

DEPARTMENT OF TRANSPORTATION ORGANIZATION MANUAL
MARITIME ADMINISTRATION

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MARITIME ADMINISTRATION

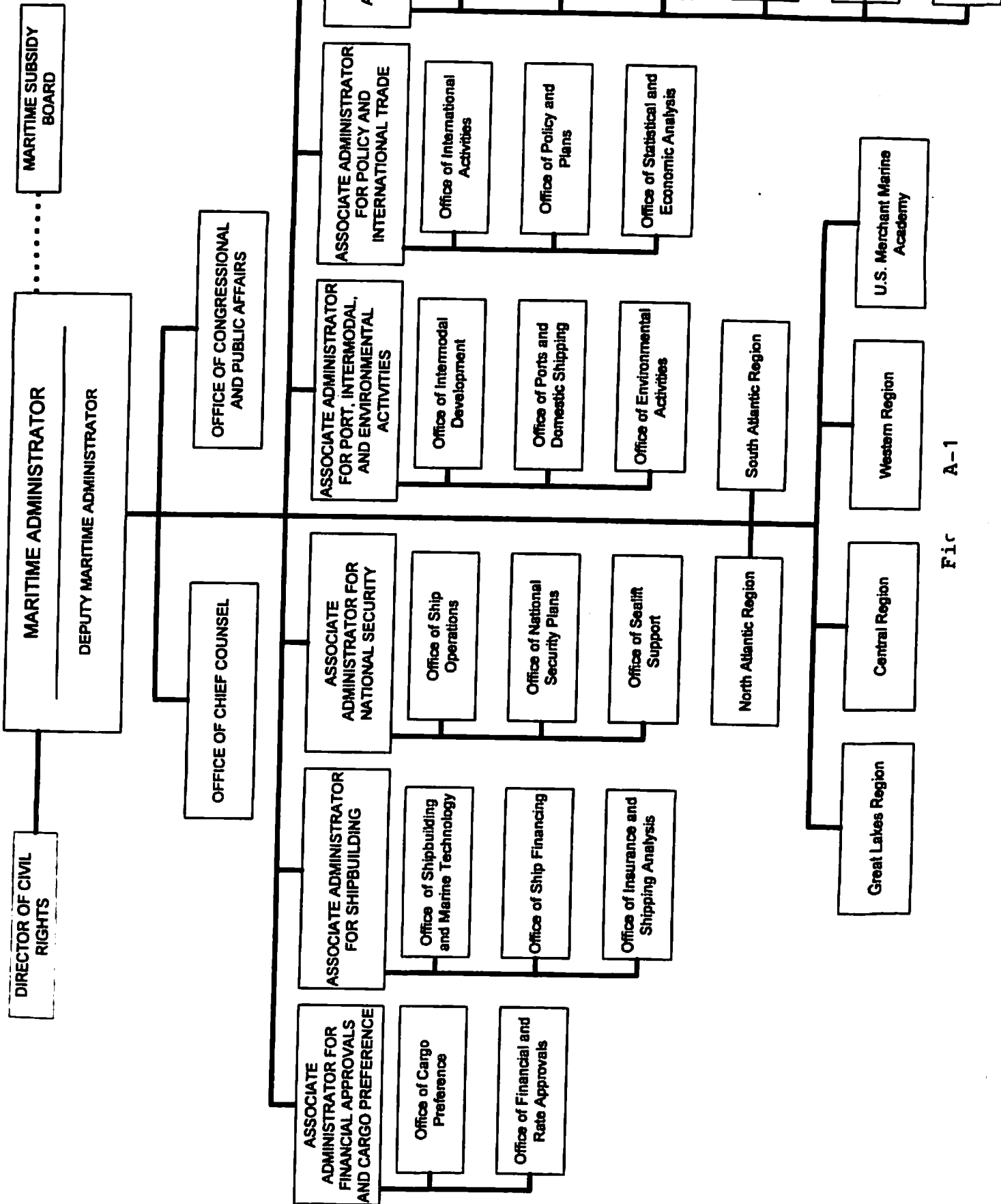


Fig A-1

A. GENERAL

MARITIME ADMINISTRATION

A. GENERAL

1. Origin and Missions.

- a. The Maritime Administration is the successor of several Government agencies dating back to the establishment of the independent U.S. Shipping Board in 1916. Executive Order 6166 made the Shipping Board part of the Department of Commerce in 1933. However, in 1936, following passage of the Merchant Marine Act, 1936, the maritime function was again made independent with the establishment of the United States Maritime Commission. Reorganization Plan 21 of 1950 abolished the United States Maritime Commission and, among other things, established the Maritime Administration within the Department of Commerce. The Maritime Administration was transferred to the Department of Transportation in 1981 as a result of Public Law 97-31, approved August 6, 1981.
- b. The overall mission of the Maritime Administration, in accordance with the policies set forth in the Merchant Marine Act, 1936, as amended, and related shipping statutes, is to promote the development and maintenance of an adequate, well-balanced, United States merchant marine, sufficient to carry the Nation's domestic water-borne commerce and a substantial portion of its water-borne foreign commerce, and capable of serving as a naval and military auxiliary in time of war or national emergency. In carrying out its overall mission, the Maritime Administration performs the following specific functions.
 - (1) Award and administer Federal assistance contracts to aid U.S. shipyards and operators of U.S.-flag ships.
 - (2) Award and administer trade-in allowances for new ship construction, provide and administer guarantees on ship financing obtained from private sources for ship construction and reconstruction, and enter into and administer agreements for establishment of tax-deferred capital construction funds and construction reserve funds to be used for the acquisition, construction, or reconstruction of ships.

