. 486.)

§ 3774. Delays for which no responsibility is assumed

The Commission is not responsible, and may not consider any claim, for demurrage or delays caused by—

(1) landslides or other natural causes;

(2) necessary construction or maintenance work on Canal locks, terminals, or equipment;

(3) obstruction arising from accidents;

(4) time necessary for admeasurement;

(5) congestion of traffic;

(6) investigation of a marine accident that is conducted within 24 hours after the accident occurs, except that any liability of the Commission beyond that 24-hour period shall be limited to the extent to which the accident was caused, or contributed to, by the negligence of an employee of the Commission acting within the scope of the employee's official duties; or

(7) except as specially set forth in this subpart, any other cause.

(Pub. L. 96–70, title I, § 1414, Sept. 27, 1979, 93 Stat. 486; Pub. L. 99–209, § 3, Dec. 23, 1985, 99 Stat. 1717.)

AMENDMENTS

1985—Par. (6). Pub. L. 99–209 amended par. (6) generally. Prior to amendment, par. (6) read as follows: ''time necessary for investigation of marine accidents; or''.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–209 applicable to any claim arising on or after Dec. 23, 1985, see section 7(b)(1) of Pub. L. 99–209, set out as a note under section 3771 of this title.

§ 3775. Settlement of claims

The Commission, by mutual agreement, compromise, or otherwise, may adjust and determine the amounts of the respective awards of damages pursuant to this subpart. Such amounts may be paid only out of money allotted for the maintenance and operation of the Panama Canal. Acceptance by a claimant of the amount awarded to him shall be deemed to be in full settlement of such claim against the Government of the United States.

(Pub. L. 96–70, title I, § 1415, Sept. 27, 1979, 93 Stat. 486; Pub. L. 99–209, § 4, Dec. 23, 1985, 99 Stat. 1717; Pub. L. 104–106, div. C, title XXXV, § 3529(5), Feb. 10, 1996, 110 Stat. 642.)

AMENDMENTS

1996—Pub. L. 104–106 struck out ''appropriated or'' after ''out of money'' in second sentence.

1985—Pub. L. 99–209 struck out the subsec. (a) designation, substituted ''The Commission, by'' for ''Subject to subsection (b) of this section, the Commission, by'' and ''Such amounts may be paid only out of money appropriated or allotted for the maintenance and operation of the Panama Canal'' for ''Such amounts shall be payable promptly out of any moneys appropriated or allotted for the maintenance and operation of the Panama Canal'', and struck out subsec. (b) which provided that the Commission could not adjust and pay any claim for damages for injuries arising by reason of the presence of the vessel in the Panama Canal or adjacent waters outside the locks where the amount of the claim exceeded $120,000 but had to submit the claim to the Congress in a special report containing the material facts and the recommendation of the Commission thereon.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–209 applicable to any claim arising on or after Oct. 1, 1979, see section 7(a) of Pub. L. 99–209, set out as a note under section 3771 of this title.

§ 3776. Actions on claims

Subject to section 3779(b) of this title, a claimant for damages pursuant to section 3771(a) or 3772 of this title who considers himself aggrieved by the findings, determination, or award of the Commission in reference to his claim may bring an action on the claim against the Commission in the United States District Court for the Eastern District of Louisiana. Subject to the provisions of this part and of applicable regulations issued pursuant to section 3811 of this title relative to navigation of the Panama Canal and adjacent waters, such actions shall proceed and be heard by the court without a jury according to the principles of law and rules of practice obtaining generally in like cases between a private party and a department or agency of the United States. Any judgment obtained against the Commission in an action under this subpart may be paid only out of money allotted for the maintenance and operation of the Panama Canal. An action for damages cognizable under this section shall not otherwise lie against the United States or the Commission, nor in any other court, than as provided in this section; nor may it lie against any officer or employee of the United States or of the Commission. Any action on a claim under this section shall be barred unless the action is brought within 180 days after the date on which the Commission mails to the claimant written notification of the Commission's final determination with respect to the claim or by May 17, 1998, whichever is later. Attorneys appointed by the Commission shall represent the Commission in any action arising under this subpart.

(Pub. L. 96–70, title I, § 1416, Sept. 27, 1979, 93 Stat. 487; Pub. L. 99–209, § 5, Dec. 23, 1985, 99 Stat. 1717; Pub. L. 104–106, div. C, title XXXV, § 3529(6), Feb. 10, 1996, 110 Stat. 642; Pub. L. 105–85, div. C, title XXXV, § 3543(b), Nov. 18, 1997, 111 Stat. 2072; Pub. L. 105–261, div. C, title XXXV, §§ 3509(a)(3), 3512(a)(5), Oct. 17, 1998, 112 Stat. 2270, 2271.)

AMENDMENTS

1998—Pub. L. 105–261 substituted ''Subject to section 3779(b) of this title, a claimant'' for ''A claimant'' in

first sentence and ''by May 17, 1998'' for ''November 18, 1997''.

1997—Pub. L. 105–85 substituted ''180 days'' for ''one year'' and ''claim or November 18, 1997,'' for ''claim, or within one year after December 23, 1985,''.

1996—Pub. L. 104–106 struck out ''appropriated or'' after ''out of money'' in third sentence.

