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U.S. DEPARTMENT OF COMMERCE

BRIEFING HANDBOOK



MARITIME ADMINISTRATION

BRIEFING BOOK

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SECTION I

MISSION

The objectives of the Maritime Administration are clearly delineated in the Preamble of the Merchant Marine Act of 1936, as amended. These objectives are:

- The development and maintenance of a merchant marine:
 - (a) sufficient to carry the domestic waterborne commerce of the United States and a substantial portion of U.S. waterborne export and import commerce;
 - (b) capable of serving as a naval and military auxiliary in time of war or national emergency;
 - (c) owned and operated under the U.S.-flag by citizens of the United States insofar as may be practical;
 - (d) composed of the best-equipped, safest and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel; and
 - (e) supplemented by efficient facilities for shipbuilding and ship repair.

Although the 1936 Act was very substantially amended in 1970, this statement of objectives remained unchanged except for the addition of the objective to promote the development of efficient shipbuilding and ship repair facilities.

The strategy for meeting these objectives is essentially through the program of maritime aids made available by the various Titles of the 1936 Act as amended in 1970. These subsidy programs are summarized in Section VI.

SECTION II

MAJOR STATUTORY AUTHORITIES

Maritime Administration
Major Statutory Authorities

The Maritime Administration operates under the following major statutory authorities:

The Merchant Marine Act, 1936^{1/}, as amended (46 U.S.C. 1101 et seq.) is the principal Act governing the functions of the Maritime Administration. The purpose of the Act is to further the development and maintenance of an adequate and well-balanced American merchant marine in order to promote the commerce of the United States, and to aid in the national defense. The basic declaration of our national maritime policy is contained in this Act -- i.e. that the U.S. shall have a merchant marine sufficient to carry our domestic waterborne commerce and a substantial portion of our waterborne foreign commerce and to provide shipping services essential for maintaining the flow of such domestic and foreign waterborne commerce at all times; and this merchant marine shall be capable of serving as a naval and military auxiliary in time of war or national emergency.

This 1936 Act is the source of authority for the major MarAd programs (which as mentioned previously are described in greater detail in Section VI of this briefing book). For example, the 1936 Act contains provisions describing the payment of construction-differential and operating-differential subsidies,

^{1/} In 1970 the 1936 Act was amended in major part and has been commonly referred to as "The Merchant Marine Act of 1970".

determinations of essential trade routes, loan and mortgage guarantees, capital construction funds, war-risk insurance, maintenance of a Merchant Marine Academy and other maritime training, trade-in allowances for new construction, and the requisition of ships during emergencies. It also provides for the so-called 50-50 Cargo Preference for United States Ships^{2/}, the construction, sale and charter of ships under certain conditions and for research and development in new techniques of ship construction and operation.

The Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1735 et seq.) originally authorized the sale of ships, but that authority has expired. The Act authorizes the Administration to charter government-owned ships to private operators when it is determined that privately-owned tonnage is not available at reasonable rates. This Act also authorizes the Administration to maintain ships in National Defense Reserve Fleets, for the acquisition and disposition of vessels in those fleets, and to breakout and operate such ships for the account of the Government during periods of national emergency.

The Merchant Marine Act, 1920, as amended (46 U.S.C. 861 et seq.) limits coastwise operations to United States ships, and provides for preferred ship mortgages. This Act specifies vessel registry conditions for the U.S. domestic trades (also known as the "Jones Act").

^{2/}There are a number of cargo preference statutes, principally P.L.-664.

The Merchant Marine Act, 1928, as amended (46 U.S.C. 891, et seq.) contains various amendments of other laws and provides for remodeling and improving ships owned by the United States.

The Shipping Act, 1916, as amended (46 U.S.C. 801 et seq.) presents details as to the citizenship, ownership, and registry requirements for vessels documented under the U.S.-flag, e.g., it authorizes the Maritime Administration to regulate the sale to any person not a citizen of the United States, and the transfer to foreign registry, of ships owned in whole or in part by citizens of the United States and documented under the laws of the United States, and in time of war or national emergency, of ships so owned without regard to documentation.

Civilian Nautical School Act, 1940, (46 U.S.C. 1331 et. seq.) and Maritime Academy Act of 1958, (46 U.S.C. 1381 et. seq.) These Acts provide for the establishment of MarAd schools and provision of federal assistance and training ships to the state maritime academies located in Maine, Massachusetts, New York, California, Texas and Michigan.

The Defense Production Act of 1950 (50 U.S.C. App. 2061 et. seq.) and Executive Orders 10480 and 11490, as redelegated by Department Organization Order 10-8, authorize the Maritime Administration to plan for defense mobilization and emergency preparedness of merchant shipping. This includes plans to acquire, allocate, and operate oceangoing merchant ships,

schedule the movement of cargo on such ships, control the use of ports and port facilities, and act as claimant agency for materials, manpower, supplies and services needed to carry out its assigned responsibilities.

Merchant Marine Medals Act, (46 U.S.C. 249 et. seq.) Public Law 759, 84th Congress, as approved July 24, 1956, authorizes the Secretary of Commerce to award medals and decorations for outstanding and meritorious conduct and service in the U.S. merchant marine.

Military Cargo Preference Act of 1904, (10 U.S.C. 2631). Details requirement that U.S. military cargoes are to be carried on U.S.-flag vessels; MarAd is responsible for enforcement of this under the provisions of the Merchant Marine Act, 1936.

Executive Order 11246. The executive order requires that the Maritime Administration establish and operate a contract compliance program for contractors performing work on the government account in the U.S. maritime industry.

SECTION III
BRIEF HISTORICAL BACKGROUND

BACKGROUND PRIOR TO 1970 ACT

The Maritime Administration was established in 1950 when the functions which had been performed by the Maritime Commission previously were separated. Promotional programs were assigned to the new Maritime Administration within the Department of Commerce.

The Maritime Administration was set up to administer the Merchant Marine Act of 1936. This legislation terminated the use of mail contracts as a form of maritime subsidy and instituted the direct subsidy system based on the difference between foreign and domestic operating costs to private ship operators on essential trade routes. Construction subsidies were initiated for vessels built by private operators for employment on essential U.S. trade routes. Other provisions required subsidized lines to replace over-age vessels, provided Government loan and mortgage insurance, established citizenship requirements for crews, required the establishment of manning scales and decent living and working conditions, and authorized the establishment of a training program.

Between 1939 and 1946 5600 merchant ships were constructed, most in time to play an active role in the war.

The early success of the program did not continue. During the 1950's and 1960's the U.S. merchant fleet declined from about 1300 ships in 1951 to less than 800 by the end of 1970. From 1960 to 1970 foreign shipyards produced about 7400 new merchant ships, while the U.S. built only 200.

PROGRESS UNDER THE 1970 ACT

The Merchant Marine Act of 1970 was enacted to revitalize the U.S. maritime industry.

The 1970 Act provided a long-range shipbuilding program to modernize our fleet. Subsidy programs were overhauled. The bulk carrier segment of the fleet became eligible for the full range of Government subsidies.

As a result of the initiatives set forth in this legislation the decline in U.S. maritime capabilities was reversed and both shipyards and operators have increased their productivity.

Significant progress has been made in achieving the objectives of the Merchant Marine Act of 1970. Subsidized shipbuilding orders of \$3.3 billion have been generated by the 1970 Act. Of this, \$2.0 billion is in private funds. The shipbuilding orders covered by subsidy comprise 64 new ships of 6.0 million deadweight tons and the conversion of 29 existing ships.

As a result of this program, the U.S. shipbuilding industry has enjoyed a sustained period of substantial backlog, although some yards are now in need of contracts in order to sustain employment. As of October 1, 1976, 77 merchant ships valued at \$4.6 billion and amounting to 7.1 million deadweight tons were under construction or on order. Much of this construction is dedicated to the bulk carrier segment of the fleet and many vessels

are being built which will not receive ODS. A detailed breakdown of this construction activity by ship type is contained in Table III-1.

HIGHLIGHTS OF SHIP CONSTRUCTION PROGRAM

Considering Navy as well as commercial business, contract backlogs at major commercial shipyards were at all-time highs at the beginning of 1976. Whereas in January 1971, the contract backlog was \$3.8 billion, by January 1976 it had escalated to about \$10.5 billion, including about \$6.5 billion in Navy contracts, concentrated primarily in three shipyards. About one-fourth of the contract backlog dollar value is attributable to CDS work. This is spread among eight yards, five of which depend primarily on this work. The remaining 75 percent is attributable to work on the Navy's high-technology ships and private unsubsidized work. Private orders, although down from their peak of a year ago, continue at high levels because of the temporary surge in tanker construction for movement of North Slope oil from Alaska to the West Coast. This cargo is reserved for U.S.-flag ships under the Jones Act.

Shipbuilding employment also increased during the first half of the decade, rising from 74,400 in January 1971 to 96,000 in July 1976*. Labor projections for the Navy program are encouraging, and we would anticipate some growth in total shipyard employment during the latter 70's if commercial programs were to remain at current levels or even to experience moderate decreases.

* Encompasses shipyards having facilities to build ships at least 475 by 68 feet.

Table III-1

Construction Differential Subsidy Contract
Awards Under Merchant Marine Act of 1970
(as of September 30, 1976)

<u>Vessel Type</u>	<u>Total Contract Awards</u>	<u>Number Delivered to Date</u>
LASH	9	9
Containerships*	4	-
Roll on/Roll off	4	2
Tug-Barge	2	-
LNG	9	-
Oil/Bulk/Ore	2	2
Tanker		
35,000	4	2
38,300	6	5
56,000	3	-
89,700	9	5
225,000	4	2
265,000	5	3
390,770	<u>3</u>	<u>-</u>
TOTAL	64	30

* Conditional CDS award on two containerships.

Further, United States shipbuilding is a particularly important source of jobs for minority groups and is a growing source of jobs for women. In 1968 nearly 18 percent of shipyard employees were members of minority groups. Today the proportion is 28 percent. The percentage of minority workers in the skilled workforce has almost doubled since 1968, going from 16% to 30% of the total. In white collar jobs there has also been a rapid expansion of minority employees. While only 3.4 percent of white collar employees were minority group members in 1971, today this figure has risen to 10.5 percent. In addition, over 4,000 women currently hold production jobs in the shipyards. In 1971, only 221 women were counted among those holding production line jobs.

The maritime program has shifted the emphasis of capital investment in American shipbuilding from merely replacing facilities as they wore out or broke down to a more dynamic mode of capital improvement and expansion. The promise of a continuing flow of ship construction which was inherent in the 1970 Act provided the necessary stimulus for this investment. Since the Act (see Table III-2) the U.S. shipbuilding industry has invested \$1,044.8 million in capital improvements and modernization of facilities, of which \$252.9 million was expended during fiscal year 1976. Despite the present uncertainties in the industry and the drastic decline in the shipbuilding market, U.S. shipyards plan to spend approximately \$132.4 million for

Table III-2

Capital Investments by U.S. Shipyards since
1970 Act, Actual and Planned (as of July 1, 1976)
(Dollars in Millions)

<u>Shipyard</u>	<u>Actual (through 6/30/76)</u>	<u>Planned (FY 1977)</u>
Bath Iron Works	\$19.4	\$ 2.5
Alabama DD	12.9	0.8
Avondale Shipyards	82.4	11.9
Beth-Sparrows Point	30.0	-
National Steel	36.1	4.2
Gen. Dyn.-Elec. Boat	124.2	36.7
Todd Shipyards Corp.	28.1	4.0
Marathon Le Tourneau	28.9	-
Gen. Dyn.-Quincy	121.1	10.6
Maryland SB	25.1	0.8
Newport News	247.0	38.2
Levingston	8.2	1.8
St. Louis Ship	10.1	-
Litton/Ingalls	60.5	-
FMC Corporation	6.2	-
Galveston SB	4.7	0.1
Norfolk SB	4.7	5.7
Jacksonville	36.5	-
Sun Ship	46.0	-
Seatrain	33.9	-
Bay SB Corp.	12.0	3.0
Others	66.8	12.1
 TOTAL INVESTMENTS	 \$1,044.8	 \$132.4

improvement of facilities during fiscal year 1977. Capital investments in the foreseeable future are expected to remain relatively high, reflecting long-term industry optimism.

Examples of current and recent facility expansion and modernization programs at five of the major shipyards are as follows:

Newport News is constructing an entirely new commercial yard.


Avondale's program centers around two new building ways and a large new floating drydock.

General Dynamics - Quincy converted two sliding shipways to large building basins.

Sun Ship constructed a unique level "shipbuilding platform" and a large new floating drydock.

National Steel constructed a large new building dock.

When the 1970 Act was enacted, it was the opinion of the Maritime Administration and the industry that a 35 percent CDS rate was attainable by fiscal year 1976. The reduction in CDS rates which has been achieved is apparent in Table III-3 which details CDS rates for fiscal years 1966 through the Transition Quarter. However, specification of a 35 percent rate in fiscal year 1976 was not intended to be a future CDS rate floor but rather a goal established for the purpose of encouraging shipyards to invest in equipment and procedures to reduce ship construction costs.