- (3) Provide assistance to the shipping industry to generate increased trade and cargo shipments for U.S.-flag ships, and oversee the administration of cargo preference statutes.
- (4) Promote development of ports, port facilities, and intermodal transportation systems, and promote development of the domestic waterborne commerce of the United States.
- (5) Maintain custody of and preserve merchant ships in the National Defense Reserve Fleet, conduct sales of ships, and supervise design and construction of ships for Government account.
- (6) Administer charters, general agency agreements, and ship management contracts for operation of Government-owned merchant ships, under emergency conditions, requisition or procure ships owned by U.S. citizens and allocate the ships to meet defense needs, and provide war risk marine insurance on privately-owned merchant ships.
- (7) Train merchant marine officers at the U.S. Merchant Marine Academy, Kings Point, New York, and administer an assistance program for the maritime academies operated by the states of California, Maine, Massachusetts, Michigan, New York, and Texas; and provide courses in marine specialties for merchant seamen.
- (8) Conduct a research and development program in maritime fields to improve the efficiency and economy of the merchant marine.
- (9) Conduct programs to assure equal opportunity in employment in shipbuilding, ship repair, water transportation, and related industries.
- (10) Issue rules and regulations with respect to the foregoing.

2. Wartime and National Emergency Service. The emergency mission of the Maritime Administration is to provide ocean shipping and shipbuilding and related maintenance and repair support for U.S. national defense operations and the essential civil economy in time of war or national emergency.

Under mobilization conditions, ships owned by United States citizens are subject to requisitioning by the Secretary of Transportation and operational control is delegated to the Director, National Shipping Authority of the Maritime Administration.

3. Overall Organization. The overall structure of the Maritime Administration is shown on the organization chart, Figure A-1.
4. General Description. The Maritime Administration is composed of two basic administrative levels of organization:
 - a. Headquarters. The Maritime Administration headquarters in Washington, DC, is responsible for administration-wide program planning, direction, control, and evaluation, and for conducting certain operational activities which can be best performed centrally; and
 - b. Field operations:
 - (1) The Maritime Administration Region Offices are responsible for directing the administration's field operations within assigned geographic boundaries.
 - (2) The United States Merchant Marine Academy is responsible for developing and maintaining programs for the training of United States citizens to become officers in the United States merchant marine.