1985—Pub. L. 99–209 substituted ''section 3771(a) or 3772 of this title'' for ''section 3771 of this title'', substituted ''may be paid only out out money'' for ''shall be paid out of any moneys'', and inserted provisions that any action on a claim under this section shall be barred unless the action is brought within one year after the date on which the Commission mails to the claimant written notification of the Commission's final determination with respect to the claim, or within one year after Dec. 23, 1985, whichever is later, and that attorneys appointed by the Commission shall represent the Commission in any action arising under this subpart.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–209 applicable to any claim arising on or after Oct. 1, 1979, see section 7(a) of Pub. L. 99–209, set out as a note under section 3771 of this title.

§ 3777. Investigation of accident or injury giving rise to claim

Notwithstanding any other provision of law, a claim may not be considered under this subpart, or an action for damages lie thereon, unless, prior to the departure from the Panama Canal of the vessel involved—

(1) an investigation of the accident or injury giving rise to the claim has been completed, which shall include a hearing by the Board of Local Inspectors of the Commission; and

(2) the basis for the claim has been laid before the Commission.

(Pub. L. 96–70, title I, § 1417, Sept. 27, 1979, 93 Stat. 487; Pub. L. 104–201, div. C, title XXXV, § 3544, Sept. 23, 1996, 110 Stat. 2867.)

AMENDMENTS

1996—Par. (1). Pub. L. 104–201 amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''an investigation by the competent authorities of the accident or injury giving rise to the claim has been completed; and''.

§ 3778. Board of local inspectors

(a) The President shall provide for the establishment of a Board of Local Inspectors of the Panama Canal Commission which shall perform, in accordance with regulations prescribed by the President—

(1) the investigations required by section 3777 of this title; and

(2) such other duties with respect to marine matters as may be assigned by the President.

(b) In conducting any investigation pursuant to subsection (a) of this section, the Board of Local Inspectors established pursuant to such subsection may summon witnesses, administer oaths, and require the production of books and papers necessary for such investigation.

(Pub. L. 96–70, title I, § 1418, Sept. 27, 1979, 93 Stat. 487.)

DELEGATION OF FUNCTIONS

Functions vested in President by this section delegated to Secretary of Defense, see section 1–303 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

§ 3779. Insurance

(a) The Commission is authorized to purchase insurance to protect the Commission against major and unpredictable revenue losses or expenses arising from catastrophic marine accidents or other unpredictable events.

(b)(1) The Commission may by regulation require as a condition of transit through the Panama Canal or presence in the Panama Canal or waters adjacent thereto that any potential claimant under section 3771 or 3772 of this title be covered by insurance against the types of injuries described in those sections. The amount of insurance so required shall be specified in those regulations, but may not exceed $1,000,000.

(2) In a claim under section 3771 or 3772 of this title for which the Commission has required insurance under this subsection, the Commission's liability shall be limited to the amount of damages in excess of the amount of insurance required by the Commission.

(3) In regulations under this subsection, the Commission may prohibit consideration or payment by it of claims presented by or on behalf of an insurer or subrogee of a claimant in a case for which the Commission has required insurance under this subsection.

(Pub. L. 96–70, title I, § 1419, as added Pub. L. 99–209, § 6(a), Dec. 23, 1985, 99 Stat. 1717; amended Pub. L. 100–203, title V, § 5414, Dec. 22, 1987, 101 Stat. 1330–270; Pub. L. 105–261, div. C, title XXXV, § 3509(b), Oct. 17, 1998, 112 Stat. 2270.)

AMENDMENTS

1998—Pub. L. 105–261 designated existing provisions as subsec. (a) and added subsec. (b).

1987—Pub. L. 100–203 inserted ''or other unpredictable events'' after ''marine accidents''.

EFFECTIVE DATE

Section applicable to any claim arising on or after Dec. 23, 1985, see section 7(b)(1) of Pub. L. 99–209, set out as an Effective Date of 1985 Amendment note under section 3771 of this title.

PART 5—PUBLIC PROPERTY

§ 3781. Assets and liabilities of Panama Canal Company

All property and other assets of the Panama Canal Company shall revert to the United States on October 1, 1979, and, except as otherwise provided by law, the United States shall assume the liabilities, including contractual obligations, of the Panama Canal Company then outstanding. The Commission may use such property, facilities, and records of the Panama Canal Company as are necessary to carry out its functions.

(Pub. L. 96–70, title I, § 1501, Sept. 27, 1979, 93 Stat. 487.)

§ 3782. Transfers and cross-servicing between agencies

(a) Transfers of facilities, buildings, structures, improvements, stocks and equipment located in the Republic of Panama

In the interest of economy and maximum efficiency in the utilization of property and facili-

ties of the United States, there are authorized to be transferred between departments and agencies of the United States, with or without reimbursement, such facilities, buildings, structures, improvements, stock, and equipment located in the Republic of Panama, and used for their activities therein, as may be mutually agreed upon by the departments and agencies involved and approved by the President of the United States or his designee.

(b) Cross-servicing agreements

The Commission may enter into cross-servicing agreements with any other department or agency of the United States for the use of facilities, furnishing of services, or performance of functions.

(c) Transfer of records to Government of Republic of Panama

The Commission, any department or agency of the United States, or any United States court in the Republic of Panama is authorized to transfer to the Government of the Republic of Panama any record of such Commission, department, agency, or court, or copy thereof, including any record acquired from the Canal Zone Government or Panama Canal Company (including any vital statistics record), to any other department, agency, or court of the United States if such action is determined by the Commission, the head of the department or agency concerned, or the judge of the court concerned to be in the interest of the United States. Transfer of any record or copy thereof under this section to the Government of the Republic of Panama shall be made under the coordination of and with the approval of the United States Ambassador to the Republic of Panama.