Yearly CDS Rates
Fiscal Years 1966-1976/70
Title V New Construction
Merchant Marine Act of 1936, as Amended

<u>Type of Ships</u>	<u>No. Ships</u>	<u>Owner/Contractor</u>	<u>CDS%</u>
Cargo	1	APL/Ingalls	52.77
Container	3	AEIL/Bath Iron	54.2
Cargo	5	States/Avondale	54.1
Cargo	4	AML/Newport News	55.0
Container	4	Moore-Mc/Ingalls	51.6
Total FY 1966	17	Aver. per Ship CDS Rate for Year	53.66
Cargo	1	AML/Newport News	54.7
Total FY 1967	1	Aver. per Ship CDS Rate for Year	54.7
LASH	5	Prudential/Avondale	52.8
LASH	6	PFEL/Avondale	52.8
Container	1	U.S. Lines/Sun	50.1
Total FY 1968	12	Aver. per Ship CDS Rate for Year	52.58
Large Carrier	3	Lykes/General Dynamics	55.0
Unitized/Container	4	Farrell/Litton	54.7
Unitized/Container	3	APL/Litton	54.5
Total FY 1969	10	Aver. per Ship CDS Rate for Year	54.73
Container	2	U.S. Lines/Sun	44.8
Unitized/Container	1	APL/Litton	46.4
Container	2	Oceanic/Bethlehem Steel	46.5
Total FY 1970	5	Aver. per Ship CDS Rate for Year	45.80
Container	3	AEIL/Bath Iron	41.6
LASH	3	Delta/Avondale	44.2
LASH	3	Waterman/Avondale	44.2
LASH	1	Central Gulf/Avondale	44.2
Ore-Bulk-Oil	2	Aries/NASSCO	45.0
Total FY 1971	12	Aver. per Ship CDS Rate for Year	43.68

Table III-3 (Continued)

III-9

<u>Type of Ships</u>	<u>No. Ships</u>	<u>Owner/Contractor</u>	<u>CDS%</u>
Tanker - 37,500 DWT	3	Margate/NASSCO	43.0
LASH	2	Central Gulf/Avondale	43.0
Tanker - 35,000 DWT	4	Sea Service/Todd	42.93
RO/RO Cargo	3	States/Bath Iron	42.98
Tanker - 86,000 DWT	3	Aeron/NASSCO	42.94
Tanker - 265,000 DWT	3	MFC-Boston Tankers/ Beth Steel	42.99
Tanker - 225,000 DWT	<u>3</u>	Langfitt, Tyler & Polk/ Seatrains	42.97
Total FY 1972	21	Aver. per Ship CDS Rate for Year	42.97
LNG Carrier	3	Methane Alpha, Beta, Gamma/Newport News	25.74
LNG Carrier	3	Cryogenic, et.al./Gen. Dynamics	23.70
RO/RO Cargo	1	States/Bath Iron	40.23
LNG Carrier	3	Methane Delta, Epsilon, Zeta/Avondale	16.50
Tanker - 89,700 DWT	4	Third Group/NASSCO	36.47
Tanker - 265,000 DWT	2	Gulf Oil/Beth. Steel	40.93
Tanker - 225,000 DWT	<u>1</u>	Fillmore/Seatrains	40.83
Total FY 1973	17		
Conventional Ships	8	Aver. per Ship CDS Rate for Year	38.60
LNG Carriers	9	Aver. per Ship CDS Rate for Year	21.98
Tanker - 38,300 DWT	3	Moore-Mc/NASSCO	35.18
Tanker - 89,700 DWT	2	Chestnut/NASSCO	33.38
Tanker - 390,000 DWT	2	VLCC I & II/Newport News	38.75
Tanker - 390,000 DWT	<u>1</u>	Zapata/Newport News	38.75
Total FY 1974	8	Aver. per Ship CDS for Year	36.07
Tanker - 51,000 DWT	1	United Shipping/Avondale	35.08
Tanker - 51,000 DWT	1	Ajax/Avondale	35.08
Tanker - 51,000 DWT	<u>1</u>	Achilles & Aeron/Avondale	35.08
Total FY 1975	3	Aver. per Ship CDS Rate for Year	35.08

Table III-3 (Continued)

<u>Type of Ships</u>	<u>No. Ships</u>	<u>Owner/Contractor</u>	<u>CDS%</u>
Containership		Farrell Lines/	
27,340 DWT	<u>2</u>	Bethlehem S.P.	49.64
Total FY 1976	2	Aver. per Ship CDS	49.64
		Rate for Year	
* Containership		American Export Lines/	
16,343 DWT	2	Beth. Iron Works	49.64
Tug-Barge - 10,166 DWT	<u>2</u>	Coordinated Carib.	
		Transport Inc./Seatrains	38.05
Total, Transition	4	Aver. per Ship CDS	43.85
Quarter		Rate for TQ	

* Additional CDS award on two containerships.

Several factors have combined to make it impossible to maintain the 35% CDS rate for all ship types. The present depressed condition of the world shipbuilding market has forced down foreign ship prices, while domestic inflationary pressures have raised U.S. costs. The revaluation of the dollar has exaggerated the problem.

HIGHLIGHTS OF SHIP OPERATIONS PROGRAM

The ship operating segment of the maritime industry has also made significant strides under the 1970's maritime program. The U.S. intermodal fleet of today is the world's most modern. Many of its vessels are highly technological, efficient intermodal vessels. Containerships carry containers which have been sealed at the manufacturing or distribution site and transported by truck or rail from inland plants hundreds of miles from any port. These ships can load and discharge and be out of port in one day, compared to up to a week for a conventional breakbulk ship. Seabee and LASH ships, which carry barges and lighters, service coastal ports which lack modern cargo-handling equipment. While the ship remains offshore, the vessels' huge cranes can discharge barges into the water, where they are moved by tugs to dockside. Roll-on/roll-off vanships load and discharge containers on chassis via ramps leading into ships' holds.

With 16 roll-on/roll-off ships, 23 barge-carrying vessels and 108 containerships, the U.S. intermodal fleet is the largest in the world. Despite the fact that the number of privately owned U.S. flag vessels has declined from 793 in 1970 to 579 at present, American flag cargo capacity has increased by more than one million tons (from 14.4 to 15.6 million deadweight tons).

The U.S. liner fleet of general cargo vessels last year carried 30.3% of foreign trade cargoes, a penetration about 50% greater than in 1970. Our intermodal fleet carried about 40% of total containerized cargoes.

Most operators receiving operating differential subsidy are liner operators. There are at present ten such operations: Moore McCormack Lines, Delta Steamship Lines, Farrell Lines, American President Lines, Lykes Borthers Steamship Company, Prudential Lines, Inc., States Steamship Company, Pacific Far East Lines, American Export Lines, and Waterman Steamship Company. ODS contracts cover all the various types of general cargo vessels - breakbulk, containerships, Seabees, LASH vessels, and roll on roll/off vessels. A total of 180 liner vessels are now under ODS contracts, representing 58% of the total U.S. liner fleet. ODS contracts normally run for 20 years.

The present depression in the worldwide tanker industry, which began with the Arab oil embargo of 1973 has minimized gains in this segment of the fleet. However, in terms of actual tanker cargo, tonnage carried on U.S. ships has doubled since 1970. The percentage of U.S. penetration is small, although higher than in 1970 - 6% compared with 4%.

Similarly, the U.S. dry bulk fleet penetration has not increased as had been hoped. U.S. carriage of dry bulk commodities is only about 1.8% of the total. A series of conferences have been held recently with both government and industry representation in order to discuss possible changes in the maritime program which might encourage the building and operating of U.S. flag bulk carriers.

There are fourteen U.S. flag tankers totalling 897,000 DWT and two oil/bulk/ore carriers totalling 164,000 DWT receiving ODS. This is about 6% of the U.S. tanker and dry bulk fleet by number. The following operators have ODS contracts for these ships: Aeron Marine Shipping, American Shipping, Aquarius Marine, Aries Marine Shipping, Ecological Shipping, Margate Shipping, Moore-McCormack Bulk Transport, Pacific Shipping, North Oil Transport, and Zapata Products Tankers.

SECTION IV
ORGANIZATION, INCLUDING FIELD STRUCTURE

U. S. DEPARTMENT OF COMMERCE

MARITIME ADMINISTRATION

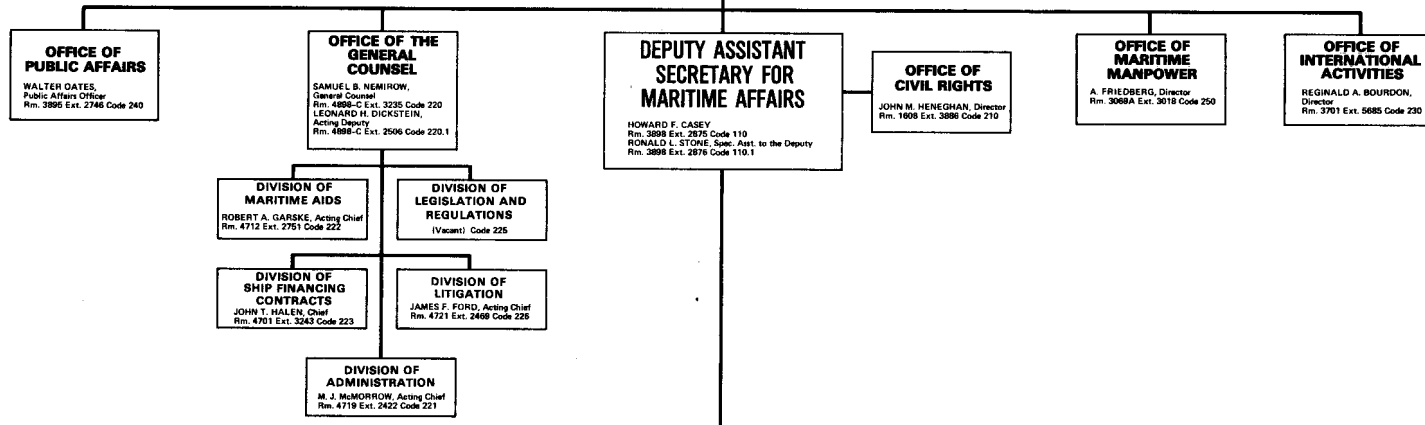
WORK REFERENCE CHART

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HOWARD F. CASEY, Member
SAMUEL B. NEMIROV, Member
JAMES S. DAWSON, Jr., Secretary and Alternate Member
ROBERT J. PATTON, JR., Assistant Secretary
Rm. 3099-B Ext. 2056 Code 120.1

ASSISTANT SECRETARY FOR MARITIME AFFAIRS
ROBERT J. BLACKWELL
Rm. 3086-B Ext. 2056 Code 100
KATHLEEN A. SHELTER, Spec. Asst. to the Asst. Sec.
Rm. 3731 Ext. 4191 Code 100.4

EXECUTIVE STAFFS
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Administrative Law Judge
Rm. 6708 Ext. 5023 Code 130
JAMES S. DAWSON, JR., Secretary
Rm. 3099-B Ext. 2188 Code 120

	Ext.	Code
Correspondence Branch	4223	311.2
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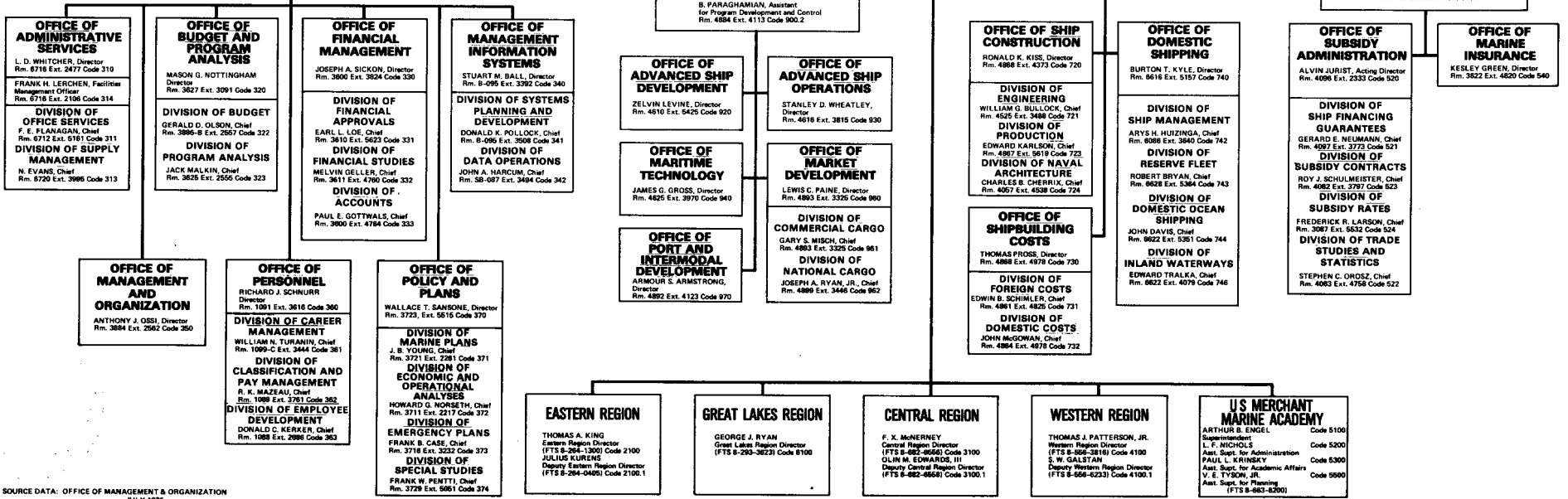


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Rm. 4886 Ext. 3750 Code 900.1
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Rm. 4884 Ext. 4113 Code 900.2

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RONALD C. RASMUS, Deputy
Rm. 4098 Ext. 2611 Code 500.1



United States of America
DEPARTMENT OF COMMERCE

DEPARTMENT
ORGANIZATION ORDER 10-8
Amendment I

**DEPARTMENT
ORGANIZATION
ORDER SERIES**

DATE OF ISSUANCE

August 27, 1976

EFFECTIVE DATE

August 27, 1976

SUBJECT

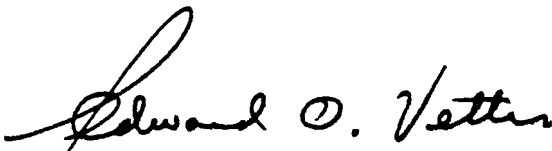
ASSISTANT SECRETARY FOR MARITIME AFFAIRS

Department Organization Order 10-8, dated July 5, 1973, is hereby amended as shown below. The purpose of this amendment is to revise the delegation of authority to the Assistant Secretary for Maritime Affairs, in accordance with Executive Order 11490, as amended by Executive Order 11921, to include several emergency functions assigned to MARAD but not specifically delegated in the current order.

SECTION 3. DELEGATION OF AUTHORITY TO THE ASSISTANT SECRETARY.

Substitute the following subparagraph for subparagraph .01i.