B. MARITIME ADMINISTRATION
HEADQUARTERS ORGANIZATION

MARITIME ADMINISTRATION

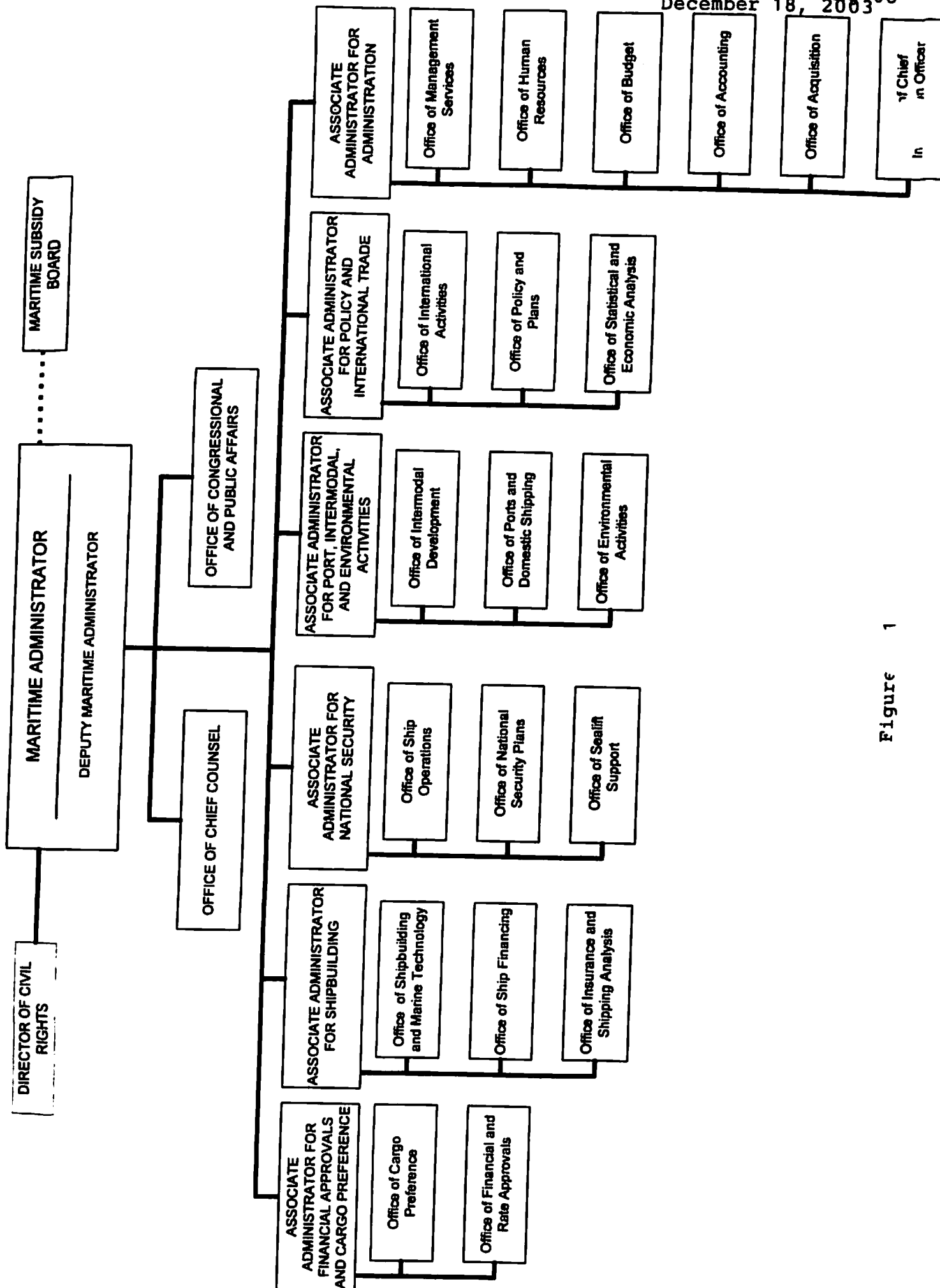


Figure 1

OFFICE OF THE MARITIME ADMINISTRATOR

1. Mission. To administer the Maritime Administration and advise and assist the Secretary of Transportation in matters pertinent to the Maritime Administration and its functions, and maintain liaison with public and private agencies concerned with Maritime Administration functions and operations.
2. Functions. Under the general direction and supervision of the Secretary of Transportation, the Maritime Administrator shall:
 - a. Prescribe broad policies and generally manage Maritime Administration activities and serve as principal advisor to the Secretary on Maritime Administration matters.
 - b. Ensure compliance with the statutory obligations and requirements imposed upon the Maritime Administration and be cognizant of the policies and programs of the Secretary.
 - c. Serve on interdepartmental or international bodies concerned with matters in which the Department and the Maritime Administration have a substantial interest.
 - d. Establish and maintain effective relations with other agencies of the Federal Government and the public.
 - e. Serve as Chairperson of the Maritime Subsidy Board, Commandant of the United States Maritime Service, and Director of the National Shipping Authority.
3. Within the Immediate Office of the Maritime Administrator is the Director of Civil Rights with mission and responsibilities as follows:
 - a. Mission. To implement the civil rights functions and equal employment opportunity program within the Maritime Administration.
 - b. Functions. Under the general direction and supervision of the Administrator, the Director of Civil Rights shall:
 - (1) Serve as the principal advisor to the Maritime Administrator and chief spokesperson on civil rights and equal employment opportunity matters.
 - (2) Develop, implement, review, and evaluate equal employment opportunity and civil rights policies and activities within the Maritime Administration.
 - (3) Provide leadership and oversight for the affirmative employment programs, special emphasis programs, and workforce diversity initiatives.

- (4) Administer the Maritime Administration's informal discrimination complaints program. Serve as liaison/consultant with agency officials, other government agencies, and both public and private constituency organizations nationwide, on all matters pertaining to equal employment opportunity and civil rights.
- (5) Make such reports and other issuances related to assigned functions as are required by agencies outside of the Maritime Administration.

OFFICE OF THE DEPUTY MARITIME ADMINISTRATOR

- 1. Mission. To serve as the principal assistant to the Maritime Administrator, performing such duties as the Administrator may direct and as a member of the Maritime Subsidy Board.
- 2. Functions. Under the general direction and supervision of the Administrator, the Deputy Maritime Administrator shall:
 - a. Act on matters not requiring the personal attention of the Administrator and recommend action when the Administrator's review/approval is required.
 - b. Remain cognizant of the approved policies and programs of the Administrator, and maintain effective coordination of the activities of the organizational components at headquarters.
 - c. Serve as Acting Maritime Administrator in the absence of the Maritime Administrator and during a vacancy in that position, unless the Secretary of Transportation designates otherwise.
 - d. Serve as a member of the Maritime Subsidy Board.

MARITIME SUBSIDY BOARD

- 1. Mission. To promote and sustain the development and maintenance of the United States merchant marine, shipbuilding, and ship repair facilities.
- 2. Functions. Under the general direction and supervision of the Secretary of Transportation, the Maritime Subsidy Board shall:
 - a. Make, amend, and terminate subsidy contracts and conduct hearings and make determinations antecedent to such actions under titles V, VI, and VII, and sections 301 (except investigations, hearings, and determinations, including changes in

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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.

- b. Approve the sale, assignment, or transfer of operating subsidy contracts under section 608 of the Merchant Marine Act, 1936, as amended.
- c. Perform 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.
- d. Perform the functions specified in section 12 of the Shipping Act, 1916, as amended, relating to the functions of the Board under subparagraphs a and b of this paragraph.

OFFICE OF CHIEF COUNSEL

- 1. Mission. To provide legal counsel and advice for handling all legal matters with which the Maritime Administration is concerned.
- 2. Functions. Under the general direction and supervision of the Maritime Administrator, the Chief Counsel shall:
 - a. Serve as the principal legal advisor to the Administrator as to legal implications and consequences of actions proposed or taken, provide legal representation for the Maritime Administration, furnish legal advice and opinions to officials at headquarters and the Regions, and approve requests for the employment of individuals by non-personal service contracts to serve as special counsel, witnesses, experts, and appraisers as needed for litigation.
 - b. Negotiate and settle or recommend settlement of claims in admiralty, just compensation, tort, employee, and claims referred for litigation; give legal clearance to applications for Government aid, and provide legal services dealing with acquisition, use and disposal of property, and services. Prepare drafts of proposed legislation, executive orders, and legislative reports to Congressional committees, the Office of Management and Budget, and other Federal agencies.
 - c. Assist the Justice Department in the trial, appeal, and settlement of litigation, and represent the administration before Federal, state, and local courts and before administrative agencies of the Government with the permission of the Department of Justice.

- d. Review format and legality of external regulations, notices, and other documents of the Maritime Administration and Maritime Subsidy Board, and coordinate their preparation and publication in the Federal Register.
- e. Prepare and approve as to form and legality contracts, agreements, deeds, leases, performance bonds, and related documents and approve citizenship status of applicants under the governing statutes.
- f. Serve as a member of the Maritime Subsidy Board and designate an individual to serve as the Secretary of the Maritime Administration and Secretary of the Maritime Subsidy Board, and an individual to serve as Maritime Administration's Freedom of Information and Privacy Acts Officer.