(d) Applicability to Smithsonian Institution

The provisions of this section shall apply to the Smithsonian Institution.

(Pub. L. 96–70, title I, § 1502, Sept. 27, 1979, 93 Stat. 488.)

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (a) of this section delegated to Secretary of Defense, see section 1–106 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, set out as a note under section 3601 of this title.

§ 3783. Disposition of property of United States

No property of the United States located in the Republic of Panama may be disposed of except pursuant to law enacted by the Congress.

(Pub. L. 96–70, title I, § 1503, Sept. 27, 1979, 93 Stat. 488.)

§ 3784. Transfer of property to Republic of Panama

(a) Conveyance of Panama Railroad

(1) On October 1, 1979, the Secretary of State may convey to the Republic of Panama the Panama Railroad and such property located in the area which, immediately before such date, comprised the Canal Zone and which is not within the land and water areas the use of which is made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements.

(2) Property transferred pursuant to paragraph (1) of this subsection may not include buildings and other facilities, except housing, located outside such areas, the use of which is retained by the United States pursuant to the Panama Canal Treaty of 1977 and related agreements.

(b) Transfer of certain property pursuant to Panama Canal Treaty of 1977; report to Congress

With respect to the transfer of all other property (not described in subsection (a)(1) of this section) to be transferred in accordance with the terms of the Panama Canal Treaty of 1977 and related agreements, the Secretary of State may convey such property from time to time in accordance with the terms of such Treaty and related agreements. Before the transfer of any such property, the President must submit a written report to the Congress—

(1) precisely identifying and describing the particular property to be transferred;

(2) certifying the state of compliance by the Republic of Panama with such Treaty and related agreements; and

(3) setting forth the reasons for the conveyance being made at the particular time.

(c) Restriction on transfer of Panama Canal and certain other property

The Panama Canal, and such other property referred to in paragraph 2(d) of Article XIII of the Panama Canal Treaty of 1977 that has not been previously transferred in accordance with paragraphs 2(a), 2(b), and 2(c) of such Article, shall not be transferred to the Republic of Panama prior to December 31, 1999.

(Pub. L. 96–70, title I, § 1504, Sept. 27, 1979, 93 Stat. 488; Pub. L. 99–223, § 7, Dec. 28, 1985, 99 Stat. 1740.)

AMENDMENTS

1985—Subsec. (b). Pub. L. 99–223 substituted ''Before'' for ''At least 180 days before''.

DELEGATION OF FUNCTIONS

Functions vested in President by subsec. (b) delegated to Secretary of State, see section 1–402 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

PART 6—TOLLS FOR USE OF PANAMA CANAL

§ 3791. Prescription of measurement rules and rates of tolls

The Commission may, subject to the provisions of this chapter, prescribe and from time to time change—

(1) the rules for the measurement of vessels for the Panama Canal; and

(2) the tolls that shall be levied for use of the Panama Canal.

(Pub. L. 96–70, title I, § 1601, Sept. 27, 1979, 93 Stat. 489; Pub. L. 104–106, div. C, title XXXV, § 3527, Feb. 10, 1996, 110 Stat. 641.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1996—Pub. L. 104–106 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows:

''(a) The President is authorized, subject to the provisions of this part, to prescribe and from time to time change—

''(1) the rules for the measurement of vessels for the Panama Canal; and

''(2) the tolls that shall be levied for the use of the Canal.

''(b) Such rules of measurement and tolls prevailing on October 1, 1979, shall continue in effect until changed as provided in this part.''

§ 3792. Bases of tolls

(a) Tolls based on net vessel tons and on displacement tonnage

Tolls on merchant vessels, army and navy transports, colliers, tankers, hospital ships, and supply ships shall be based on net vessel tons of one hundred cubic feet each of actual earning capacity, or its equivalent, determined in accordance with the rules for the measurement of vessels for the Panama Canal, and tolls on other floating craft shall be based on displacement tonnage. The tolls on vessels in ballast without passengers or cargo may be less than the tolls for vessels with passengers or cargo. Tolls for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.

(b) Toll rates prescribed to cover all costs of operation and maintenance of Panama Canal

Tolls shall be prescribed at rates calculated to produce revenues to cover as nearly as practicable all costs of maintaining and operating the Panama Canal (including costs authorized to be paid from the Panama Canal Dissolution Fund under section 3714a(c) of this title), together with the facilities and appurtenances related thereto, including unrecovered costs incurred on or after October 1, 1979, interest, depreciation, working capital, payments to the Republic of Panama pursuant to paragraph 5 of Article III and paragraph 4(a) and (b) of Article XIII of the Panama Canal Treaty of 1977, and capital for plant replacement, expansion, and improvements. Tolls shall not be prescribed at rates calculated to produce revenues sufficient to cover payments to the Republic of Panama pursuant to paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977.

(c) Payment of tolls by vessels of United States

Vessels operated by the United States, including vessels of war and auxiliary vessels, and ocean-going training ships owned by the United States and operated by State nautical schools, shall pay tolls.