"i. Executive Order 10480, as amended, and Executive Order 11490, as amended, with respect to defense mobilization and emergency preparedness of coastwise, intercoastal and overseas shipping, ports and port facilities, ship construction, conversion and repair, and support functions related thereto;"


Acting Secretary of Commerce

USCOMM-DC - 57563

United States of America DEPARTMENT OF COMMERCE	DEPARTMENT ORGANIZATION ORDER <u>10-8</u>	
DEPARTMENT ORGANIZATION ORDER SERIES	DATE OF ISSUANCE July 5, 1973	EFFECTIVE DATE July 5, 1973
SUBJECT ASSISTANT SECRETARY FOR MARITIME AFFAIRS		
<p><u>SECTION 1. PURPOSE.</u></p> <p>.01 This order delegates authority to the Assistant Secretary for Maritime Affairs and to the Maritime Subsidy Board and prescribes the general functions of the Maritime Administration.</p> <p>.02 This revision reflects elimination of the position of Deputy Assistant Secretary for International Planning (section 2) and incorporates recent legislative changes in the delegation of authority (section 3) and statement of functions (section 4).</p> <p><u>SECTION 2. STATUS AND LINE OF AUTHORITY.</u></p> <p>.01 The Maritime Administration, established in the Department of Commerce by Reorganization Plan No. 21 of 1950, effective May 24, 1950, as affected by Reorganization Plan No. 7 of 1961, effective August 12, 1961, is continued as a primary operating unit of the Department of Commerce.</p> <p>.02 By effect of Section 38 of the Merchant Marine Act of 1970 (Public Law 91-469 of October 21, 1970), the Assistant Secretary for Maritime Affairs (the "Assistant Secretary"), who is ex officio Maritime Administrator, is the head of the Maritime Administration. The Assistant Secretary is appointed by the President by and with the advice and consent of the Senate. He shall report and be responsible to the Secretary of Commerce.</p> <p>.03 The Assistant Secretary shall be assisted in his duties by a Deputy Assistant Secretary for Maritime Affairs (ex officio Deputy Maritime Administrator) who shall perform such duties as the Assistant Secretary shall assign. In addition, he shall assume the duties of the Assistant Secretary in his absence or during a vacancy in the office, unless the Secretary shall designate another person.</p> <p>.04 The Assistant Secretary is also designated Commandant of the United States Maritime Service.</p> <p><u>SECTION 3. DELEGATION OF AUTHORITY TO THE ASSISTANT SECRETARY.</u></p> <p>.01 Pursuant to the authority vested in the Secretary of Commerce by Reorganization Plan No. 21 of 1950, as affected by Reorganization Plan No. 7 of 1961, and Reorganization Plan No. 5 of 1950, and otherwise by law, the Assistant Secretary is</p>		

hereby delegated the authority vested in the Secretary of Commerce under:

a. Reorganization Plan No. 21 of 1950 (64 Stat. 1273) and Section 202 of Reorganization Plan No. 7 of 1961 (75 Stat. 840), except the authority delegated to the Maritime Subsidy Board by section 6 of this Order. This delegation includes but is not limited to the authority vested in the Secretary of Commerce by:

- (1) The Shipping Act, 1916, as amended (46 U.S.C. 801 et seq.);
- (2) The Merchant Marine Act, 1920, as amended (46 U.S.C. 861 et seq.), including the Ship Mortgage Act, 1920, as amended (46 U.S.C. 921 et seq.);
- (3) The Merchant Marine Act, 1928, as amended (46 U.S.C. 891 et seq.);
- (4) The Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 843 et seq.);
- (5) The Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.); except the authority delegated to the Administrator of the National Oceanic and Atmospheric Administration relating to the establishment of capital construction fund agreements under Section 607 thereof and the granting of financing guarantees under Title XI thereof, with respect to vessels in the fishing trade or industry; and
- (6) The Merchant Ship Sales Act of 1946, as amended (50 U.S.C. App. 1735 et seq.).

b. The Suits in Admiralty Act (1920), as amended (46 U.S.C. 741 et seq.), except in relation to the arbitration, compromise or settlement of any claim in the amount of \$5,000 or less involving a vessel operated by the National Oceanic and Atmospheric Administration;

c. The Civilian Nautical School Act, 1940 (46 U.S.C. 1331 et seq.);

d. The Act of June 2, 1951 (46 U.S.C. 1241a) regarding the "Vessel Operations Revolving Fund;"

e. The Act of August 9, 1954 (50 U.S.C. 196 et seq.) commonly called the Emergency Foreign Vessels Acquisition Act;

f. The Act of July 24, 1956 (46 U.S.C. 249 et seq.) commonly

called the Merchant Marine Medals Act of 1956;

g. The Maritime Academy Act of 1958, as amended (46 U.S.C. 1381 et seq.);

h. Title VI of the Civil Rights Act of 1964, which is applicable to the Assistant Secretary, as provided in Department Administrative Order 201-7 and the regulations referred to therein;

i. Executive Order 10480, as amended, and Executive Order 11490, with respect to defense mobilization and emergency preparedness of coastwise, intercoastal, and overseas shipping and ports and port facilities;

j. The Act of May 16, 1972 (86 Stat. 140), authorizing sale or purchase of certain passenger vessels;

k. The Act of August 22, 1972 (86 Stat. 618), authorizing sale of Liberty ships for use as artificial reefs; and

l. Section 717 of the Act of October 26, 1972 (86 Stat. 1184), commonly known as the Department of Defense Appropriations Act, 1973, with respect to transferring or otherwise making available vessels under the jurisdiction of the Maritime Administration to another Federal agency or, similarly, accepting vessels from another Federal agency.

.02 The Assistant Secretary is also hereby vested with the authorities of the Director, National Shipping Authority, which was established by the Secretary of Commerce effective March 13, 1951.

.03 Pursuant to the authority delegated to the Secretary of Commerce by the Administrator of the General Services Administration, dated August 15, 1967, the Assistant Secretary is hereby delegated authority to appoint uniformed guards as special policemen, with such powers as are conferred in the Act of June 1, 1948 (62 Stat. 281), as amended, for protection duties on those parcels of property at the United States Merchant Marine Academy, Kings Point, New York, which are not protected by General Services Administration guards, and over which the Federal Government has exclusive or concurrent jurisdiction. This authority shall be exercised in accordance with the limitations and requirements of the above cited Act, and policies, procedures, and controls prescribed by the General Services Administration.

.04 The Assistant Secretary may exercise other authorities of the Secretary as applicable to performing the functions assigned in this Order.

.05 The Assistant Secretary may redelegate his authority to officials of the Maritime Administration subject to such limitations in the exercise of such authority as he may prescribe.

SECTION 4. FUNCTIONS.

.01 The Maritime Administration, in accordance with the declaration of policy stated in Title I of the Merchant Marine Act of 1936, as amended, shall be responsible for fostering the development and maintenance of an American merchant marine sufficient to meet the needs of the national security and of the domestic and foreign commerce of the United States. In carrying out these responsibilities, the Maritime Administration shall:

- a. Award and administer construction-differential subsidy contracts and operating-differential subsidy contracts to aid the American merchant marine and trade-in allowances for new ship construction;
- b. Enter into and administer agreements for capital construction funds and construction reserve funds;
- c. Provide insurance on construction loans and ship mortgages or guarantees on ship financing obtained from private sources for ship construction and reconstruction;
- d. Provide assistance to the shipping industry to generate increased trade and cargo shipments on U.S.-flag ships;
- e. Promote development of ports and intermodal transportation systems;
- f. Promote development of the domestic waterborne commerce of the United States;
- g. Oversee the administration of cargo preference statutes;
- h. Administer charters and general agency agreements for operation of Government-owned ships;
- i. Maintain custody of, and preserve ships in the National Defense Reserve Fleet;
- j. Conduct sales of ships;
- k. Supervise design and construction of ships for Government account;
- l. Furnish war risk insurance on privately-owned merchant ships;

- m. Train merchant marine officers;
- n. Conduct a research and development program in the maritime field; and
- o. Issue rules and regulations with respect to the foregoing functions.

.02 In carrying out its responsibilities, the Maritime Administration shall also coordinate and provide leadership to the Department's overall effort to reduce, simplify and otherwise facilitate the use of documents required for trade, travel and transport purposes.

SECTION 5. MARITIME SUBSIDY BOARD.

.01 The Maritime Subsidy Board (the "Board") is continued within the Maritime Administration. The Board shall be composed of the Assistant Secretary, the Deputy Assistant Secretary for Maritime Affairs and the General Counsel of the Maritime Administration, and during a vacancy in any one of those offices, the person acting in such capacity shall be a member of the Board, unless the Secretary of Commerce designates another person. In case there still is a vacancy in the Board or in the absence or disability of one of its members, the Secretary of the Maritime Administration and Maritime Subsidy Board, or any other persons designated by the Secretary of Commerce, shall act as a member or members of the Board. Each member of the Board, while serving in that capacity, shall act pursuant to direct authority from the Secretary of Commerce and exercise judgment independently of authority otherwise delegated to the Assistant Secretary. The Assistant Secretary or the Acting Assistant Secretary serves as Chairman of the Board. The concurring votes of two members shall be sufficient for the disposition of any matter which may come before the Board.

.02 The Chairman of the Maritime Subsidy Board may make use of officers and employees of the Maritime Administration to perform activities for the Maritime Subsidy Board. Employees of the Maritime Administration may be designated as the Secretary or Assistant Secretaries of the Board.

SECTION 6. DELEGATIONS OF AUTHORITY TO THE MARITIME SUBSIDY BOARD.

.01 Pursuant to the authority vested in the Secretary of Commerce by Reorganization Plan No. 21 of 1950, as affected by Reorganization Plan No. 7 of 1961, and Reorganization Plan No. 5 of 1950, and otherwise by law, the Maritime Subsidy Board is hereby delegated authority to perform the following functions

vested in the Secretary of Commerce:

a. All functions previously vested in the Federal Maritime Board pursuant to Section 105(1) (except the last proviso thereof), Section 105(2), and, insofar as applicable to these functions, Section 105(3) of Reorganization Plan No. 21 of 1950, as the same have been transferred to the Secretary of Commerce by Section 202 (b) (1) of Reorganization Plan No. 7 of 1961, except investigations, hearings and determinations, including changes in determinations, with respect to minimum manning scales, minimum wage scales and minimum working conditions referred to in Section 301 (a) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1101 et seq.).

b. All functions previously vested in the Federal Maritime Board pursuant to Section 103 (e) of Reorganization Plan No. 21 of 1950, as the same have been transferred to the Secretary of Commerce by Section 202 (b) (2) (except requiring the filing of reports, accounts, records, rates, charges, and memoranda under Section 21 of the Shipping Act, 1916, as amended, and making reports and recommendations to Congress) and Section 202 (b) (3) of Reorganization Plan No. 7 of 1961, insofar as said functions relate to the functions described in subparagraph a. of this paragraph.

c. All functions under Title VI of the Civil Rights Act of 1964, which are applicable to the Maritime Subsidy Board, as provided in Department Administrative Order 201-7 and the regulations referred to therein, which delegated authority shall be performed in accord with the provisions of said Department Administrative Order and regulations, and shall be exempted from review under Section 7 of this Order.

.02 The Maritime Subsidy Board may exercise other authorities of the Secretary of Commerce as applicable to performing the functions assigned to the Board in this Order.

.03 Any member of the Maritime Subsidy Board or the Secretary or an Assistant Secretary of the Maritime Subsidy Board is authorized to execute and sign contracts and other documents authorized or approved pursuant to sections 6 or 7 of this Order. The execution of such contracts or documents may be attested, under the seal of the Maritime Administration, by the Secretary or an Assistant Secretary of the Maritime Subsidy Board.

.04 The Maritime Subsidy Board may, with the approval of the Secretary of Commerce, redelegate its authority and prescribe necessary limitations, restrictions and conditions on the exercise of such authority. Action taken by any redelegatee shall be exempt from the provisions

of section 7 of this Order.

SECTION 7. REVIEW AND FINALITY OF ACTIONS BY MARITIME
SUBSIDY BOARD.

.01 The Secretary of Commerce (hereinafter referred to as the "Secretary") may on his own motion or on the basis of a petition filed as hereinafter provided, review any decision, report and/or order of the Maritime Subsidy Board based on a hearing held pursuant to (a) statutory requirements or (b) Board order, by entering a written order stating that he elects to review the action of the Board. Copies of all orders for review shall be served on all parties of record. Petitions for review under this paragraph may be filed by parties of record, shall be in writing, and shall state the grounds upon which petitioner relies. Ten (10) copies of such petitions for review, together with proof of service thereof on all parties of record, shall be filed with the Secretary within fifteen (15) days after the date of the service of the Board's decision, report or order. Parties of record may file answers in writing thereto. Ten (10) copies of such answers, together with proof of service thereof on the petitioner and all other parties of record, shall be filed with the Secretary within ten (10) days after the date the petition for review is timely filed. Petitions for review and answers thereto shall be limited to the record before the Board. If a petition for review is filed within the time prescribed, a decision, report or order of the Board shall be final fifteen (15) days after expiration of the time prescribed for filing answer thereto unless the Secretary, prior to expiration of the fifteen (15) days, enters a written order granting the petition for review. If no petition for review is filed within the time prescribed, a decision, report or order of the Board shall be final twenty (20) days after the date of service of the decision unless the Secretary, prior to expiration of the twenty (20) days, enters a written order stating that he elects to review the action of the Board. If upon any review the decision of the Secretary rests on official notice of a material fact not appearing in the evidence in the record, any party of record shall, if request is made within ten (10) days after the date of service of the Secretary's decision on said party, be afforded an opportunity to show the contrary. The said ten (10) days shall constitute the period for a "timely request" within the meaning of the provisions of 5 U.S.C. 556(e). A copy of all orders for review, petitions for review, answers to petitions for review, and decisions of the Secretary shall be filed with the Secretary of the Board concurrent with service upon all parties of record.

.02 The Secretary may on his own motion review all actions of the Maritime Subsidy Board other than those referred to in paragraph .01 of this section by entering a written order stating that he elects to review the action of the Board. Any person having an interest in any action of the Board under this paragraph shall have the privilege of submitting to the Secretary, within ten (10) days after the date of such Board action, a request that the Secretary undertake such review. Such request shall be in writing and shall state the grounds upon which the person submitting the same relies and his interest in the action for which review is requested. Ten (10) copies of such requests shall be submitted to the Secretary. Any other person having an interest in such matter shall have the privilege of submitting within fifteen (15) days after the date of the Board's action, a written request that the Secretary not exercise such review. Copies of requests that the Secretary undertake or not exercise review will be open for public inspection at the office of the Secretary of the Board. If either a request that the Secretary undertake review or a request that he not exercise review is submitted within the time prescribed, an action of the Board shall be final in ten (10) days, after expiration of the time prescribed for submission of a request that review not be exercised unless the Secretary, prior to the expiration of the ten (10) days, enters a written order stating that he elects to review the action of the Board. If neither a request that the Secretary undertake review nor a request that he not exercise review is submitted within the time prescribed, an action of the Board shall be final in twenty (20) days after the date of such action unless the Secretary, prior to expiration of the twenty (20) days, enters a written order stating that he elects to review the action of the Board. Copies of all orders for review shall be filed with the Board, and served upon all persons filing requests as herein described.