OFFICE OF CONGRESSIONAL AND PUBLIC AFFAIRS

1. Mission. To plan, formulate, implement, manage, and evaluate Maritime Administration Congressional and public affairs programs.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Director, Office of Congressional and Public Affairs shall:
 - a. Issue or clear all information issued to the general public by the Maritime Administration in promoting the U.S. merchant marine and shipbuilding industries.
 - b. Determine information requirements for the maritime industry, maritime labor, other Government officials, educational institutions, and the general public, and establish procedures to develop and deliver the information required.
 - c. Serve as coordinator with the media for all interviews and public releases of information from Maritime Administration headquarters, provide counsel and guidance to regional and field offices and the U.S. Merchant Marine Academy, prepare and coordinate exhibits, audio-visual and printed materials, including Maritime Administration's annual report to Congress, speeches, ceremonies, and public events to provide the public information about the merchant marine.
 - d. Represent the Maritime Administration before all types of organizations, groups, and individuals, and coordinate Congressional and intergovernmental relations activities exclusively through the Assistant Secretary for Governmental Affairs.

ASSOCIATE ADMINISTRATOR FOR ADMINISTRATION

1. **Mission.** To formulate, direct, and coordinate national policies and programs related to administrative services, acquisition, budget, accounting, information technology and automated information management, management analysis, personnel, and security.
2. **Functions.** Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for Administration shall provide executive direction over the following organizations:

Office of Management Services
Office of Budget
Office of Accounting
Office of Human Resources
Office of Acquisition
Office of Chief Information Officer

OFFICE OF MANAGEMENT SERVICES

1. **Mission.** To establish and administer programs for administrative and management services and management analysis.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Management Services shall:
 - a. Promote efficient and economical performance of agency functions through management surveys and special studies, and recommend organization structure, staffing levels, and assignment of functions.
 - b. Coordinate General Accounting Office and Office of Inspector General activities, excluding contract audits and reports related to the Maritime Administration.
 - c. Maintain systems for management of directives, reports, forms, committee activities, employee suggestions, correspondence control, and voice/facsimile telecommunications.
 - d. Develop and conduct programs for management of personal property and administrative support activities, real property and facilities, and related pest control, pollution abatement, and energy matters.
 - e. Provide administrative support services to Washington, DC headquarters offices and field offices as required.
 - f. Prepare annual administrative expense budget estimates and maintain records for control of operations and training, travel, books/subscriptions, Ready Reserve Force, National Defense Reserve Fleet, shipbuilding, and Vessel Operations Revolving Fund.

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OFFICE OF BUDGET

1. **Mission.** To formulate and administer the budget.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Budget shall:
 - a. Advise and maintain liaison with higher authorities and congressional officials with respect to budget activities.
 - b. Establish standards, criteria, and procedures for preparing budget estimates and justifications. Prepare budget summaries, analyses, backup, and testimony for budget formulation, congressional review of appropriation requests, and presentation.
 - c. Maintain budget control of funds available, and establish procedures for uniform administration and reporting of budgeting and related functions.
 - d. Participate in developing agency staffing requirements for budget submissions.
 - e. Provide analysis of special issues and backup required for budget formulation and presentation.

OFFICE OF ACCOUNTING

1. **Mission.** To plan, direct, coordinate, and administer the accounting programs in accordance with statutory requirements and the needs of the operating programs of the Maritime Administration.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Accounting shall:
 - a. Develop and administer Maritime Administration financial practices and standards, and maintain fiscal records for the administration.
 - b. Prepare and issue invoices for amounts due the administration and collect amounts due, coordinate payrolls and maintain supporting records, and prepare and issue financial statements and reports in accordance with applicable regulations.
 - c. Analyze and reconcile all accounting functions, and perform voucher examination and certify for payment employee claims for travel reimbursement, goods, and services.
 - d. Maintain liaison with the Office of the Secretary of Transportation and other Government agencies on financial and accounting matters.

OFFICE OF HUMAN RESOURCES

1. **Mission.** To direct, administer, and conduct a comprehensive personnel management program.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Human Resources shall:
 - a. Plan, direct, and administer position classification, pay, position management, compensation, and performance appraisal programs, and maintain employment controls within established personnel ceiling allocations.
 - b. Maintain personnel records and operate and control the automated employee information system, plan, direct, and administer employee development and training programs, and counsel employees on insurance, health benefits, and retirement.
 - c. Provide assistance to management and employees on employee relation matters, and represent management in dealing with recognized bargaining units and employee organizations.
 - d. Plan, administer, and conduct the recruitment program and administer an employment program which provides each employee and applicant equal opportunity in employment.

OFFICE OF ACQUISITION

1. **Mission.** To administer the Maritime Administration's acquisition program.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Acquisition shall:
 - a. Develop and manage the procurement and grants activities of the Maritime Administration in accordance with applicable regulations.
 - b. Within delegated authority, approve and award charters, contracts, purchase orders, cooperative agreements, and modifications thereto.
 - c. Administer approved charters, contracts, purchase orders, and cooperative agreements for compliance with their terms and provisions.
 - d. Effect settlement of claims associated with charters, contracts, orders, and agreements, and process disputes.
 - e. Develop national policies and procedures for acquisition and grants management.

OFFICE OF CHIEF INFORMATION OFFICER

1. **Mission:** To administer the Maritime Administration's information technology program.
2. **Functions:** Under the general direction and supervision of the Associate Administrator for Administration, the Director, Office of Chief Information Officer (MARAD's CIO) shall:
 - a. Evaluate existing and proposed computer-based (IT) information systems, determine cost and benefits of acquiring new IT equipment and systems, monitor and coordinate IT contracts for developmental or operating IT systems and contractual data entry services, and develop and monitor long and short range IT plans.
 - b. Analyze, design, develop, program, document, install, and maintain computer-based information systems, select data bases, and effective internal IT systems. Provide systems software support, and select, test, implement, maintain, and modify system software modules.
 - c. Develop and implement procedures for the flow of information between Maritime Administration users and systems they rely upon for information processing, and support the administration's computer communications interfaces and peripheral devices.
 - d. Develop and implement quality control and assurance measures, and implement safeguards to ensure compliance with applicable laws and regulations.