(d) Levy of tolls

The levy of tolls is subject to the provisions of section 1 of Article III of the treaty between the United States of America and Great Britain signed November 18, 1901, of Article I of the treaty between the United States of America and the Republic of Colombia signed April 6, 1914, and of Articles II, III, and VI of the Treaty Concerning Permanent Neutrality and Operation of the Panama Canal, between the United States of America and the Republic of Panama, signed September 7, 1977.

(Pub. L. 96–70, title I, § 1602, Sept. 27, 1979, 93 Stat. 489; Pub. L. 100–203, title V, § 5427, Dec. 22, 1987, 101 Stat. 1330–274; Pub. L. 102–484, div. C, title XXXV, §§ 3513, 3521(b)(2), Oct. 23, 1992, 106 Stat. 2655, 2657; Pub. L. 105–85, div. C, title XXXV, § 3544, Nov. 18, 1997, 111 Stat. 2072.)

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–85 substituted ''and supply ships'' for ''supply ships, and yachts'' and inserted at end ''Tolls for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.''

1992—Subsec. (a). Pub. L. 102–484, § 3513, inserted '', or its equivalent,'' after ''earning capacity''.

Subsec. (b). Pub. L. 102–484, § 3521(b)(2), substituted ''Panama Canal (including costs authorized to be paid from the Panama Canal Dissolution Fund under section 3714a(c) of this title)'' for ''Panama Canal''.

1987—Subsec. (b). Pub. L. 100–203 inserted ''working capital,'' after ''depreciation,''.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

§ 3793. Interest on investments

(a) Calculation of interest

For purposes of sections 3721 and 3792 of this title, interest shall be computed, at a rate determined by the Secretary of the Treasury, on the investment of the United States in the Panama Canal as shown in the accounts of the Panama Canal Company at the close of business on the day preceding October 1, 1979, and as adjusted in accordance with subsections (b) and (c) of this section. Capital investment for interest purposes shall not include any interest during construction.

(b) Increases and decreases in investment of United States

The investment of the United States described in subsection (a) of this section—

(1) shall be increased by—

(A) the amount of expenditures from the Panama Canal Revolving Fund,,[1] and

(B) the value of property transferred to the Commission by any other department or agency of the United States, as determined in accordance with subsection (c) of this section; and

(2) shall be decreased by—

(A) the amount of the funds deposited in the Panama Canal Revolving Fund,

(B) the value of property transferred to the Republic of Panama pursuant to this chapter or any other Act on or after October 1, 1979, and

(C) the value of property transferred by the Commission to any other department or agency of the United States.

(c) Value of property transferred to Commission

The value of property transferred to the Commission by any other department or agency of

[1] So in original.

the United States shall be determined by the Director of the Office of Management and Budget. In computing such value, such Director shall give due consideration to the cost and probable earning power of the transferred property, or the usable value to the Commission if clearly less than cost, and shall make adequate provisions for depreciation, obsolescence, and other determinable decreases in value. Insofar as practicable, the value of such transferred property shall exclude any portion of such value properly allocable to national defense.

(d) Payment and deposit of interest

The Panama Canal Commission shall pay to the Treasury of the United States interest on the investment of the United States, as determined under this section. Such interest shall be deposited in the general fund of the Treasury.

(Pub. L. 96–70, title I, § 1603, Sept. 27, 1979, 93 Stat. 490; Pub. L. 99–195, § 1(b), Dec. 23, 1985, 99 Stat. 1349; Pub. L. 100–203, title V, § 5425(a), Dec. 22, 1987, 101 Stat. 1330–274.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(2)(B), was in the original ''this Act'', meaning Pub. L. 96–70, Sept. 27, 1979, 93 Stat. 452, known as the Panama Canal Act of 1979, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

1987—Subsec. (b)(1)(A). Pub. L. 100–203, § 5425(a)(1), substituted ''the Panama Canal Revolving Fund,'' for ''appropriations to the Commission made on or after October 1, 1979''.

Subsec. (b)(2)(A). Pub. L. 100–203, § 5425(a)(2), substituted ''deposited in the Panama Canal Revolving Fund'' for ''covered into the Panama Canal Commission Fund pursuant to section 3712 of this title''.

Subsec. (d). Pub. L. 100–203, § 5425(a)(3), added subsec. (d).

1985—Subsec. (b)(2)(A). Pub. L. 99–195 substituted ''Panama Canal Commission Fund'' for ''Treasury''.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 effective Jan. 1, 1988, see section 5429 of Pub. L. 100–203, set out as a note under section 3712 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–195 applicable only to tolls and other receipts of the Commission deposited in the Treasury on or after Dec. 23, 1985, see section 2 of Pub. L. 99–195, set out as a note under section 3712 of this title.

§ 3794. Procedures

(a) Publication of notice of proposed changes in rules of measurement and rates of tolls in Federal Register; participation by interested parties; availability of analysis

The Commission shall publish in the Federal Register notice of any proposed change in the rules of measurement or rates of tolls referred to in section 3791 of this title. The Commission shall give interested parties an opportunity to participate in the proceedings through submission of written data, views, or arguments, and participation in a public hearing to be held not less than 30 days after the date of publication of the notice. The notice shall include the substance of the proposed change and a statement of the time, place, and nature of the proceedings. At the time of publication of such notice, the Commission shall make available to the public an analysis showing the basis and justification for the proposed change, which, in the case of a change in rates of tolls, shall indicate the conformity of the existing and proposed rates of tolls with the requirements of section 3792 of this title, and the Commission's adherence to the requirement for full consideration of the following factors set forth in Understanding (1) incorporated in the Resolution of Ratification of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (adopted by the United States Senate on March 16, 1978):

(1) the costs of operating and maintaining the Panama Canal;

(2) the competitive position of the use of the Canal in relation to other means of transportation;

(3) the interests of the United States and the Republic of Panama in maintaining their domestic fleets;

(4) the impact of such a change in rates of tolls on the various geographical areas of each of the two countries; and

(5) the interests of both countries in maximizing their international commerce.