.03 If a timely petition for reopening is filed under the rules prescribed by the Board, the time for filing a petition or request for review by the Secretary under paragraphs .01 and .02 of this section, respectively, or the entry of an order by the Secretary on his own motion electing to review an action of the Board under paragraphs .01 and .02 of this section, shall, in the case of actions under paragraph .01 of this section run from the date of service of the Board's action and, in the case of actions under paragraph .02 of this section, run from the date of the Board's action, finally disposing of the issues presented by the petition for reopening.

.04 In computing any period of time under this section, the time begins with the day following the act, event, or default, and

includes the last day of the period unless it is Saturday, Sunday, or national legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or such holiday. The prescribed time for action by the Secretary in a proceeding in which additional days have been added pursuant to the provisions of this paragraph shall be extended by the total of such additional days.

.05 Petitions and requests for review by the Secretary shall not be filed:

a. Unless the petitioner shall have first exhausted his administrative remedies (other than a petition for reopening) before the Maritime Subsidy Board; or

b. With respect to interlocutory decisions of the Maritime Subsidy Board in actions or proceedings referred to in paragraphs .01 and .02 of this section.

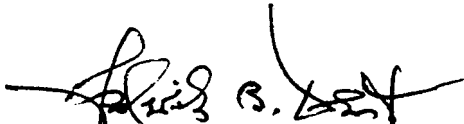
.06 The Secretary may, for good cause and/or in order to prevent undue hardship in any particular case, waive or modify any procedural provision of this section by written order.

SECTION 8. EFFECT ON OTHER ORDERS.

.01 This order supersedes Department Organization Order 10-8, of June 19, 1972, as amended.

.02 All Orders, determinations, rules, regulations, permissions, delegations, approvals, agreements, rulings, certificates, directives and other actions heretofore issued or taken by or relating to the Federal Maritime Board, Maritime Administration, Maritime Subsidy Board, National Shipping Authority and their predecessor agencies, and in effect on the effective date of this Order shall, insofar as they relate to the functions referred to herein and are not inconsistent herewith, remain in full force and effect until hereafter suspended, amended or revoked under appropriate authority.

.03 All actions, proceedings, hearings or investigations pending on the effective date of this Order before the Maritime Administration or the Maritime Subsidy Board in respect to the functions referred to in this Order shall be continued before the Maritime Administration or the Maritime Subsidy Board, as the case may be, in accordance with the delegations made pursuant to this Order.


Secretary of Commerce

United States of America DEPARTMENT OF COMMERCE	DEPARTMENT ORGANIZATION ORDER <u>25-2</u> Amendment 4	
DEPARTMENT ORGANIZATION ORDER SERIES	DATE OF ISSUANCE June 17, 1976	EFFECTIVE DATE June 17, 1976
SUBJECT MARITIME ADMINISTRATION		
<p>Department Organization Order 25-2, dated October 23, 1973, is hereby further amended, as shown below. The purpose of this amendment is to set up the Office of Maritime Manpower as an independent office reporting directly to the Assistant Secretary for Maritime Affairs.</p> <p>1. A new Section 9. is added to read as follows:</p> <p><u>"SECTION 9. OFFICE OF MARITIME MANPOWER.</u></p> <p>The Office of Maritime Manpower shall analyze and advise the Administration regarding labor management relations and problems as they apply to seamen, longshoremen and shipyard workers, including labor trends, potential areas of dispute, and the effects of technological changes and proposed legislation on labor; develop plans in cooperation with the Department of Labor to provide reserve maritime manpower for mobilization and other emergencies; obtain, analyze, and publish data for use of industry, labor, Government and the public concerning maritime employment, wages, hours, manning, working conditions, and manpower requirements; process nominations for appointment of midshipmen to the U. S. Merchant Marine Academy; administer a grant-in-aid program for the State Maritime Academies; determine need for and coordinate training programs for licensed and unlicensed personnel in maritime industries; coordinate technical maritime training assistance to foreign countries under international cooperative programs; and issue merchant marine decorations and awards."</p> <p>2. <u>SECTION 12. ASSISTANT ADMINISTRATOR FOR MARITIME AIDS.</u> In pen and ink in the introductory paragraph, delete the words "maritime manpower" and also delete paragraph .02 and renumber current paragraph .03 as .02.</p> <p>3. Renumber current Sections 9.-14. as Sections 10.-15., respectively.</p>		

4. The organization chart attached to this amendment supersedes the organization chart dated June 2, 1975.

Robert J. Blashell

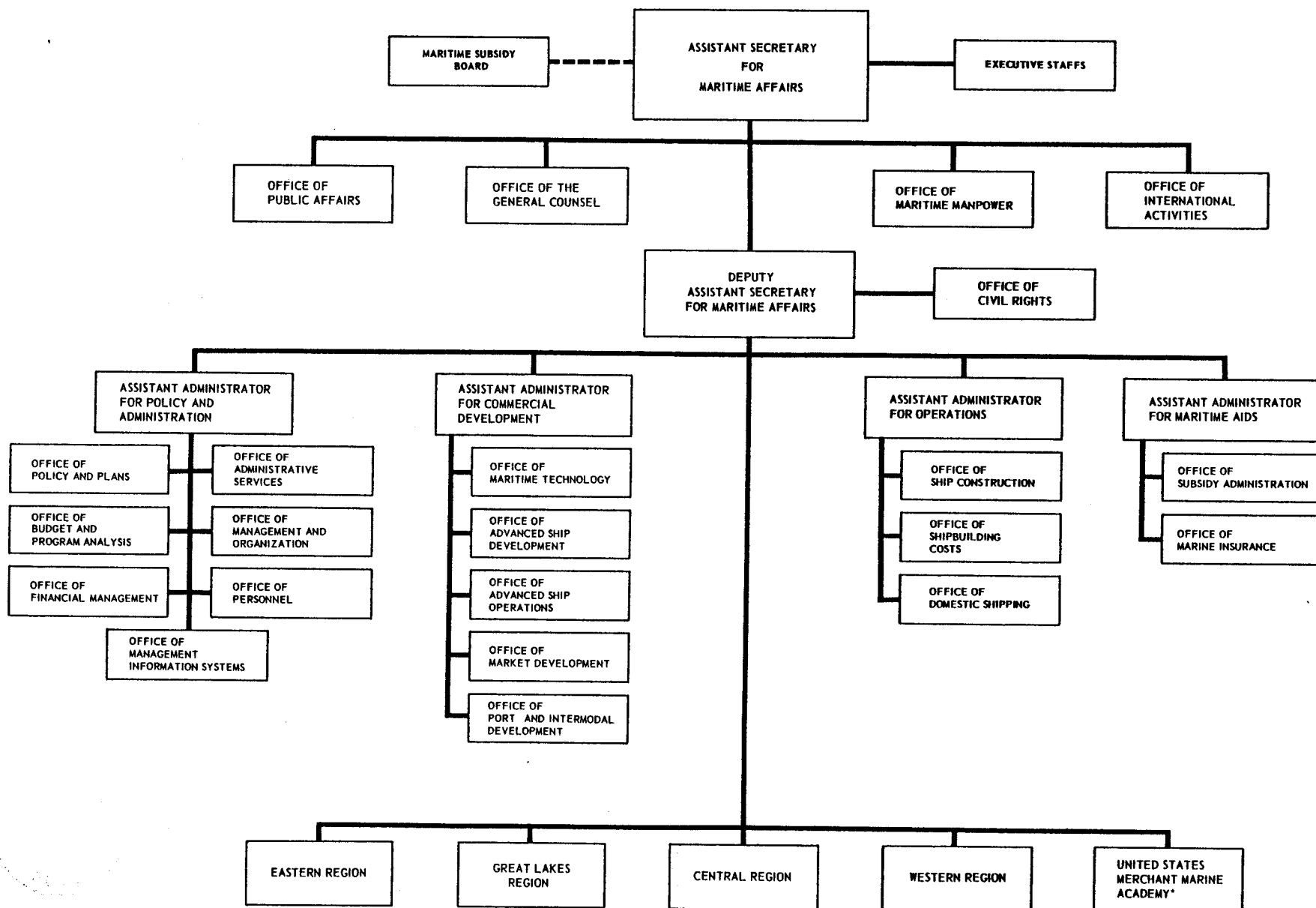
Assistant Secretary for Maritime Affairs

Approved:

Joseph E. Kasputys
Assistant Secretary for Administration

U.S. DEPARTMENT OF COMMERCE MARITIME ADMINISTRATION

EXHIBIT 1 to DDO 25-2



*Kings Point, N.Y.

United States of America DEPARTMENT OF COMMERCE	DEPARTMENT ORGANIZATION ORDER <u>25-2</u> Amendment 3	
DEPARTMENT ORGANIZATION ORDER SERIES	DATE OF ISSUANCE September 29, 1975	EFFECTIVE DATE September 29, 1975

SUBJECT

MARITIME ADMINISTRATION


Department Organization Order 25-2, dated October 23, 1973, is hereby further amended, as shown below. The purpose of this amendment is to transfer certain accounting and payroll functions from the Office of Budget and Program Analysis to the former Office of Financial Analysis, renamed the Office of Financial Management.

1. SECTION 9. ASSISTANT ADMINISTRATOR FOR POLICY AND ADMINISTRATION.
 Paragraphs .02 and .03 are amended to read:

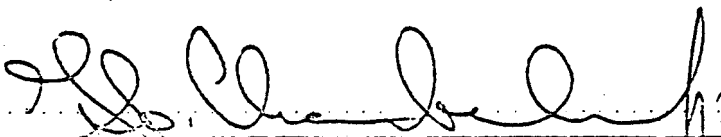
".02 The Office of Budget and Program Analysis shall conduct studies to evaluate the effectiveness of operating programs in accomplishing established objectives; develop and maintain the Agency program category structure and a system of multi-year program analysis and evaluation; direct and coordinate the development and operation of a system of management by objectives, including identification of program objectives and measurement of accomplishments against these objectives; formulate, recommend and interpret budgetary policies and procedures; develop and present budget requests and justifications; allocate and maintain budgetary control of funds available; analyze fiscal and program plans and reprogramming proposals for conformance with established policies; and maintain a continuous review of the status of funds and program performance in relation to fiscal plans.

".03 The Office of Financial Management shall render financial advice and opinions with respect to the substantive programs and contractual activities of the Administration; prescribe a uniform system of accounts for subsidized operators, agents, charterers, and other contractors; administer a program of external audits of contractors' accounts (except those of research and development contractors) to determine compliance with applicable laws, regulations and contract provisions concerning costs and profits; analyze financial statements and other data submitted by contractors to determine financial qualifications and limitations; make special financial surveys and analyses of contractors or of their operations, when necessary; develop a data base and a financial analysis system to determine the financial condition of the American merchant marine, segments thereof, or individual contractors under the substantive programs of the Administration; perform accounting, payroll and related functions, including preparation of financial statements and reports, auditing and certification of vouchers for payment, and collection of amounts due the Administration; and develop and maintain a financial information reporting system to assist officials in managing their programs and resources."

2. The organization chart of the Maritime Administration is amended, by changing the Office of Financial Analysis to "Office of Financial Management," under the box headed Assistant Administrator for Policy and Administration.


Assistant Secretary for Maritime Affairs

Approved:


Acting Assistant Secretary for Administration

United States of America
DEPARTMENT OF COMMERCE

DEPARTMENT
ORGANIZATION ORDER 25-2

Amendment 2

**DEPARTMENT
ORGANIZATION
ORDER SERIES**

DATE OF ISSUANCE

June 2, 1975

EFFECTIVE DATE

June 2, 1975

SUBJECT

MARITIME ADMINISTRATION

Department Organization Order 25-2, dated October 23, 1973, is hereby further amended, as shown below. This amendment establishes a new region organization within the Maritime Administration, the Great Lakes Region. The activities and responsibilities of the new region are identical to those of the long-established (Eastern, Western, Central) regions with the exception of activities related to the reserve fleets -- there are none in the Great Lakes Region -- and certain low level activities that do not justify additional positions. These activities, described in subparagraph 13.01c.2., will be handled by other Maritime Administration units, as appropriate.

1. SECTION 13. FIELD ORGANIZATION. Paragraph .01 is amended to read:

".01a. There shall be four field organizations called Regions, each headed by a Region Director, as specified below:

<u>Region</u>	<u>Headquarters Location</u>
Eastern Region	New York, New York
Great Lakes Region	Cleveland, Ohio
Central Region	New Orleans, Louisiana
Western Region	San Francisco, California

"b. The Regions shall have geographic areas of responsibility as shown in Exhibit 2.

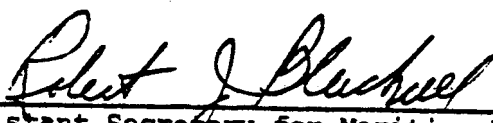
"c.1. The Region Directors shall be responsible for all field operations and programs of the Maritime Administration within their respective Regions, except ship construction and the United States Merchant Marine Academy, subject to national policies, determinations, procedures and directives of the appropriate headquarters office in Washington, D. C. The programs and activities under their jurisdiction shall include marine inspections; training for marine personnel in radar, loran, etc.; market development; port and intermodal transportation development activities; and administrative support activities.

"2. In addition, the Eastern, Central, and Western Region Directors shall be responsible for the custody and preservation of ships in the national defense reserve fleets; operation, repair and maintenance of

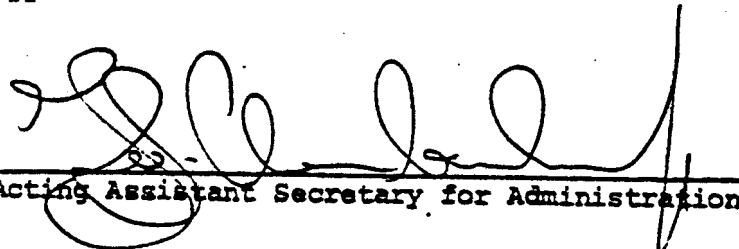
ships; facilities management; contract compliance activities; activities to assure equal opportunity in employment in water transportation industries, as assigned; accounting and external auditing; financial analysis of the shipping industry; and procurement and disposal of property and supplies.

"3. The Great Lakes Region Director shall conduct programs and activities to promote the development of Great Lakes shipping."

2. Exhibit 1, Organization Chart, and Exhibit 2, Field Organization have been revised accordingly and supersede Exhibits 1 and 2 dated October 23, 1973.