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ASSOCIATE ADMINISTRATOR FOR POLICY AND
INTERNATIONAL TRADE

1. Mission. To formulate, direct, and coordinate national policies and programs related to the maritime academies, maritime education initiatives, policy, planning, program evaluation, statistics, economic analysis, and international activities of the Maritime Administration.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for Policy and International Trade shall provide executive direction over the following organizations:

Office of International Activities
Office of Policy and Plans
Office of Statistical and Economic Analysis
3. Within the Immediate Office of the Associate Administrator for Policy and International Trade are the staff members with responsibilities as follows:
 - a. Process nominations for appointments to the U.S. Merchant Marine Academy and conduct related congressional liaison.
 - b. Administer an assistance program for the state maritime academies. Coordinate technical maritime training assistance to foreign countries under international agreements.

OFFICE OF INTERNATIONAL ACTIVITIES

1. Mission. To plan, conduct, and coordinate Maritime Administration participation in international activities concerned with shipping matters, and keep abreast of foreign economic and political developments which may affect United States shipping interests.
2. Functions. Under the general direction and supervision of the Associate Administrator for Policy and International Trade, the Director, Office of International Activities shall:
 - a. Identify and establish contact with the principal international governmental and private organizations concerned with shipping matters.
 - b. Coordinate the administration's foreign activities in information collection, analyses, contract negotiations, and promotional programs, and develop contacts with U.S. and foreign government and maritime industry representatives.
 - c. Serve as Executive Secretary for coordination of all matters pertaining to maritime bilateral agreements and related negotiations.
 - e. Develop Maritime Administration policy positions on international activities of interest to the United States merchant marine, and take and/or coordinate action to present the administration's position in these matters.

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OFFICE OF POLICY AND PLANS

1. **Mission.** To develop and maintain long-range marine affairs policies and plans and new programs by analyzing maritime operations and identifying major issues and problems affecting the United States merchant marine.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Policy and International Trade, the Director, Office of Policy and Plans shall:
 - a. Formulate plans for energy-related programs of the Maritime Administration.
 - b. Review proposed legislation and regulations to determine their impact on the administration, and generate methodologies for and conduct studies and operations analysis activities in support of policy and planning functions.
 - c. Recommend long-range marine affairs plans for the administration for revitalization of the United States merchant marine, identify major issues and problems affecting shipping, and conduct studies to provide solutions.
 - d. Develop plans for the creation of an ocean transport capability adequate to serve the broad marine requirements for the next decade.
 - e. Evaluate program execution, effectiveness, and trends, and develop recommendations for remedial action when program performance does not conform with planned accomplishments.

OFFICE OF STATISTICAL AND ECONOMIC ANALYSIS

1. **Mission.** To provide Maritime Administration's principal resources for statistical and economic analysis.
2. **Functions.** Under the general direction and supervision of the of the Associate Administrator for Policy and International Trade, the Director, Office of Statistical and Economic Analysis shall:
 - a. Plan and conduct a program for collection, maintenance, processing, and validation of foreign, domestic, and intermodal trade and commodity data systems, ocean commerce trade route structure and service requirements, and statistical data on the United States fleet and the merchant fleets of the world, collect, analyze, and maintain special vessel characteristics for NATO's Planning Board for Ocean Shipping, and disseminate trade, vessel, and commodity data to other Maritime Administration offices, other Government agencies, and the private sector.
 - b. Conduct analyses of cargo, commodity, traffic, and ship operating and other ship data for use in developing and conducting programs to promote increased trade and participation by U.S.-flag vessels in the oceanborne commerce of the United States, analyze and assess the impact of economic, regulatory, legislative, and national policy proposals on domestic waterborne transportation, design, develop, and implement new data systems involving cargo and commodity data, ship characteristics, and vessel itineraries, and provide technical assistance on the design and development of such systems to other organizations.

- c. Perform analyses on a broad range of economic issues involving the U.S maritime industry including independent market analyses of applications for Title XI ship financing, reviews of major trades and analyses of vessel operations in those trades.
- d. Ensure availability of high quality trade, vessel and related data at most reasonable cost to meet Maritime Administration data requirements.
- e. Represent Maritime Administration on the Federal Interagency Transportation Statistics Committee and DOT's Transportation Data Coordinating Committee, and maintain liaison with DOT's Bureau of Transportation Statistics and other public and private domestic and international statistical groups.

ASSOCIATE ADMINISTRATOR FOR FINANCIAL APPROVALS AND CARGO PREFERENCE

1. Mission. To formulate, direct, and coordinate program financial analysis and approval activities, cargo preference, Ship Operations Cooperative Program (SOCP), Maritime Administration's customer service program, support for the operating-differential and construction-differential subsidy programs, maritime safety and oversee Maritime Administration's research and development activities.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for Financial Approvals and Cargo Preference shall formulate, direct, and coordinate Maritime Administration's maritime safety functions, coordinate research and development activities, and represent the administration to other Department of Transportation, Federal, and other public and private entities on maritime related research and development matters, and provide executive direction over the following organizations:

Office of Cargo Preference
Office of Financial and Rate Approvals

OFFICE OF CARGO PREFERENCE

1. Mission. To formulate national policies and plans and conduct programs for the administration and operation of cargo preference activities, and provide liaison with Government shipper agencies and others regarding their requirements for guideline rates and terms covering U.S. Government and privately-owned U.S.-flag ships carrying Government-sponsored cargoes.
2. Functions. Under the general direction and supervision of the Associate Administrator for Financial Approvals and Cargo Preference, the Director, Office of Cargo Preference shall:
 - a. Regulate, review, and report on the administration and operation of cargo preference activities in accordance with section 901(b) of the Merchant Marine Act, 1936, as amended.
 - b. Maintain liaison with and advise Government agencies as to the availability of U.S.-flag shipping, and develop and analyze records of U.S.-flag participation.
 - c. Advise Government shipper agencies and other organizations regarding terms covering U.S. Government and privately owned U.S.-flag ships carrying Government-sponsored cargoes.
 - d. Conduct analyses of discriminatory laws, regulations, and practices of foreign governments for use in connection with waiver policy on Public Resolution 17.
 - e. Process applications for, approve, and administer Export-Import Bank waivers.