(b) Revision of proposed rules of measurement or rates of tolls

After consideration of the relevant matter presented, the Commission may revise the proposed rules of measurement or rates of tolls, as the case may be, except that, in the case of rates of tolls, if such revision proposes rates greater than those originally proposed, a new analysis of the proposed rates shall be made available to the public, and a new notice of the revised proposal shall be published in the Federal Register apprising interested persons of the opportunity to participate further in the proceedings through submission of written data, views, or arguments, and participation in a public hearing to be held not less than 30 days after the date of publication of the new notice. The procedure set forth in this subsection shall be followed for any subsequent revision of the proposed rates of tolls by the Commission which proposes rates higher than those in the preceding proposal.

(c) Publication of notice of changes in rules of measurement and rates of tolls in Federal Register

After the proceedings have been conducted pursuant to subsections (a) and (b), the Commission may change the rules of measurement or rates of tolls, as the case may be. The Commission shall publish notice of any such change in the Federal Register not less than 30 days before the effective date of the change.

(d) Judicial review

Action to change the rules of measurement for the Panama Canal or the rates of tolls for the use of the Canal pursuant to this part shall be subject to judicial review in accordance with chapter 7 of title 5.

(Pub. L. 96–70, title I, § 1604, Sept. 27, 1979, 93 Stat. 490; Pub. L. 104–106, div. C, title XXXV, § 3528, Feb. 10, 1996, 110 Stat. 641.)

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–106, § 3528(1), substituted ''3791'' for ''3791(a)''.

Subsec. (c). Pub. L. 104–106, § 3528(2), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''After the proceedings have been conducted pursuant to subsections (a) and (b) of this section, the Commission shall publish in the Federal Register a notice of the changes in the rules of measurement or rates of tolls, as the case may be, to be recommended to the President.''

Subsec. (d). Pub. L. 104–106, § 3528(3), redesignated subsec. (f) as (d) and struck out former subsec. (d) which read as follows: ''Upon publication of the notice pursuant to subsection (c) of this section, the Commission shall forward a complete record of the proceedings, with the recommendation of the Commission, to the President for his consideration. The President may approve, disapprove, or modify any or all of the changes in the rules of measurement or rates of tolls recommended by the Commission.''

Subsec. (e). Pub. L. 104–106, § 3528(3), struck out subsec. (e) which read as follows: ''Rules of measurement or rates of tolls prescribed by the President pursuant to this part shall take effect on a date prescribed by the President which is not less than 30 days after the President publishes such rules or rates in the Federal Register.''

Subsec. (f). Pub. L. 104–106, § 3528(3), redesignated subsec. (f) as (d).

§ 3795. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(1), Sept. 23, 1996, 110 Stat. 2867

Section, Pub. L. 96–70, title I, § 1605(a), Sept. 27, 1979, 93 Stat. 491, related to change in tolls for fiscal year beginning Oct. 1, 1979.

EFFECTIVE DATE

Pub. L. 96–70, title I, § 1605(b), Sept. 27, 1979, 93 Stat. 492, provided that this section was to take effect on Sept. 27, 1979, prior to repeal by Pub. L. 104–201, div. C, title XXXV, § 3546(a)(1), Sept. 23, 1996, 110 Stat. 2867.

PART 7—GENERAL REGULATIONS

§§ 3801, 3802. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(2), (3), Sept. 23, 1996, 110 Stat. 2867

Section 3801, Pub. L. 96–70, title I, § 1701, Sept. 27, 1979, 93 Stat. 492, related to authority of President to prescribe regulations applicable within areas and installations made available for operation and protection of Panama Canal.

Section 3802, Pub. L. 96–70, title I, § 1702, Sept. 27, 1979, 93 Stat. 492, related to authority of Commission to prescribe regulations applicable within areas and installations made available for operation and protection of Panama Canal.

PART 8—SHIPPING AND NAVIGATION

SUBPART I—OPERATION OF CANAL

§ 3811. Operating regulations

The Commission may prescribe, and from time to time amend, regulations governing—

(1) the operation of the Panama Canal;

(2) the navigation of the harbors and other waters of the Panama Canal and areas adjacent thereto, including the ports of Balboa and Cristobal;

(3) the passage and control of vessels through the Panama Canal or any part thereof, including the locks and approaches thereto;

(4) pilotage in the Panama Canal or the approaches thereto through the adjacent waters; and

(5) the licensing of officers or other operators of vessels navigating the waters of the Panama Canal and areas adjacent thereto, including the ports of Balboa and Cristobal.

(Pub. L. 96–70, title I, § 1801, Sept. 27, 1979, 93 Stat. 492; Pub. L. 104–201, div. C, title XXXV, § 3545, Sept. 23, 1996, 110 Stat. 2867.)

AMENDMENTS

1996—Pub. L. 104–201 substituted ''Commission'' for ''President'' in introductory provisions.