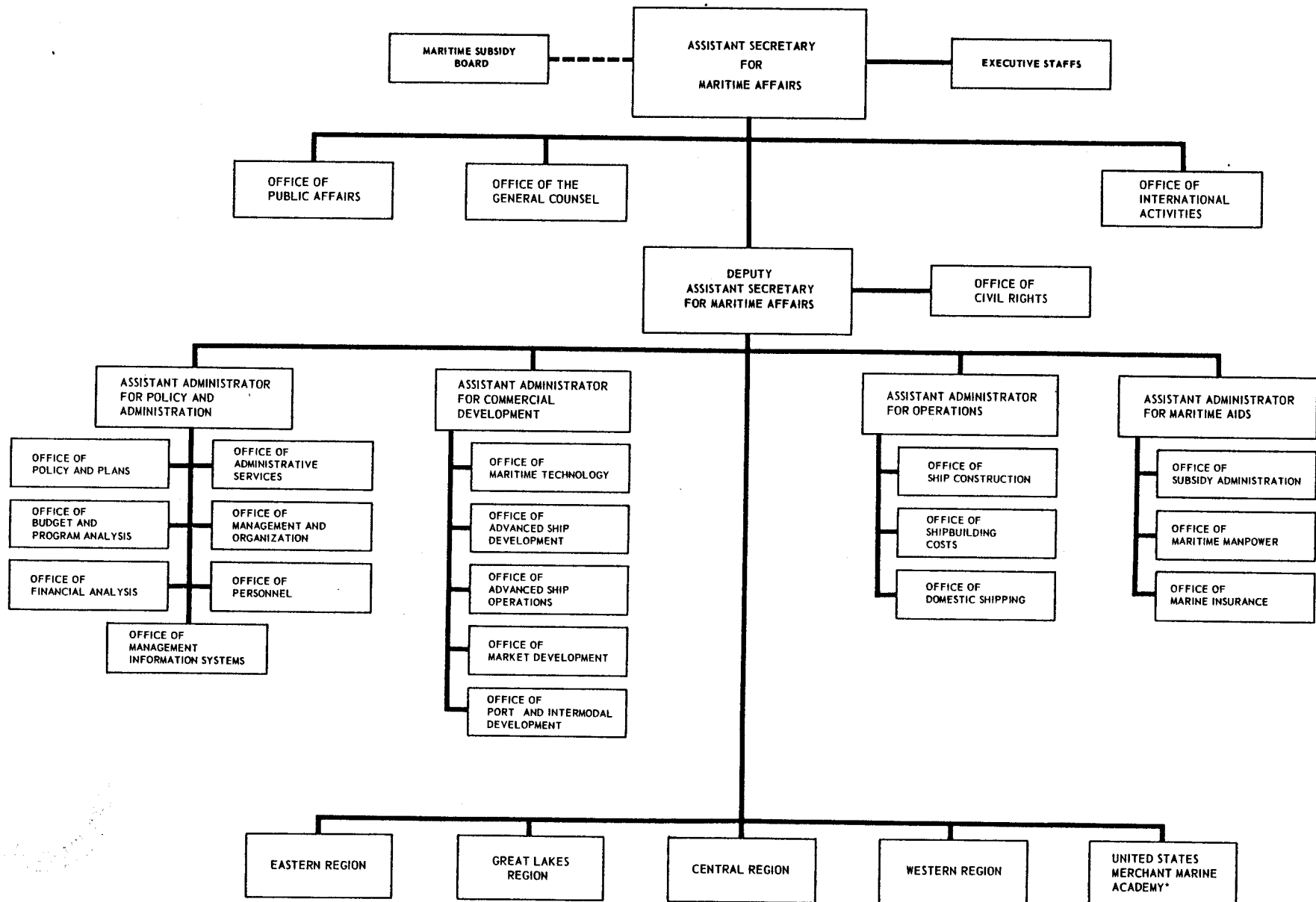

Assistant Secretary for Maritime Affairs

Approved:


Acting Assistant Secretary for Administration

**U.S. DEPARTMENT OF COMMERCE
MARITIME ADMINISTRATION**

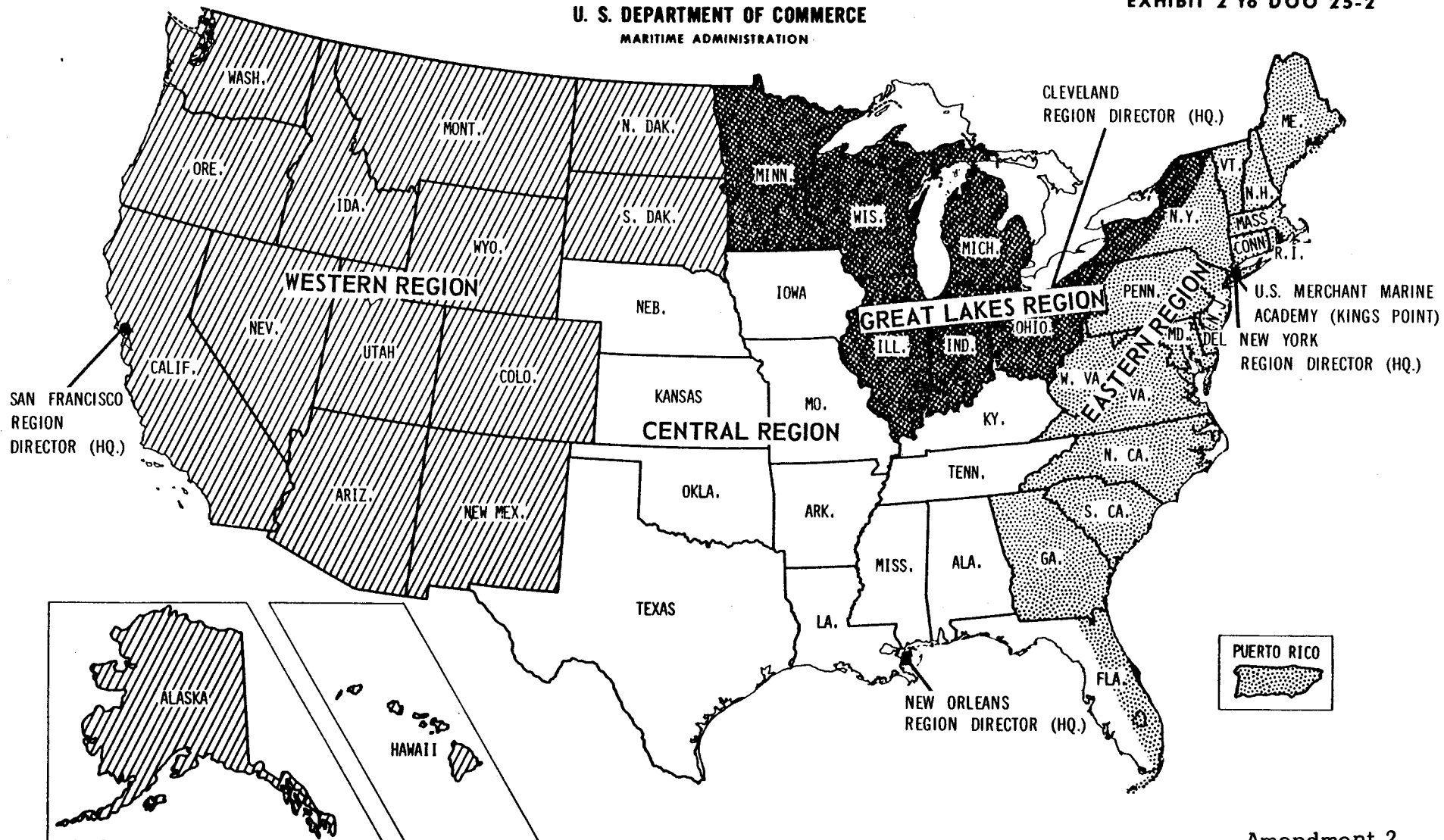
EXHIBIT 1 to DOD 25-2



*Kings Point, N.Y.

FIELD ORGANIZATION
U. S. DEPARTMENT OF COMMERCE
MARITIME ADMINISTRATION

EXHIBIT 2 to DOO 25-2



Amendment 2
June 2, 1975

United States of America
DEPARTMENT OF COMMERCE

DEPARTMENT
ORGANIZATION ORDER 25-2
Amendment 1

**DEPARTMENT
ORGANIZATION
ORDER SERIES**

DATE OF ISSUANCE

EFFECTIVE DATE

March 20, 1975

March 20, 1975

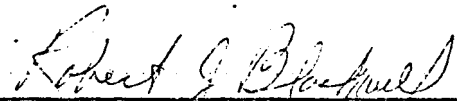
SUBJECT

MARITIME ADMINISTRATION


Department Organization Order 25-2, dated October 23, 1973, is hereby amended as follows:

1. SECTION 10. ASSISTANT ADMINISTRATOR FOR COMMERCIAL DEVELOPMENT.
Paragraph .05, the Office of Ports and Intermodal Systems, is renamed "Office of Port and Intermodal Development."

2. The organization chart of the Maritime Administration is amended by changing the Office of Ports and Intermodal Systems to "Office of Port and Intermodal Development," under the box headed Assistant Administrator for Commercial Development.


Assistant Secretary for Maritime Affairs

Approved:


Acting Assistant Secretary for Administration

USCOMM-DC - 27106

United States of America
DEPARTMENT OF COMMERCE

DEPARTMENT
ORGANIZATION ORDER 25-2

DEPARTMENT
ORGANIZATION
ORDER SERIES

DATE OF ISSUANCE

October 23, 1973

EFFECTIVE DATE

October 23, 1973

SUBJECT

MARITIME ADMINISTRATION

SECTION 1. PURPOSE.

.01 This order prescribes the organization and assignment of functions within the Maritime Administration. The delegations of authority to the Assistant Secretary for Maritime Affairs and the Maritime Subsidy Board are set forth in Department Organization Order 10-8.

.02 This revision establishes a new position of Assistant Administrator for Policy and Administration and assigns to him all the functions of the former Assistant Administrator for Administration and Finance and of the Office of Policy and Plans; it also establishes a new Office of Shipbuilding Costs and reassigns to it the business-type functions relating to foreign and domestic costs, construction-differential subsidy award recommendations, and pollution abatement activities previously assigned to the Office of Ship Construction.

SECTION 2. ORGANIZATION STRUCTURE.

The organization structure and line of authority of the Maritime Administration shall be as depicted in the attached organization chart (Exhibit 1).

SECTION 3. OFFICE OF THE ASSISTANT SECRETARY FOR MARITIME AFFAIRS.

.01 The Assistant Secretary for Maritime Affairs (the "Assistant Secretary"), who is ex officio Maritime Administrator, is the head of the Maritime Administration and serves as Chairman of the Maritime Subsidy Board.

.02 The Deputy Assistant Secretary for Maritime Affairs shall assist the Assistant Secretary in carrying out his responsibilities and perform such duties as the Assistant Secretary shall prescribe, together with the duties which he performs as a member of the Maritime Subsidy Board. In addition, he shall be the Acting Assistant Secretary during the absence or disability of the Assistant Secretary and, unless the Secretary of Commerce designates another person, during a vacancy in the office of the Assistant Secretary. He shall also be responsible for supervision and coordination of contract compliance

activities and activities under Title VI of the Civil Rights Act of 1964.

.03 The Executive Staffs shall consist of the Secretary of the Maritime Administration who also serves as Secretary of the Maritime Subsidy Board, the administrative law judges, and officials concerned with other special services for the Assistant Secretary and the Maritime Subsidy Board.

SECTION 4. MARITIME SUBSIDY BOARD.

The Maritime Subsidy Board shall be responsible for and perform the following functions:

a. The functions with respect to making, amending, and terminating subsidy contracts, which shall be deemed to include, in the case of construction-differential subsidy, the contract for the construction, reconstruction or reconditioning of a vessel and the contract for the sale of the vessel to the subsidy applicant or the contract to pay a construction-differential subsidy and the cost of the national defense features, and, in the case of operating-differential subsidy, the contract with the subsidy applicant for the payment of the subsidy;

b. The functions with respect to: (1) conducting hearings and making determinations antecedent to making, amending, and terminating subsidy contracts, under the provisions of Titles V, VI, and VIII, and Sections 301 (except investigations, hearings and determinations, including changes in determinations, with respect to minimum manning scales, minimum wage scales and minimum working conditions), 708, 805(a) and 805 (f) of the Merchant Marine Act, 1936, as amended (the "Act"), (2) making readjustments in determinations as to operating cost differentials under Section 606 of the Act, and (3) the approval of the sale, assignment, or transfer of any operating subsidy contract under Section 608 of the Act;

c. The functions with respect to investigating and determining (1) the relative cost of construction of comparable vessels in the United States and foreign countries, (2) the relative cost of operating vessels under the registry of the United States and under foreign registry, and (3) the extent and character of aids and subsidies granted by foreign governments to their merchant marines, under the provisions of subsections (c), (d), and (e) of Section 211 of the Act;

d. So much of the functions specified in Section 12 of the Shipping Act, 1916, as amended, as the same relate to the functions of the Board under subparagraphs a. through c. of this paragraph; and

e. So much of the functions with respect to adopting rules and regulations, subpoenaing witnesses, administering oaths, taking evidence, and requiring the production of books, papers, and documents, under Sections 204 and 214 of the Act, as relate to the functions of the Board.

SECTION 5. OFFICE OF THE GENERAL COUNSEL.

The Office of the General Counsel shall, subject to the overall authority of the Department's General Counsel as provided in Department Organization Order 10-6, serve as the law office of the Administration; review and give legal clearance to applications for subsidy and other Government aids to shipping, sales, mortgages, charters, and transfers of ships; prepare and approve as to form and legality, contracts, agreements, performance bonds, deeds, leases, general orders, and related documents; render legal opinions as to the interpretation of such documents and the statutes; coordinate preparation and issuance of general orders and regulations for guidance of the public and outside organizations; prepare drafts of proposed legislation, executive orders, and legislative reports to Congressional committees and the Office of Management and Budget; negotiate and settle, or recommend settlement of, admiralty claims, just compensation claims, tort claims, and claims referred to the office for litigation; assist the Department of Justice in the trial, appeal and settlement of litigation; represent the Administration in public proceedings involving all shipping matters before administrative agencies of the Government, and in State and Federal courts; and handle court litigation in actions involving enforcement or defense of the jurisdiction, general orders, and regulations of the Administration.