OFFICE OF FINANCIAL AND RATE APPROVALS

1. Mission. To collect, analyze, and maintain data on the relative costs of operating ships under United States and foreign flags, determine foreign competition, and compute related rates; to plan, direct, coordinate, and administer financial analysis programs in accordance with statutory requirements.

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2. **Functions.** Under the general direction and supervision of the Associate Administrator for Financial Approvals and Cargo Preference, the Director, Office of Financial and Rate Approvals shall:
 - a. Formulate and recommend financial policies, criteria and regulations with respect to external financial, accounting, and audit affairs, and provide guidance to Region Finance Offices on pre-award surveys and financial aspects of contract administration.
 - b. Calculate and advise Government shipper agencies and other organizations on fair and reasonable guideline rates.
 - c. Analyze financial statements and other data submitted by contractors and applicants for maritime aids to determine and evaluate their financial qualifications and limitations.
 - d. Compute rates to determine amounts payable and recommend approval or disapproval of actions related to the determination of operating-differential subsidy rates and substantiality and extent of foreign-flag competition.
 - e. Provide the Office of Inspector General with external audit requirements, provide financial management services, advice, reports, and recommendations in support of financial aspects of administration programs, and recommend action on gifts and bequests of cash or negotiable instruments other than for the U.S. Merchant Marine Academy.
 - f. Review contractor's audit appeals and make recommendations for action by the authorized official.
 - g. Establish and maintain financial reporting requirements and records for nonappropriated funds, subsidized operators, agents, charterers, and other contractors, maintain surveillance of construction reserve funds, interpret financial transactions, and determine financial acceptability of personal sureties, trustees, and depositories.

ASSOCIATE ADMINISTRATOR FOR SHIPBUILDING

1. Mission. To formulate, direct, and coordinate national policies and programs for Title XI ship financing guarantees and capital construction funds to aid in financing ship construction, reconstruction, and reconditioning; for implementation by the Maritime Administration of the Administration's program designed to assist U.S. shipbuilders, ship repairers, and their supply base reenter the international commercial market place; for developing and reviewing the designs of proposed ships; assist in administration of Maritime Administration's shipbuilding contracts, plan and direct projects in ship design, construction, and trials, develop requirements for mobilization ship construction, and administer programs which collect, analyze, and maintain data on the relative cost of shipbuilding in the United States and foreign countries; and for marine insurance and marine war risk insurance activities and operating-differential and construction-differential subsidy programs.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for Shipbuilding shall provide executive direction over the following organizations:

Office of Shipbuilding and Marine Technology
Office of Ship Financing
Office of Insurance and Shipping Analysis

OFFICE OF SHIPBUILDING AND MARINE TECHNOLOGY

1. Mission. To promote construction of ships in United States shipyards for both foreign and domestic trades, and promote competitiveness of United States shipyards; and develop, organize, coordinate, and manage programs in the area of ship designs, engineering, and construction.
2. Functions. Under the general direction and supervision of the Associate Administrator for Shipbuilding the Director, Office of Shipbuilding and Marine Technology shall:
 - a. Advise Government officials, maritime industry, and the public on ship design and engineering, U.S. shipyard facilities and capabilities, and shipbuilding costs in the United States and in foreign countries, and maintain liaison with regulatory and standards bodies regarding ship design and shipbuilding matters.
 - b. Conduct studies in naval architecture, marine and electrical engineering, and engineering economics, prepare overviews and analyses on international shipbuilding activities, contract prices, and financial aids to shipping and shipbuilders by foreign governments, create, adapt, or modify ship design, engineering, and related computer programs, develop preliminary designs to establish basic characteristics of proposed ships, develop methods for measuring shipyard capacity and productivity, maintain current records on shipyard facilities, workload, productivity, etc., in the United States, and collect, analyze, and maintain data on the relative costs of shipbuilding in the United States and foreign countries.
 - c. Review and approve preliminary and final contract plans and specifications and changes thereto, shipyard working plans and supporting technical data for proposed ships and ships under construction, analyze cost estimate backup details submitted by contractors for construction of vessels and recommend reasonable contract prices, review proposed contracts and offers for foreign or domestic construction of ships and make appropriate recommendations, prepare estimates of changes in contract prices due to changes in plans and

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- specifications, recommend approval of cost settlements and contract addenda and review construction cost statements, process and recommend approval of formal ship construction contract claims and disputes, assist in effectuation of cost settlements of claims, and make recommendations on costs of changes under shipbuilding and conversion contracts.
- d. Coordinate requirements and prepare plans and specifications for installation of National Defense Features on ships, coordinate ship appraisals and develop market values for use in the war risk insurance program approving the purchase or sale of a subsidized vessel and establishing appropriate trade-in allowances applied to new ship purchases, prepare cost estimates and analyses for ship construction, reconstruction, and conversion projects, calculate and recommend actual cost for ship financing guarantee projects, and review and make recommendations on withdrawals and contractor payments from project Title XI escrow funds.
 - e. Manage new construction or conversion projects including contract administration, plan approval, progress certification, and technical approval of changes in contract plans and specifications. Review or develop progress payment forms for maritime shipbuilding contracts and prepare reports on monthly physical progress and payments to contractors and, under mobilization plans, develop requirements and schedule ship construction programs and coordinate related emergency readiness activities.
 - f. Plan, manage, and report on Maritime Administration funded technical studies on shipbuilding performed by contractors and other organizations.
 - g. Provide technology assessments and make recommendations related to shipyards in the United States.
 - h. Identify and stimulate transfer of advanced technologies from other fields into the shipbuilding field.
 - i. Serve as focal point to bring advanced technical expertise to bear on issues of concern to the Maritime Administration and the Department of Transportation.
 - j. Represent the Maritime Administration, as appropriate, to the Government, private sector and academia, including for example the Advanced Research Projects Agency.