SUBPART II—INSPECTION OF VESSELS

§ 3821. Vessels subject to inspection

With the exception of private vessels merely transiting the Panama Canal, and of public vessels of all nations, vessels navigating the waters of the Panama Canal shall be subject to an annual inspection of hulls, boilers, machinery, equipment, and passenger accommodations.

(Pub. L. 96–70, title I, § 1811, Sept. 27, 1979, 93 Stat. 492.)

§ 3822. Foreign vessels

With respect to a foreign vessel of a country which has inspection laws approximating those of the United States, any such vessel having an unexpired certificate of inspection duly issued by the authorities of such country shall not be subject to an inspection other than that necessary to determine whether the vessel, its boilers, and its lifesaving equipment are as stated in the certificate of inspection. A certificate of inspection may not be accepted as evidence of lawful inspection under this section unless similar privileges are granted to vessels of the United States under the laws of the country to which the vessel belongs.

(Pub. L. 96–70, title I, § 1812, Sept. 27, 1979, 93 Stat. 493.)

§ 3823. Regulations governing inspection

The Commission shall prescribe, and from time to time may amend, regulations concerning the inspection of vessels conforming as nearly as practicable to the laws and regulations governing marine inspection by the United States Coast Guard.

(Pub. L. 96–70, title I, § 1813, Sept. 27, 1979, 93 Stat. 493.)

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

SUBCHAPTER II—TREATY TRANSITION PERIOD

PART 1—LAWS CONTINUED IN FORCE

§ 3831. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868

Section, Pub. L. 96–70, title II, § 2101, Sept. 27, 1979, 93 Stat. 493, related to continuation in force of Canal Zone Code and other laws, regulations, and administrative authority of the United States for purpose of exercise of law enforcement and judicial jurisdiction during transition period.

PART 2—COURTS

§§ 3841 to 3844. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868

Section 3841, Pub. L. 96–70, title II, § 2201, Sept. 27, 1979, 93 Stat. 493, related to continuing jurisdiction during transition period of United States District Court for the District of the Canal Zone and magistrates' courts under the Canal Zone Code.

Section 3842, Pub. L. 96–70, title II, § 2202, Sept. 27, 1979, 93 Stat. 494, related to division and terms of United States District Court for the District of the Canal Zone.

Section 3843, Pub. L. 96–70, title II, § 2203(a), Sept. 27, 1979, 93 Stat. 494, related to extension of terms of office of district judge, magistrate, United States attorney, and United States marshal.

Section 3844, Pub. L. 96–70, title II, § 2206, Sept. 27, 1979, 93 Stat. 494, related to continuing operation during transition period of two magistrates' courts established under Canal Zone Code.

EFFECTIVE DATE

Pub. L. 96–70, title II, § 2203(b), Sept. 27, 1979, 93 Stat. 494, provided that section 3843 of this title was to take effect on Sept. 27, 1979, prior to repeal by Pub. L. 104–201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868.

PART 3—TRANSITION AUTHORITY

§§ 3851, 3852. Repealed. Pub. L. 104–201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868

Section 3851, Pub. L. 96–70, title II, § 2401, Sept. 27, 1979, 93 Stat. 495, related to vesting of authority in the President during transition period.

Section 3852, Pub. L. 96–70, title II, § 2402, Sept. 27, 1979, 93 Stat. 495, related to commitment of prisoners to custody of Attorney General or Commission.

SUBCHAPTER III—GENERAL PROVISIONS

PART 1—PROCUREMENT

PRIOR PROVISIONS

A prior part 1, consisting of section 3861, related to cemeteries, prior to repeal by Pub. L. 104–201, div. C, title XXXV, § 3546(a)(5), Sept. 23, 1996, 110 Stat. 2868.

§ 3861. Procurement system

(a) Panama Canal Acquisition Regulation

(1) The Commission shall establish by regulation a comprehensive procurement system. The regulation shall be known as the ''Panama Canal Acquisition Regulation'' (in this section referred to as the ''Regulation'') and shall provide for the procurement of goods and services by the Commission in a manner that—

(A) applies the fundamental operating principles and procedures in the Federal Acquisition Regulation;

(B) uses efficient commercial standards of practice; and

(C) is suitable for adoption and uninterrupted use by the Republic of Panama after the Canal Transfer Date.

(2) The Regulation shall contain provisions regarding the establishment of the Panama Canal Board of Contract Appeals described in section 3862 of this title.

(b) Supplement to Regulation

The Commission shall develop a Supplement to the Regulation (in this section referred to as the ''Supplement'') that identifies both the provisions of Federal law applicable to procurement of goods and services by the Commission and the provisions of Federal law waived by the Commission under subsection (c).

(c) Waiver authority

(1) Subject to paragraph (2), the Commission shall determine which provisions of Federal law should not apply to procurement by the Commission and may waive those laws for purposes of the Regulation and Supplement.

(2) For purposes of paragraph (1), the Commission may not waive—

(A) chapter 21 of title 41;

(B) chapter 71 of title 41, other than section 7104(b) of title 41; or

(C) civil rights, environmental, or labor laws.

(d) Consultation with Administrator for Federal Procurement Policy

In establishing the Regulation and developing the Supplement, the Commission shall consult with the Administrator for Federal Procurement Policy.

(e) Effective date

The Regulation and the Supplement shall take effect on the date of publication in the Federal Register, or January 1, 1999, whichever is earlier.

(Pub. L. 96–70, title III, § 3101, as added Pub. L. 105–85, div. C, title XXXV, § 3541, Nov. 18, 1997, 111 Stat. 2070.)