SECTION 6. OFFICE OF PUBLIC AFFAIRS.

The Office of Public Affairs shall develop and coordinate a public information and publications program as needed to further the objectives of the Administration's programs; issue or clear for issuance all information for the general public on shipping and on decisions and activities of the Administration; and prepare periodic and special reports, as assigned.

SECTION 7. OFFICE OF CIVIL RIGHTS.

The Office of Civil Rights shall formulate and conduct programs to assure compliance by Federal contractors and subcontractors with Executive Orders 11246 and 11375 and related regulations, and applicants for and recipients of Federal financial assistance and their contractors and subcontractors with Title VI of the Civil Rights Act of 1964 and related regulations; plan and direct special programs to assure equal opportunity in employment in the ship and boat building and repair industries, water

transportation industry, and related industries as assigned; provide assistance in communicating to minority communities the career opportunities available in the Merchant Marine; assist in the recruitment of qualified minority cadet candidates for the U. S. Merchant Marine Academy and assure equal opportunity for the Academy cadets; and, in cooperation with other agencies, formulate and implement national policies and programs for the development of minority business enterprises through contractors and subcontractors of the Maritime Administration.

SECTION 8. OFFICE OF INTERNATIONAL ACTIVITIES.

The Office of International Activities shall plan, conduct and coordinate Maritime Administration's participation in inter-governmental and international organizations concerned with shipping matters; keep abreast of developments in the United States and foreign countries with a foreign relations impact that may affect the U. S. Merchant Marine; take and/or coordinate action to establish and present Maritime Administration's position in these matters. Within this Office are personnel responsible for representing the Maritime Administration in international activities, as assigned, for development of maritime foreign cost data, and other technical maritime activities in foreign countries.

SECTION 9. ASSISTANT ADMINISTRATOR FOR POLICY AND ADMINISTRATION.

The Assistant Administrator for Policy and Administration shall be the principal assistant and adviser to the Assistant Secretary on administrative services, budget and accounting, financial analysis, management information systems, management and organization, personnel, policy and planning, and program analysis activities. He shall direct the activities of the following organizational units:

.01 The Office of Administrative Services shall plan and establish national policies and programs for the conduct of facilities and supply management and office services activities, including material control and disposal of real and personal property, other than ships; administer the security program; settle loss or damage claims arising from shipments on Government bills of lading; secure allocations of the production capacity of private plants for the manufacture of components and materials required in the event of mobilization; administer programs for the management of mail, files, records equipment, vital records, and records disposition; and, for headquarters of the Maritime Administration, provide or obtain travel and office services, including space, communications, correspondence control, and administrative property management services.

.02 The Office of Budget and Program Analysis shall conduct studies to evaluate the effectiveness of operating programs in accomplishing established objectives; develop and maintain the Agency program category structure and a system of multi-year program analysis and evaluation; direct and coordinate the development and operation of a system of management by objectives, including identification of program objectives and measurement of accomplishments against these objectives; formulate, recommend, and interpret budgetary policies and procedures; develop and present budget requests and justifications; allocate and maintain budgetary control of funds available; analyze fiscal and program plans and reprogramming proposals for conformance with established policies; maintain a continuous review of the status of funds and program performance in relation to fiscal plans; perform accounting, payrolling, and related functions, including preparation of financial statements and reports, auditing and certification of vouchers for payment, and collection of amounts due the Administration; and develop and maintain a financial information reporting system to assist officials in managing their programs and resources.

.03 The Office of Financial Analysis shall render financial advice and opinions with respect to the substantive programs and contractual activities of the Administration; prescribe a uniform system of accounts for subsidized operators, agents, charterers, and other contractors; administer a program of external audits of contractors' accounts (except those of research and development contractors) to determine compliance with applicable laws, regulations and contract provisions concerning costs and profits; analyze financial statements and other data submitted by contractors to determine financial qualifications and limitations; make special financial surveys and analyses of contractors or of their operations, when necessary; and develop a data base and a financial analysis system to determine the financial condition of the American merchant marine, segments thereof, or individual contractors under the substantive programs of the Administration.

.04 The Office of Management Information Systems shall plan and develop data processing and management information systems; develop systems and programs for the application of computer techniques; operate the electronic data processing facility, including auxiliary equipment; and plan, coordinate, and operate the Administration's management data and information center.

.05 The Office of Management and Organization shall conduct manpower surveys to determine staffing requirements for all components of the Administration; conduct surveys and studies

to improve management practices, organization structures, delegations of authorities, procedures, and work methods; coordinate management improvement activities; maintain a system for the issuance of the manual of orders and other directives; administer programs for the management of reports, forms, correspondence, and committee activities; and prepare special progress and administrative reports to the Office of the Secretary and others, as required.

.06 The Office of Personnel shall plan and administer personnel programs and activities relating to recruitment, placement, promotion, separation, employee performance evaluation, training and career development, employee recognition and incentives, employee relations and services, employee-management relations, classification, pay management, and various employee benefit programs. This office shall also plan and administer the equal opportunity program for employment in the Maritime Administration.

.07 The Office of Policy and Plans shall develop and recommend long-range marine affairs policies and plans, including new program initiatives and modifications of policies and plans for the revitalization of the United States Merchant Marine; conduct economic studies and operations analysis activities in support of the policy and planning functions; identify major issues and problems affecting shipping, and conduct or direct and coordinate studies and analyses to provide solutions thereto; generate methodologies for the conduct of economic and operational analyses, and provide analytic services to other offices of the Administration; direct and coordinate the development and maintenance of plans for carrying out the Maritime Administration's responsibilities and functions in the event of mobilization for war or other national emergency; provide representation and participate in the formulation of international and national plans for emergency and mobilization activities; and coordinate disaster assistance plans and programs of the Administration.

SECTION 10. ASSISTANT ADMINISTRATOR FOR COMMERCIAL DEVELOPMENT.

The Assistant Administrator for Commercial Development shall be the principal assistant and adviser to the Assistant Secretary on research and development, market development, port development, and intermodal transportation systems activities. Within his office are personnel responsible for overall program development and control in the above areas, and for planning, directing and coordinating the activities of the National Maritime Research Centers, located at Kings Point, N.Y., and Galveston, Texas. He shall direct the activities of the following organizational units:

.01 The Office of Maritime Technology shall develop, coordinate and manage programs to establish a scientific and technological base for achieving a more productive and competitive United States Merchant Marine; initiate, solicit, develop and recommend specific projects, such as research in hydrodynamics, structures, and oceanographic subjects which have a bearing on improvements in the merchant marine, and institutional and university research in marine science and technology appropriate to maritime affairs; and negotiate and administer technical aspects of contracts in above areas.

.02 The Office of Advanced Ship Development shall develop, organize, coordinate and manage programs for the application of scientific and technological developments to improve ship systems, shipbuilding, ship machinery, equipment, and other components, with the objective of increasing the efficiency, productivity, and effectiveness of the United States Merchant Marine; initiate, solicit, develop, and recommend specific projects; and negotiate and administer technical aspects of contracts in these areas.

.03 The Office of Advanced Ship Operations shall develop, organize, coordinate and manage programs for the application of scientific, technological, and other developments to upgrade the operational efficiency and competitive position of the United States Merchant Marine; initiate, solicit, develop, and recommend specific projects in these areas, including navigation and communications, port and terminal operations, cargo handling, marine personnel requirements, automation, ship handling and other operational aspects of the ship; and negotiate and administer technical aspects of contracts in above areas.

.04 The Office of Market Development shall formulate national policies and programs, and conduct programs for the promotion and development of increased trade for U.S.-flag ships in the foreign commerce of the United States; develop and maintain cooperative efforts with Government agencies, and with shippers, forwarders, bankers, insurance, and other groups interested in cargo and trade expansion for U.S.-flag ships; and regulate, review and report on the administration of cargo preference activities under Public Law 664, 83rd Congress, Public Resolution 17, 73rd Congress, and other statutes, in accordance with Section 901 of the Merchant Marine Act, 1936, as amended.

.05 The Office of Ports and Intermodal Systems shall formulate national policies and programs, and conduct programs for the development and promotion of intermodal transportation systems; conduct studies and formulate plans for the promotion, development and utilization of ports and port

facilities; provide technical advice to other Government agencies, private industry and State and municipal governments in the above fields; coordinate and provide leadership to the Department's overall effort to reduce, simplify and otherwise facilitate the use of documents required for trade, travel, and transport purposes; and conduct emergency planning for the utilization and control of ports and port facilities under national mobilization conditions.

SECTION 11. ASSISTANT ADMINISTRATOR FOR OPERATIONS.

The Assistant Administrator for Operations shall be the principal assistant and adviser to the Assistant Secretary on ship construction, ship operations, and domestic shipping activities. Within his office are personnel responsible for the conduct of trial, acceptance, and guarantee surveys of ships. He shall direct the activities of the following organizational units:

.01 The Office of Ship Construction shall conduct studies in naval architecture, marine engineering, electrical engineering, and engineering economics; develop preliminary designs establishing the basic characteristics of proposed ships; review and approve ship designs submitted by applicants for Government aid; recommend and, upon request, conduct research and development projects in ship design and construction; develop or approve contract plans and specifications for the construction, reconstruction, conversion, reconversion, reconditioning and betterment of ships; review, obtain approval and certification of national defense features by the Department of the Navy; administer ship construction contracts; inspect ships during course of construction to determine progress and assure conformance with approved plans and specifications; provide naval architectural and engineering services in connection with construction of special purpose ships for other Government agencies; maintain current records of facilities, capacities, work load and employment in commercial shipyards in the United States; and develop requirements for mobilization ship construction programs.

.02 The Office of Shipbuilding Costs shall collect, analyze, and maintain data on the relative costs of shipbuilding in the United States and foreign countries; calculate and recommend the amount of construction-differential subsidy; prepare cost estimates, invitations to bid, and recommendations to the Maritime Subsidy Board for the award of ship construction-type contracts; authorize progress payments; prepare cost estimates of changes in contract plans and specifications, adjudicate change orders, and recommend approval of cost settlements and contract addenda; secure, analyze and maintain data on domestic and world market values of ships;

direct and coordinate a pollution abatement program to protect and enhance the quality of the marine environment by control and abatement of ship-generated pollution; and coordinate implementation of the provisions of the National Environmental Policy Act of 1969 within the Maritime Administration.

.03 The Office of Domestic Shipping shall formulate and implement national policies and programs for the development and promotion of domestic waterborne commerce, including the Great Lakes, inland waterways, and noncontiguous, coastwise and intercoastal trade; conduct studies, formulate plans, and make recommendations to improve the competitive position and increase the utilization of the domestic waterborne transportation; give national program direction for maintenance and preservation of the national defense reserve fleet, and for the operation, maintenance and repair of Maritime Administration-owned or acquired merchant ships, conduct of ship condition surveys, and related activities; administer the ship sales program; provide safety engineering services; approve or recommend approval of transfers of ships to foreign ownership, registry or flag; review and approve maintenance and repair costs for subsidy participation; and develop plans for the acquisition, allocation, and operation of merchant ships in time of national emergency and administer these activities as required.

SECTION 12. ASSISTANT ADMINISTRATOR FOR MARITIME AIDS.

The Assistant Administrator for Maritime Aids shall be the principal assistant and adviser to the Assistant Secretary on subsidy administration, Title XI ship financing guarantees, and other Government aids programs, maritime manpower, and marine insurance activities. He shall direct the activities of the following organizational units:

.01 The Office of Subsidy Administration shall process applications for construction-differential subsidy, operating-differential subsidy, Federal ship financing guarantees, trade-in allowances, capital construction fund agreements, and other forms of Government aid to shipping; conduct negotiations with applicants, obtain comments of other offices and within delegated authority, approve or recommend approval or disapproval, and take other actions in relation to the award and the administration of aid contracts; administer Construction Reserve Funds; approve actions relating to the administration of Capital Reserve Funds; maintain control records of statutory and contractual reserve funds; collect, analyze and evaluate costs of operating ships under United States and foreign registry; calculate and recommend operating-differential subsidy

rates; analyze and recommend trade route structure and service requirements of the oceanborne commerce of the United States, and extent of foreign flag competition on essential trade routes; calculate and recommend guideline rates, terms and conditions for transportation of Government-financed cargoes; and collect, maintain, analyze, and disseminate statistical data on cargo and commodity movements in the oceanborne commerce of the United States, composition of world's merchant fleets, and utilization of U.S.-flag ships.

.02 The Office of Maritime Manpower shall analyze and advise the Administration regarding labor management relations and problems as they apply to seamen, longshoremen and shipyard workers, including labor trends, potential areas of dispute, and the effects of technological changes and proposed legislation on labor; develop plans in cooperation with the Department of Labor to provide reserve maritime manpower for mobilization and other emergencies; obtain, analyze, and publish data for use of industry, labor, Government and the public concerning maritime employment, wages, hours, manning, working conditions, and manpower requirements; process nominations for appointment of cadets to the U.S. Merchant Marine Academy; administer a grant-in-aid program for the State maritime academies; determine need for and coordinate training programs for licensed and unlicensed personnel in maritime industries; coordinate technical maritime training assistance to foreign countries under international cooperative programs; and issue merchant marine decorations and awards.

.03 The Office of Marine Insurance shall develop, coordinate, control, and administer the marine insurance and the marine war risk insurance activities and programs of the Maritime Administration; maintain contact with the commercial insurance markets, analyze events and trends, and take action to meet changing conditions and foster cooperation between the Federal Government and American marine insurance underwriters in helping to strengthen the domestic marine insurance market; gather, analyze, and disseminate information on marine insurance useful to ship operators and the marine insurance industry; and settle or recommend settlement of claims of a marine insurance and marine war risk insurance nature.

SECTION 13. FIELD ORGANIZATION.

.01a. There shall be three field organizations called Regions, each headed by a Region Director, as specified below:

<u>Region</u>	<u>Headquarters Location</u>
Eastern Region	New York, New York
Central Region	New Orleans, Louisiana
Western Region	San Francisco, California

b. The Regions shall have geographic areas of responsibility as shown in Exhibit 2.