OFFICE OF SHIP FINANCING

1. **Mission.** To administer the ship financing guarantee, capital construction fund, and construction reserve fund programs of the Maritime Administration in accordance with Titles V, VI, and XI of the Merchant Marine Act, 1936, as amended.
2. **Functions.** Under the general direction and supervision of the Associate Administrator for Shipbuilding, the Director, Office of Ship Financing shall:
 - a. Recommend approval or disapproval of actions relating to award and administration of ship financing guarantee contracts, capital construction fund agreements, and construction reserve fund agreements.
 - b. Direct and coordinate processing of applications for ship financing guarantees, capital construction funds, and construction reserve funds.

- c. Coordinate and conduct meetings with applicants and approve or disapprove requests for extension of existing escrow agreements and interest rates.
- d. Recommend actions where a ship owner's failure to meet financial obligations would threaten the interests of the United States.
- e. Represent the Maritime Administration on matters relating to ship financing guarantees, capital construction funds, and construction reserve funds.

OFFICE OF INSURANCE AND SHIPPING ANALYSIS

1. Mission. To administer and conduct the operating and construction-differential subsidy and marine insurance programs of the Maritime Administration in accordance with Titles V, VI, VII, and XII of the Merchant Marine Act, 1936, as amended; and support the Title XI program.
2. Functions. Under the general direction and supervision of the Associate Administrator for Shipbuilding, the Director, Office of Insurance and Shipping Analysis shall:
 - a. Recommend approval or disapproval of actions related to award or amendment of operating-differential subsidy agreements and construction-differential subsidy agreements, construction and charter of ships pursuant to section 714 of the Merchant Marine Act, 1936, as amended, trade-in of vessels under sections 507 and 510 of the Merchant Marine Act, 1936, as amended; and applications under the Title XI program.
 - b. Recommend approval or disapproval of applications filed pursuant to sections 506, 605(b), 608, 613, 614, 615, 804, and 805 of the Merchant Marine Act, 1936, as amended, obtain recommendations from other offices regarding qualifications of applicants, conduct negotiations with applicants, and administer the national defense allowance provisions of Titles V or VII of the Merchant Marine Act, 1936, as amended.
 - c. Approve or disapprove requests by subsidized operators for approval of voyage or voyage deviations and for charters which would withdraw ships from subsidized service for six months or less.
 - d. Administer the marine insurance and marine war risk insurance activities and programs of the Maritime Administration, take or recommend 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.
 - e. Recommend insurance provisions for inclusion in contracts and agreements executed by the Maritime Administration, direct actions to ensure compliance with the insurance provisions and manage the custody of these policies, declare a ship owned by or chartered to the Maritime Administration to be an actual or constructive total loss, determine the exact time of loss for the purpose of establishing the basis for determination and adjustment of claims and other financial obligations, and execute hold-harmless agreements in favor of underwriters in consideration of payments of claims under lost policies

Vertical line denotes change

ASSOCIATE ADMINISTRATOR FOR PORT, INTERMODAL,
AND ENVIRONMENTAL ACTIVITIES

1. Mission. To formulate, direct, and coordinate national policies designed to increase the use of U.S.-flag ships in the foreign commerce of the United States, process requests for waivers under the "Jones Act" including related determinations, develop and promote port and intermodal transportation systems, develop programs for the development and promotion of the domestic waterborne commerce of the United States, process requests for designation of vessels as Great Lakes vessels, and administer implementation of environmental laws in conducting Maritime Administration activities.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for Port, Intermodal, and Environmental Activities shall provide executive direction over the following organizations:

Office of Ports and Domestic Shipping
Office of Intermodal Development
Office of Environmental Activities

OFFICE OF PORTS AND DOMESTIC SHIPPING

1. Mission. To promote the development and improved utilization of ports, port facilities, and domestic shipping including waterborne commerce in coastwise, intercoastal, and noncontiguous trade and domestic inland waterway commerce on lakes, rivers, canals, and other U.S. waterways, and provide technical information and advice to other agencies and organizations concerned with ports and domestic shipping.
2. Functions. Under the general direction and supervision of the Associate Administrator for Port, Intermodal, and Environmental Activities, the Director, Office of Ports and Domestic Shipping shall:
 - a. Formulate national and regional policies, objectives, and plans, and conduct programs for promotion, development, and utilization of ports and port facilities, coordinate efforts with other Government agencies and inform/advise those agencies, Congress, private industry, and state and local governments of national port needs, and represent the Maritime Administration and, when designated, the Federal Government or the United States in matters related to port development, operations, or other relevant domestic or international port activity.
 - b. Formulate and promote the development of advanced methodologies to enhance the competitive position of the domestic waterborne transportation industry, develop cost comparisons between competing domestic transportation modes to show the economy and effectiveness of the domestic waterborne mode and promote its development and use, and maintain liaison with operators, shippers, and other Government agencies, and concerned groups to encourage the expansion of domestic waterborne transportation and to present, discuss, and evaluate related problems and progress toward their solution.
 - c. Process requested "Jones Act," i.e., 46 U.S.C. 883 and 46 U.S.C. 289 waivers including the determination of availability of suitable U.S. vessels to perform the services for which a waiver is sought and prospects for domestic construction of such vessels.

Vertical line denotes change.

- d. Collect, analyze, and disseminate information relative to the development and utilization of ports and port facilities.
- e. Perform studies and analyses of commodity flows and traffic patterns in the domestic trades.

OFFICE OF INTERMODAL DEVELOPMENT

1. Mission. To promote development and improved utilization of marine-related intermodal transportation systems and provide technical information and advice to other agencies and organizations concerned with intermodal development.
2. Functions. Under the general direction and supervision of the Associate Administrator for Port, Intermodal, and Environmental Activities, the Director, Office of Intermodal Development shall:
 - a. Formulate national and regional policies, objectives, and plans and conduct programs for the development and use of intermodal transportation systems including containerization and container size standards.
 - b. Study and develop solutions for specific problems of marine-related intermodal transportation systems.
 - c. Develop plans and coordinate pilot operations concerned with improved techniques in marine-related intermodal transportation.
 - d. Inform and advise agencies and interests concerned with intermodal transportation problems, e.g., simplified documentation, and disseminate information relative to the development and utilization of intermodal transportation systems.
 - e. Represent Maritime Administration and, when designated, the Federal Government or the United States in matters related to intermodal transportation or any other relevant domestic or international intermodal activity, e.g., intermodal port access, state intermodal management systems, National Transportation System, Intermodal Surface Transportation Efficiency Act of 1991, and international container conventions.