CODIFICATION

In subsec. (c)(2)(A), ''chapter 21 of title 41'' substituted for ''section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423)'' on authority of Pub. L. 111–350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

In subsec. (c)(2)(B), ''chapter 71 of title 41, other than section 7104(b) of title 41'' substituted for ''the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.), other than section 10(a) of such Act (41 U.S.C. 609(a))'' on authority of Pub. L. 111–350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

PRIOR PROVISIONS

A prior section 3861, Pub. L. 96–70, title III, § 3101, Sept. 27, 1979, 93 Stat. 496, related to disinterment, transportation, and reinterment of remains, prior to repeal by Pub. L. 104–201, div. C, title XXXV, § 3546(a)(5), Sept. 23, 1996, 110 Stat. 2868.

§ 3862. Panama Canal Board of Contract Appeals

(a) Establishment

(1) The Secretary of Defense, in consultation with the Commission, may establish a board of contract appeals, to be known as the Panama Canal Board of Contract Appeals, in accordance with sections 7105(a), (c) to (e), (g), 7106(a), and 7107(a) of title 41. Except as otherwise provided by this section, the Panama Canal Board of Contract Appeals (in this section referred to as the ''Board'') shall be subject to chapter 71 of title 41 in the same manner as any other agency board of contract appeals established under that chapter.

(2) The Board shall consist of three members. At least one member of the Board shall be licensed to practice law in the Republic of Panama. Individuals appointed to the Board shall take an oath of office, the form of which shall be prescribed by the Secretary of Defense.

(3) Compensation for members of the Board of Contract Appeals shall be established by the Commission's supervisory board. The annual compensation established for members may not exceed the rate of basic pay established for level IV of the Executive Schedule under section 5315 of title 5. The compensation of a member may not be reduced during the member's term of office from the level established at the time of the appointment of the member.

(b) Exclusive jurisdiction to decide appeals

Notwithstanding section 7104(b)(1) of title 41 or any other provision of law, the Board shall have exclusive jurisdiction to decide an appeal from a decision of a contracting officer under section 7105(e) of title 41.

(c) Exclusive jurisdiction to decide protests

The Board shall decide protests submitted to it under this subsection by interested parties in accordance with subchapter V[1] of title 31. Notwithstanding section 3556 of that title, section 1491(b) of title 28, and any other provision of law, the Board shall have exclusive jurisdiction to decide such protests. For purposes of this subsection—

(1) except as provided in paragraph (2), each reference to the Comptroller General in sections 3551 through 3555 of title 31, is deemed to be a reference to the Board;

(2) the reference to the Comptroller General in section 3553(d)(3)(C)(ii) of such title is deemed to be a reference to both the Board and the Comptroller General;

(3) the report required by paragraph (1) of section 3554(e) of such title shall be submitted to the Comptroller General as well as the committees listed in such paragraph;

(4) the report required by paragraph (2) of such section shall be submitted to the Comptroller General as well as Congress; and

(5) section 3556 of such title shall not apply to the Board, but nothing in this subsection shall affect the right of an interested party to file a protest with the appropriate contracting officer.

[1] So in original. Probably should be ''subchapter V of chapter 35''.

(d) Procedures

The Board shall prescribe such procedures as may be necessary for the expeditious decision of appeals and protests under subsections (b) and (c).

(e) Commencement

The Board shall begin to function as soon as it has been established and has prescribed procedures under subsection (d).

(f) Transition

The Board shall have jurisdiction under subsections (b) and (c) over any appeals and protests filed on or after the date on which the Board begins to function. Any appeals and protests filed before such date shall remain before the forum in which they were filed.

(g) Other functions

The Board may perform functions similar to those described in this section for such other matters or activities of the Commission as the Commission may determine and in accordance with regulations prescribed by the Commission.

(Pub. L. 96–70, title III, § 3102, as added Pub. L. 105–85, div. C, title XXXV, § 3541, Nov. 18, 1997, 111 Stat. 2071; amended Pub. L. 105–261, div. C, title XXXV, § 3510, Oct. 17, 1998, 112 Stat. 2270.)

CODIFICATION

In subsec. (a)(1), ''sections 7105(a), (c) to (e), (g), 7106(a), and 7107(a) of title 41'' substituted for ''section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607)'', ''chapter 71 of title 41'' substituted for ''the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)'', and ''that chapter'' substituted for ''that Act'' on authority of Pub. L. 111–350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

In subsec. (b), ''section 7104(b)(1) of title 41'' substituted for ''section 10(a)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 609(a)(1))'' and ''section 7105(e) of title 41'' substituted for ''section 8(d) of such Act (41 U.S.C. 607(d))'' on authority of Pub. L. 111–350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–261, § 3510(a)(1), substituted ''may'' for ''shall'' in first sentence.

Subsec. (a)(3). Pub. L. 105–261, § 3510(a)(2), added par. (3).

Subsec. (e). Pub. L. 105–261, § 3510(b), struck out '', but not later than January 1, 1999'' before period at end.

PART 2—ADMINISTRATION

§ 3871. Annual report

Until the termination of the Panama Canal Treaty of 1977, the President shall report annually on the status of the exercise of the rights and responsibilities of the United States under that Treaty. Such report shall include a discussion of the following:

(1) The actions taken by the Government of the Republic of Panama with respect to the living conditions of persons who resided in the Canal Zone before October 1, 1979, and who continue to reside in those areas made available to the United States under the Agreement in Implementation of Article III of the Panama Canal Treaty.