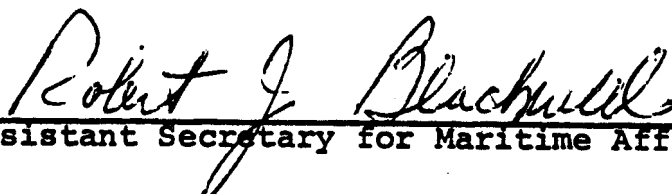
c. The Region Directors shall be responsible for all field operations and programs of the Maritime Administration within their respective Regions, except ship construction and the United States Merchant Marine Academy, subject to national policies, determinations, procedures and directives of the appropriate office chief in Washington, D. C. The programs and activities under their jurisdiction shall include the custody and preservation of ships in the national defense reserve fleet; operation, repair and maintenance of ships; marine inspections; training for marine personnel in radar, loran, etc.; accounting and external auditing; financial analysis of the shipping industry or segments thereof; contract compliance activities, and activities to assure equal opportunity in employment in water transportation industries, as assigned; market development; development of ports and intermodal transportation systems; procurement and disposal of property and supplies; facilities management; and administrative support activities.

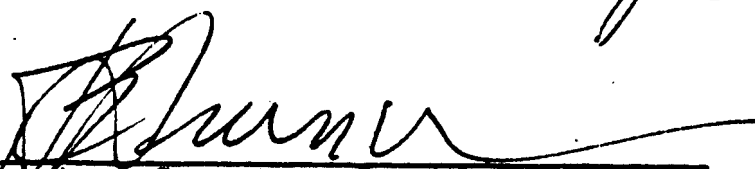
.02 The United States Merchant Marine Academy, Kings Point, New York, shall develop and maintain programs for the training of United States citizens to become officers in the United States Merchant Marine.

SECTION 14. EFFECT ON OTHER ORDERS.

This order supersedes Department Organization Order 25-2 of May 21, 1973.

Approved:


Assistant Secretary for Maritime Affairs


Assistant Secretary for Administration

SECTION V

BIOGRAPHIES OF PRINCIPAL OFFICIALS

MARITIME ADMINISTRATION ORGANIZATION

Key Personnel

Robert J. Blackwell - Assistant Secretary for Maritime Affairs

Howard F. Casey - Deputy Assistant Secretary for Maritime Affairs

Staff

General Counsel - Samuel B. Nemirow
Public Affairs - Walter Oates
International Activities - Reginald A. Bourdon
Civil Rights - John M. Heneghan
Maritime Subsidy Board - James S. Dawson, Jr.
Maritime Manpower - Arthur W. Friedberg

Line

<u>TITLE</u> (Assistant Administrators)	<u>NAME</u>	<u>FUNCTION</u>
Policy and Administration	Russell F. Stryker	Planning, budgeting, financial, adminis- trative.
Commercial Development	Marvin Pitkin	Research and develop- ment, market develop- ment, ports and intermodal system development.
Operations	J. J. Nachtsheim	Ship construction, shipbuilding costs, ship operations, domestic shipping.
Maritime Aids	Roy H. Yowell	Subsidy administration, marine insurance.

Region Directors

Thomas A. King - Eastern Region
Frank X. McNerney - Central Region
Thomas J. Patterson - Western Region
George J. Ryan - Great Lakes Region

U.S. Merchant Marine Academy

RADM Arthur B. Engel, USCG (Ret.) - Superintendent

Foreign Representatives

Charles Baron - Brussels
Richard J. Gage - London
Richard Kinsella - Rio de Janeiro
Dominick Manfredi - Rome
Michael Someck -Tokyo

ROBERT J. BLACKWELL

Assistant Secretary of Commerce for Maritime Affairs

Robert J. Blackwell is the Assistant Secretary of Commerce for Maritime Affairs.

As Assistant Secretary for Maritime Affairs, Mr. Blackwell heads the Maritime Administration, as well as serving on the Secretary of Commerce's staff. Mr. Blackwell is the second man to hold this job. The new position was created by the Merchant Marine Act of 1970, which contained the President's program for revitalization of the American Merchant Marine through a decade-long shipbuilding program.

In implementing this program, Mr. Blackwell has had the distinction of authorizing the award of more than \$3 billion in shipbuilding contracts. This is the largest surge of merchant ship construction since the crash shipbuilding programs of World War II.

Also, while serving in his present post, Mr. Blackwell designed, in large part, the 1972 U.S.-U.S.S.R. Maritime Agreement which precipitated resumption of trade and a spirit of detente between the world's two principal powers.

Prior to his appointment by President Nixon in 1972, Mr. Blackwell, who is widely experienced in the government's regulation and promotion of transportation, served as Deputy Assistant Secretary for Maritime Affairs for approximately a year and a half, having been named to that position after its creation by the 1970 Act. He joined the agency in May 1969 as Deputy Maritime Administrator.

Mr. Blackwell was Director of the Department of Transportation's Office of Facilitation for the two years which preceded his transfer to MarAd. From 1962 to 1967, he served with the Federal Maritime Commission, the regulatory agency overseeing merchant shipping, first as Director of the Bureau of Administrative Proceedings and later as the Director of the Bureau of Compliance.

Mr. Blackwell began his career as a federal civil servant in 1954 as a trial attorney with the Federal Maritime Board,

which in 1962 was reorganized into two separate agencies, the Federal Maritime Commission and the Maritime Administration.

For his efforts as Deputy Assistant Secretary in formulating and implementing the 1970 Act, Mr. Blackwell was presented the Department of Commerce Gold Medal, the department's highest award. The medal also acknowledged his leadership "in gaining the support of the maritime industry and Maritime Administration officials" for the program, as well as his personal direction of the agency's civil rights and contract compliance activities "in a highly sensitive and outstanding manner."

In October, 1975, Mr. Blackwell received the prestigious National Civil Service League's Career Service Award in recognition of his outstanding performance of duties and superior public service. In November, 1976, he was the recipient of the Admiral of the Ocean Seas (AOTOS) Award for his competent administration of the nation's maritime policies and his efforts to strengthen the competitive position of the American merchant marine and shipbuilding industry. Also in November 1976, Mr. Blackwell received the Vice Admiral "Jerry" Land Medal for outstanding accomplishment in the marine field.

Mr. Blackwell is a native of Brooklyn, N.Y. A veteran of Navy service in World War II, the Assistant Secretary received a Bachelor of Arts degree from Syracuse University in 1950 and a law degree from Harvard Law School in 1954.

Mr. Blackwell and his wife, the former Mary Ann Ryan, of Boston, Mass., have two children, Robert, Jr. and Jeanne Marina. They reside in Washington, D.C.

HOWARD F. CASEY

Deputy Assistant Secretary of
Commerce for Maritime Affairs

Howard F. Casey was appointed Deputy Assistant Secretary of Commerce for Maritime Affairs in July 1972.

Mr. Casey joined the Maritime Administration in 1969 as the Chief of the Office of Subsidy Administration and was subsequently promoted to the position of Assistant Administrator for Maritime Aids. In both of these positions he was deeply involved in administering the agency's financial-assistance programs for the industry and its market development, and maritime training efforts. In recognition of his distinguished leadership in administering a complex maritime program which involved the financing, construction and operation of United States merchant vessels, Mr. Casey, in 1972, was presented the Gold Medal, the Department of Commerce's highest award.

Prior to joining MarAd, Mr. Casey worked in the Comptroller's Office of W.R. Grace & Co., where he was engaged in procedure analysis and systems design in the accounting and financial areas of the company. From 1957 to 1968 he was employed by Grace Line, Inc., formerly a W.R. Grace & Co. subsidiary. During his employment with this steamship line, he rose through various positions in the finance and accounting departments to be appointed Comptroller in 1964 and Treasurer in 1968.

Born in Boston, Massachusetts, Mr. Casey graduated with honors from Princeton University in 1939 and received a master's degree in business administration from Boston University in 1951. He was awarded a gold medal by the Massachusetts Society of Certified Public Accountants for achieving the highest score on the CPA examination in 1951.

He served in the U.S. Army from 1940-46 as a Field Artillery Officer in eight campaigns. He was awarded the Silver Star, the Bronze Star and Croix de Guerre. In 1946 he was commissioned as a Lieutenant Colonel in the U.S. Army Reserve and served as a Field Artillery Battalion Commander from 1947 to 1950.

From 1946 to 1952, during his early career, Mr. Casey held positions in accounting and auditing offices of the Veterans Administration and the General Accounting Office in Boston.

He is a former member of the Association of Water Transportation Accounting Officers, of which he served as Executive Vice President from 1965-1966 and as President from 1966-1967.

Mr. Casey and his wife, Claire, reside in Potomac, Maryland. They have four children.

SAMUEL B. NEMIROW

General Counsel

Samuel B. Nemirow is the General Counsel of the Maritime Administration.

As General Counsel, Mr. Nemirow is the chief legal officer of the Maritime Administration and a member of the Maritime Subsidy Board.

Mr. Nemirow has been with the Maritime Administration since 1972, most recently as Deputy General Counsel for Maritime Aid Contracts and Maritime Subsidy Board counsel. Prior to joining the Maritime Administration, Mr. Nemirow worked for the Department of Transportation and the Federal Maritime Commission.

Mr. Nemirow received the Department of Commerce Silver Medal, the Department's second highest award, for his part in maritime negotiations with the Soviet Union.

Mr. Nemirow was born in Hartford, Connecticut. He has a B.A. degree in political science from the University of Connecticut and a LL.B degree from Boston University School of Law.

Mr. Nemirow resides in Fairfax, Virginia, with his wife, Valerie, and his two sons, Lane and Jordan.

WALTER E. OATES

Public Affairs Officer

Walter E. Oates is the Public Affairs Officer for the Maritime Administration.

As Public Affairs Officer, Mr. Oates is responsible for all contacts with the media and requests for information by the public.

Mr. Oates has served in his present position since February 1970. In 1962 Mr. Oates joined the Shipbuilders Council of America, a national trade association, as Assistant to the President, where he directed the industry's public relations programs. In 1952 he joined the Simmons-Boardman Publishing Company as associate editor of "Marine Engineering" magazine and other maritime oriented publications, advancing to managing editor in 1955 and editor in 1957.

Mr. Oates is a graduate of the U.S. Merchant Marine Academy, Class of 1944, and Syracuse University, Class of 1952, majoring in journalism. Upon graduation from the Merchant Marine Academy, Mr. Oates served as engineering officer aboard various merchant ships and naval troop ships.

Mr. Oates resides in Silver Spring, Maryland with his wife and six children.

REGINALD A. BOURDON

Director, Office of International Activities

Reginald A. Bourdon is Director of the Office of International Activities.

As Director, Office of International Activities, Mr. Bourdon works closely with organizations such as the Organization for Economic Cooperation and Development, the Inter-governmental Maritime Consultative Organization and the United Nations' Conference on Trade and Development.

Mr. Bourdon has participated in United States-Soviet maritime negotiations. Before joining MarAd, he was a Washington representative for Alphine Geophysical Associates, J.J. McMullen Associates, and Assistant to the Executive Director of the Transportation Institute.

He earned a bachelor of science degree in foreign service in 1960 from the Georgetown University School of Foreign Service and a master of arts degree in international affairs in 1970 from the George Washington University School of Public and International Affairs. He has also attended the Naval War College in Newport, Rhode Island.

Mr. Bourdon, his wife Karen and their two children live in Rockville, Maryland.

JOHN M. HENEGHAN

Director, Office of Civil Rights

John M. Heneghan is the Director of the Office of Civil Rights for the Maritime Administration.

As Director of the Office of Civil Rights, he is responsible for Equal Employment Opportunity (EEO) contract compliance in the shipbuilding and shipping industry, as well as for promoting minority business enterprise in the industry.

Prior to his present appointment in 1968, Mr. Heneghan was the Deputy Regional Director for the EEOC Atlantic Regional Office. He was Director of the Navy Department EEO Contract Compliance Office for the Southeast from 1963-1966. He was as Assistant Professor in Industrial Relations at Loyola University in Chicago from 1957-1963. From 1952-1957 he served as Research and Training Director for the United Cement Worker International Union.

Mr. Heneghan was born in 1927. He received a B.A. in Economics in 1951 from Iona College in New Rochelle, New York and an M.S. in Industrial Relations in 1957 from Loyola University, Chicago. Mr. Heneghan served in the Navy following World War II and in the U.S. Naval Reserve Berlin Recall in 1961-1962. He is currently a Commander in the Naval Air Reserve.

Mr. Heneghan is Commissioner of the Montgomery County Human Relations Commission and serves as Chairman of the Commission's Employment Panel.

Mr. Heneghan lives in Bethesda with his wife, Mary Coyle. They have 12 children.

JAMES S. DAWSON, JR.

Secretary, Maritime Subsidy Board

James S. Dawson, Jr. is the Secretary of the Maritime Subsidy Board, Maritime Administration.

As Secretary, Maritime Subsidy Board, Mr. Dawson is responsible for scheduling the activities of the Board to investigate the award, amendment or termination of subsidy contracts for the construction and operation of vessels in the foreign commerce of the United States. Mr. Dawson also serves as an Alternate Member of the Maritime Subsidy Board - when there is a vacancy on the Board or in the absence of one of its members.

Shortly after Reorganization Plan #7 went into effect on August 12, 1961, resulting in the establishment of the Maritime Subsidy Board under the Maritime Administration, U.S. Department of Commerce, Mr. Dawson was appointed Secretary of the Maritime Administration and the Maritime Subsidy Board. Since December 1967 he has served as an Alternate Member of the Subsidy Board in the temporary absence or pre-occupation of any of the three regular Board Members.

Mr. Dawson entered Government service in 1939 with the Department of Agriculture, serving in various phases of personnel work until January 2, 1951, when he transferred to the Maritime Administration as Personnel Officer. During World War II, Mr. Dawson served with the Army Engineers from late 1941 to 1946. He held a commission as Lt. Colonel, Corps of Engineers, at the time of his discharge.

Mr. Dawson was graduated from the Virginia Polytechnic Institute and State University in 1933, with a B.S. degree in Business Administration. He received his L.L.B. from National Law School, George Washington University, in 1936, and was subsequently admitted to the Bar, District of Columbia, and State of Maryland.

"Sam" Dawson, a native of Rockville, Maryland, has been living in Washington, D.C. since 1968, where he resides with his wife Jane and daughter. He has a married son and four grandchildren living in Huntley, Virginia.

ARTHUR W. FRIEDBERG

Director, Office of Maritime Manpower

Arthur W. Friedberg is the Director, Office of Maritime Manpower, Maritime Administration.

As Director of the Office of Maritime Manpower, Mr. Friedberg is responsible for labor relations, liaison with the U.S. Merchant Marine Academy and the federally supported state academies, and direction of or input to other training programs for merchant seamen and related occupations.

Prior to appointment to his present position, Mr. Friedberg worked within the Maritime Administration in the following positions: Research Economist, Office of Research and Development; Operations Research, Office of Program Planning; and special assignments to the Office of the Administrator. Before joining the Maritime Administration in 1961, Mr. Friedberg was employed by the National Academy of Sciences - National Research Council where he was engaged in research in longshore labor problems and systems studies in containerization.

Mr. Friedberg's educational background includes: B.A. (Economics) Fordham College; B.S. - honors (International Transportation) Georgetown University School of Foreign Service; and M.A. - (International Economics) Georgetown University Graduate School. He also has attended the Industrial College of the Armed Forces, being listed as Distinguished Graduate.

Mr. Friedberg is married to the former Charlotte Antesberger of Altonna, Pennsylvania and resides in Fairfax County, Virginia.

RUSSELL F. STRYKER

Assistant Administrator for Policy and Administration

Russell F. Stryker is the Assistant Administrator for Policy and Administration, Maritime Administration.

As Assistant Administrator for Policy and Administration, Mr. Stryker is responsible for the development of the U.S. merchant marine policies and programs, financial analysis and monitoring of the maritime industry, and internal administration and financial management of the Maritime Administration.

Prior to his appointment to this position in September 1975, Mr. Stryker was Director of the Office of Policy and Plans, Maritime Administration. Previously, Mr. Stryker served the Department of Defense in several positions concerned with operations, logistics and transportation. He was a project leader with the Institute for Defense Analysis prior to this and an intelligence research specialist early in his career.

Mr. Stryker was the recipient of the Department of Commerce gold medal, the Department's highest award, for major contributions in support of the nation's Merchant Marine Program that have been of exceptional value to the Government and the maritime industry.

Mr. Stryker was born in Brooklyn, New York. He attended Dartmouth College from 1941-1947, procuring an A.B. in history, magna cum laude, in addition to spending three years in the Army during this period. He obtained a master of arts degree in economic history from Columbia in 1948.

Mr. Stryker is a member of Phi Beta Kappa, the American Historical Association, the American Military Institute, and the Company of Military Historians.

Mr. Stryker and his wife Genevieve live in Great Falls, Virginia, with their three children: Philenda, Cornelia and Russell 3rd.

MARVIN PITKIN

Assistant Administrator for Commercial Development

Marvin Pitkin is the Assistant Administrator for Commercial Development, Maritime Administration.

As Assistant Administrator for Commercial Development Mr. Pitkin is responsible for the research and development activities, the port and intermodal development activities, the market development activities, and the National Maritime Research Center at Kings Point, New York.

From November 1966 to July 1, 1970, Mr. Pitkin served as the Program Director of the Joint Surface Effect Ships Program for the Department of the Navy and the Department of Commerce. This program had as its objective the establishment of a cooperative interdepartmental research program to develop large, fast surface effect ships weighing in the order of 4,000 to 5,000 tons and capable of 80 knots or higher speeds.

Prior to JSESPO duty, Mr. Pitkin served as an Executive with the Martin Marietta Company from 1955 to 1965 as Head of Aerospace and Defense Production at Martin, Baltimore. Formerly, he directed the research laboratory and advanced programs organization of the Martin-Denver Division and served as the Program Director of the Titan I and early Titan II ICBM Programs. He was also Director of the Plans and integration organization governing the operations of the Site Activation Program for the field installation of the Titan I and Titan II ICBM Programs. This function was responsible for the integration and direction of thirty subcontractors, nine associates and approximately 18,000 men in the field.

Mr. Pitkin was with the Guided Missile Division, Navy Bureau of Aeronautics between 1946 and 1955. He served as the Chief Engineer of the Air Launch Missile Branch and was responsible for the technical direction of Sparrow, Bullpup and other air launch missile programs. During this period, he was also a Consultant to various outside agencies, notably, CNO, DOD, and various friendly foreign governments. Mr. Pitkin was U.S. Consultant to CADRE Canada in the establishment of their Velvet Project, and in similar capacity to the United Kingdom in 1953 regarding their overall missile program. Mr. Pitkin was selected as the Navy candidate for the Lawrence E. Sperry Award in 1954, "young person contributing the most to aviation in the past year," and in 1955 received the Navy's second highest civilian honor, "The Meritorious Civilian Award."

From 1940 to 1946, Mr. Pitkin was Research Scientist for the National Advisory Committee for Aeronautics. Duties varied from the position of Branch Chief of Stabilization of Controls Branch of the Pilotless Aircraft Division. During this time Mr. Pitkin published approximately 30 texts in both experimental and theoretical investigations.

Mr. Pitkin was awarded the Department of Commerce gold medal, the Department's highest award, for distinguished achievements in the Federal Service.

Mr. Pitkin holds a Bachelor of Science Degree in Aeronautical Engineering, New York University, obtained in 1940 and did graduate study at Georgetown University and the University of Virginia.

JOHN J. NACHTSHEIM

Assistant Administrator for Operations

John J. Nachtsheim is Assistant Administrator for Operations, Maritime Administration.

As Assistant Administrator for Operations, Mr. Nachtsheim is responsible for the Offices of Ship Construction, Shipbuilding Costs and Domestic Shipping.

Prior to his appointment to this position in 1973, Mr. Nachtsheim served as the Chief of MarAd's Office of Research and Development. Previously, he served in the Navy Department, where he spent 21 years in Ship Design, the last ten as Chief Naval Architect. During his tenure as Chief Naval Architect he managed the completion of 250 naval ship design projects.

Mr. Nachtsheim was the recipient of the Department of Commerce silver medal, the Department's second highest award, for outstanding contributions to the Maritime Administration in the area of research and development.

Mr. Nachtsheim is a 1947 graduate of the Webb Institute of Naval Architecture.

He received a law degree from George Washington University Law School in 1953.

He has served on a number of technical committees with the government and professional societies, and has had numerous technical papers published. He is the President of the American Society of Naval Engineers and a Vice President of The Society of Naval Architects and Marine Engineers. He is a registered professional engineer in the District of Columbia and a member of the Bar in the District of Columbia and the State of Maryland.

ROY H. YOWELL

Assistant Administrator for Maritime Aids

Roy H. Yowell is the Assistant Administrator for Maritime Aids, Maritime Administration.

As Assistant Administrator for Maritime Aids, Mr. Yowell is responsible for the direction and administration of the marine insurance, subsidy, ship financing guarantees and other maritime aid activities and programs.

Prior to his appointment to this position in 1974, Mr. Yowell served as Director, Office of Subsidy Administration. Mr. Yowell is a career government employee, having served a 4-year period in the Army, 11 years with the Department of Justice, and 19 years with the Maritime Administration.

Mr. Yowell is a graduate of the University of Maryland, with an A.B. in Economics, and has among other courses furthered his education by courses at the Harvard School of Business and Brookings Institute.

Mr. Yowell and his wife, the former Julia Allen, reside in Rockville, Maryland. They have two daughters, Mrs. Nancy Reed and Mrs. Janice Barr.

THOMAS A. KING

Eastern Region Director

Captain Thomas A. King is the Eastern Region Director of the Maritime Administration.

Located in New York, Mr. King, as Eastern Region Director, supervises MarAd field operations in the Eastern Region. Among the numerous responsibilities this involves is that of auditing the non-appropriated funds of the U.S. Merchant Marine Academy.

Captain King was designated Eastern Region Director in January 1970. For the preceding five years he served in a similar capacity as Atlantic Coast Director. He first joined the federal service in April 1949 with the Economic Cooperation Administration in Korea as a port superintendent and marine training specialist.

His ECA job was followed by a position as operations assistant with the Maritime Administration's National Shipping Authority in Washington. He served as Assistant Chief, Division of Operations, as well as in several other positions with the Maritime Administration including assignment in 1952 as Foreign Representative in India. Captain King became Gulf Coast Director in July 1958, and during his tenure was named Louisiana Maritime Man of the Year by the Propeller Club, Port of New Orleans. He has authored articles published by the U.S. Naval Institute Proceedings and the Society of Naval Architects and Marine Engineers.

Before entering government service, Captain King sailed for about eight years aboard cargo and passenger ships of the United States Lines in ratings ranging from Junior Third Mate to Master.

Captain King was born in Greenwich, Connecticut on May 27, 1920. Appointed a merchant marine cadet after competitive examination leading to four years of training, he completed a war-shortened course at the U.S. Merchant Marine Academy and graduated in two years. At the age of 24 he had obtained his master's papers and was in command of a merchant vessel during World War II.

Captain King is President of the Propeller Club, Port of New York, a Vice President of the Federal Business Association of New York, and alternate Commerce representative of the New York Federal Executive Board. He also serves as a Maritime

Administration representative in various capacities with maritime industry oriented non-profit organizations such as Chairman of the Operations Committee of the National Cargo Bureau; Director and member of the Executive Committee of the United Seamen's Service; Manager of the Life Saving Benevolent Association; member of the Board of Visitors of the Maine Maritime Academy; member of the Vessel Traffic Advisory Committee to the Third Coast Guard District and member of the Advisory Board for Vocational and Extension Education of the City of New York.

FRANK X. MCNERNEY

Central Region Director

Frank X. McNerney is Director of the Maritime Administration's Central Region.

From the Central Region headquarters in New Orleans, Louisiana, Mr. McNerney supervises MarAd field operations throughout 12 Gulf and central Mississippi River Basin states plus western Florida.

Prior to his appointment to that position in 1971, he was Chief of the Central Region's Office of Market Development. Previously, he had served in MarAd's Eastern Region Headquarters in New York City from 1964 to 1970 in such activities as ship operations, cargo promotion, operational subsidy administration, and public affairs. In 1966, he opened and supervised the Agency's Saigon Office during the Southeast Asia sealift buildup.

Mr. McNerney began his maritime career with American Export Isbrandtsen Lines where he was employed from 1954 to 1964. He served successively as deck officer, Singapore branch manager, Far East assistant representative, mobile trade fair project manager, and finally as manager of trade promotion.

Born in Scranton, Pennsylvania, Mr. McNerney attended Scranton Preparatory School and graduated from the U.S. Merchant Marine Academy with a BS degree in 1954. Later, he attended New York University Graduate School and Fordham Law School. His military service included duty with the U.S. Air Force and as a Naval Reserve Officer.

He is a past President of the Propeller Club, Port of New Orleans Chapter, and a member of the Board of Visitors, Texas Maritime Academy, Galveston, Texas; Board of Advisors of the National River Academy of the U.S. of America, Helena, Arkansas; New Orleans Federal Executive Board; National Cargo Bureau, Inc., New York, N.Y.; National Defense Transportation Association, New Orleans Chapter; U.S. Merchant Marine Academy Alumni Association, New Orleans Chapter; New Orleans Federal Business Association; National Maritime Council, Central Region Action Group; Chamber of Commerce of New Orleans; Department of Commerce member of: Lower Mississippi Region Water Resources

Council; Port Safety Council, Port of New Orleans;
Associate member of Regional Preparedness Committee;
Military Affairs Committee of New Orleans; and Chairman
Maritime Affairs Committee of the Greater New Orleans
Council of the Navy League of the United States.

He and his wife, the former Kathryn Ann Lynch of
Scranton, Pennsylvania, are currently residing in
Gretna, Louisiana.

THOMAS J. PATTERSON, JR.

Western Region Director

Thomas J. Patterson, Jr. is the Western Region Director of the Maritime Administration.

In this position, operating from the regional headquarters in San Francisco, Captain Patterson is responsible for MarAd programs in 15 western states including Alaska and Hawaii.

Captain Patterson has held his present position since 1970. He joined the Maritime Administration in 1962 and held posts concerned with ship operations before his current appointment. His prior experience includes a long history of maritime involvement. He sailed as a deck officer with Keystone Shipping during World War II and after. Commissioned as Ensign in the U.S. Navy in 1944, Captain Patterson also served actively from 1950-1957, including command at sea.

Captain Patterson was born in Philadelphia. He attended the U.S. Merchant Marine Academy, graduating in December 1944. He has also attended the University of Pennsylvania and the Drexel Institute of Technology.

Captain Patterson is currently serving as President, San Francisco Council, Navy League of the United States. He is the immediate past chairman of the Federal Executive Board, San Francisco Bay area. He is a member of numerous Navy and Merchant Marine organizations in the Bay area. Since 1973, he has received four awards from institutions including the National Maritime Council and the Propeller Club, Port of the Golden Gate.

Captain Patterson and his wife, K. Ann live in San Rafael, California. They have four children: Carol, Barbara, Thomas and Richard.

GEORGE J. RYAN

Great Lakes Region Director

George J. Ryan is Director of the Great Lakes Region Office of the Maritime Administration.

Headquartered in Cleveland, Mr. Ryan is responsible for field operations of the Maritime Administration in the Great Lakes states. Included in this area are marketing offices in Detroit and Chicago and a radar training facility in Toledo.

Previously Mr. Ryan had been assigned to the American Embassy in London as the Maritime Administration Representative for UK/Scandinavia. From London, Mr. Ryan provided MarAd with current information on ship operation and construction costs, ship finance and insurance business, trade studies and market conditions.

Until 1971, Ryan was the Acting Chief of the Division of Intermodal Transportation in Washington. He came to MarAd from the Grace Line where, after serving as Master of the SS SANTA LUISA in the Caribbean trade, he was Assistant Port Captain, Safety Director and finally Manager, Supporting Services in the Marine Division. In this last position, he was responsible for container acquisition, maintenance and repair, marine labor relations, marine personnel and the loss preventive program.

In 1974, Mr. Ryan was awarded the Department of Commerce Silver Medal Award for his outstanding work for MarAd.

He graduated from the U.S. Merchant Marine Academy, Kings Point in 1957 and was awarded a Master's Degree from the School of International Affairs, Columbia University in 1964. While at Columbia University, he was a fellow in the School of International Affairs, Vice President of the Student Association and the Chairman of the Student Chapter of the Society for International Development.

As an Officer in the U.S. Naval Reserve he served on several Naval Reserve units until he resigned his commission.

He was President of the Port of London Propeller Club, a past Vice President of the Kings Point Alumni Association, and the U.S. Member of the Technical Advisory Sub-committee of the International Cargo Handling Coordination Association. He has served on technical committees of the American Bureau of Shipping and during his past assignments he has served on the U.S. delegations to IMCO, UNCTAD, OECD, OAS and NATO meetings.

He was born in Philadelphia, Pennsylvania in 1936 and is married to Cornelia Mollard Ryan.