(2) The terms, conditions, and charges for land-use licenses within the canal operating

areas specified in the Agreement in Implementation of Article III of the Panama Canal Treaty.

(3) The condition of former employees (and their dependents) of the Panama Canal Company and the Canal Zone Government who reside in the Republic of Panama on or after October 1, 1979.

(Pub. L. 96–70, title III, §3301, Sept. 27, 1979, 93 Stat. 497.)

DELEGATION OF FUNCTIONS

Functions vested in President by this section delegated to Secretary of State who shall perform such function in coordination with Secretary of Defense pursuant to section 1–401 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36044, set out as a note under section 3601 of this title.

REPORT TO CONGRESS ON CONDITION OF PANAMA CANAL AND CANAL OPERATIONS

Pub. L. 100–203, title V, §5418, Dec. 22, 1987, 101 Stat. 1330–271, provided that: ''Out of the funds authorized to be appropriated by this part [part 1, §§5411 to 5418, of subtitle E of Pub. L. 100–203], the Commission shall prepare and submit to the Congress a report on—

''(1) the condition of the Panama Canal and potential adverse effects on United States shipping and commerce;

''(2) the effect on canal operations of the military forces under General Noriega; and

''(3) the Commission's evaluation of the effect on canal operations if the Panamanian Government continues to withhold its consent to major factors in the United States Senate's ratification of the Panama Canal Treaties.''

§3872. Notification requirements

The Panama Canal Commission shall provide written advance notification to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Armed Services of the Senate regarding—

(1) any proposed change in the rates of tolls for use of the Panama Canal;

(2) any payment estimated to be due the Republic of Panama under paragraph 4(c) of Article XIII of the Panama Canal Treaty of 1977, as provided by section 3751 of this title; and

(3) the initiation of any major capital acquisition or construction project exceeding $10,000,000 unless the proposed acquisition or project was included in the budget estimates submitted to Congress for the fiscal year in which the acquisition or project is to be undertaken.

(Pub. L. 101–189, div. C, title XXXV, §3503, Nov. 29, 1989, 103 Stat. 1689.)

CODIFICATION

Section enacted as part of the Panama Canal Commission Authorization Act, Fiscal Year 1990, and as part of the National Defense Authorization Act for Fiscal Years 1990 and 1991, and not as part of the Panama Canal Act of 1979 which comprises this chapter.

ABOLITION OF HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

Committee on Merchant Marine and Fisheries of House of Representatives abolished and its jurisdiction transferred by House Resolution No. 6, One Hundred Fourth Congress, Jan. 4, 1995. Committee on Merchant Marine and Fisheries of House of Representatives treated as referring to Committee on National Security of House of Representatives [now Committee on Armed Services of House of Representatives] in case of provisions relating to interoceanic canals, Merchant Marine Academy and State Maritime Academies, or national security aspects of merchant marine by section 1(b)(3) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

§3873. Exemption from Metric Conversion Act of 1975

The Commission is exempt from the provisions of the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.).

(Pub. L. 96–70, title III, §3302, as added Pub. L. 104–201, div. C, title XXXV, §3547, Sept. 23, 1996, 110 Stat. 2868.)

REFERENCES IN TEXT

The Metric Conversion Act of 1975, referred to in section catchline and text, is Pub. L. 94–168, Dec. 23, 1975, 89 Stat. 1007, as amended, which is classified generally to subchapter II (§205a et seq.) of chapter 6 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 205a of Title 15 and Tables.

PRIOR PROVISIONS

A prior section 3302 of Pub. L. 96–70, title III, Sept. 27, 1979, 93 Stat. 498, amended sections 305, 5102, 5316, 5342, 5343, 5348, 5373, 5504, 5533, 5541, 5583, 6301, 6323, 8146, and 8335 of Title 5, Government Organization and Employees, and sections 191, 195, and 196 of Title 50, War and National Defense, prior to general amendment by Pub. L. 104–201, div. C, title XXXV, §3547, Sept. 23, 1996, 110 Stat. 2868.

CHAPTER 52—FOREIGN SERVICE

SUBCHAPTER I—GENERAL PROVISIONS

Sec.
3901. Congressional findings and objectives.
3902. Definitions.
3903. Members of Service.
3904. Functions of Service.
3905. Personnel actions.

SUBCHAPTER II—MANAGEMENT OF SERVICE

3921. Administration by Secretary of State.
3922. Utilization of Foreign Service personnel system by other agencies.
3922a. Representation of minorities and women in Foreign Service.
3922b. Public diplomacy training.
3923. Compatibility among agencies utilizing Foreign Service personnel system.
3924. Uniform and consolidated administration of Service.
3925. Compatibility between Foreign Service and other Government personnel systems.
3926. Regulations; delegation of functions.
3927. Chief of mission.
3927a. Review by chief of mission.
3928. Director General of Foreign Service.
3929. Inspector General.
3929a. Abolishment of Inspector General of Department of State and Foreign Service.
3930. Board of Foreign Service.
3931. Board of Examiners.

SUBCHAPTER III—APPOINTMENTS

3941. General provisions.
3942. Appointments by the President.
3943. Appointments by the Secretary.
3944. Chiefs of Mission.
3945. Senior Foreign Service.
3946. Career appointments.