OFFICE OF ENVIRONMENTAL ACTIVITIES

1. Mission. To promote the development and coordination of environmental activities in the Maritime Administration.
2. Functions. Under the general direction and supervision of the Associate Administrator for Port, Intermodal, and Environmental Activities, the Director, Office of Environmental Activities shall:
 - a. Provide technical guidance on action plans to protect the environment by the control and abatement of ship-generated pollution.
 - b. Provide staff and technical assistance to the Associate Administrator for Port, Intermodal, and Environmental Activities in support of that official's role as the Maritime Administration's Coordinator for Environmental Activities.

Vertical line denotes change.

- c. Investigate port involvement with local environmental problems and make recommendations to concerned environmental agencies.
- d. Disseminate information relative to Maritime Administration's environmental activities.

ASSOCIATE ADMINISTRATOR FOR NATIONAL SECURITY

1. Mission. To implement and administer the Maritime Security Program for assisting and maintaining a U.S.-flag merchant fleet to serve both the commercial and national security needs of the United States, formulate national policies and programs for operation, maintenance, and repair of administration-owned or acquired ships, develop emergency plans for the utilization and control of ports and port facilities under national mobilization conditions, and maintain liaison with Department of Defense officials on related matters.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Associate Administrator for National Security shall provide executive direction over the following organizations:

Office of Ship Operations
Office of National Security Plans
Office of Sealift Support

OFFICE OF SHIP OPERATIONS

1. Mission. To formulate national policies and programs for the operation, maintenance, and repair of administration-owned or acquired merchant ships including the maintenance of the National Defense Reserve Fleet.
2. Functions. Under the general direction and supervision of the Associate Administrator for National Security, the Director, Office of Ship Operations shall:
 - a. Develop programs and policies for the maintenance and inspection of the Ready Reserve Force ships in order to ensure that these ships can be reactivated within 5 or 10 days of notification, develop and administer yearly preservation work plans for each reserve fleet site, and develop plans for the acquisition, allocation, and operation of merchant ships in time of national emergency and administer these activities.
 - b. Administer ship preservation programs for the National Defense Reserve Fleet and the ship sales program, and conduct fleet service activities and engineering studies for new or improved methods, techniques, equipment, and materials.
 - c. Establish program inventory requirements and uniform ship repair and maintenance standards, techniques, methods, and procedures, and evaluate conformance.
 - d. Recommend terms of and assist in administration of general agency, ship management, charter, and related agreements on the operation, repair, and maintenance of ships.
 - e. Review and make recommendations on applications for construction-differential subsidy, operating-differential subsidy, ship financing guarantees, and operation of Government-owned ships under general agency, ship management, or charter agreement.

Vertical line denotes change.

- f. In coordination with other involved offices, develop and administer the Maritime Administration's program for disposal of vessels, transfer vessels to states and other governmental bodies and qualified non-government parties, and conduct competitive bid sales of vessels, including the disposal and acquisition of vessels under sections 508 and 510(i) of the Merchant Marine Act, 1936, as amended, Public Law 101-595, and Public Law 106-398, etc.

OFFICE OF NATIONAL SECURITY PLANS

1. Mission. To develop and maintain national security plans assuring the Maritime Administration fulfills its mobilization, war, and other national emergency obligations.
2. Functions. Under the general direction and supervision of the Associate Administrator for National Security, the Director, Office of National Security Plans shall:
 - a. Develop and maintain plans for carrying out the administration's responsibilities and functions in the event of mobilization for war or other national emergency, and maintain emergency resource evaluation data for the administration.
 - b. Provide representation and participate in the formulation of international and national plans for maritime emergency and mobilization activities.
 - c. Study the capability of U.S. merchant marine systems to meet national security requirements.
 - d. Develop and coordinate disaster assistance plans and programs of the administration to provide resources to appropriate authorities.
 - e. Operate Maritime Administration's Emergency Operations and Telecommunications Centers.
 - f. Formulate national emergency plans for Federal operational control of ports and port facilities under emergency mobilization conditions.

OFFICE OF SEALIFT SUPPORT

1. Mission. To ensure Maritime Administration provides the necessary sealift support to meet its obligations.
2. Functions. Under the general direction and supervision of the Associate Administrator for National Security, the Director, Office of Sealift Support shall:
 - a. Develop and ensure compliance with the Maritime Security Program, develop the emergency preparedness program for sealift support to ensure ship availability, and make appropriate recommendations to the U.S. Transportation Command, Department of Defense.
 - b. Provide liaison with U.S. Transportation Command, the National Security Council, and other agencies with sealift support activities.

Vertical line denotes change.

- c. Conduct studies and develop plans for sealift and reserve fleet ships including determination of fleet size, etc., required for national security.
- d. In coordination with other involved offices, administer the Maritime Administration's program for foreign transfer of U.S.-documented vessels, report all violations of sections 9, 37 (when operative), and 41 of the Shipping Act, 1916, as amended, approve or disapprove release of parties from liabilities under existing agreements and guarantees, and prepare and sign letters to notify parties of such approval or disapproval.
- e. Direct studies and supervise development and dissemination of reports on all areas of organized maritime labor. Certify eligibility and issue or arrange for issuance of merchant marine decorations and awards.
- f. Supervise development of plans to provide a reserve maritime work force for mobilization and other emergencies. Determine the need for and coordinate training programs for licensed and unlicensed personnel in maritime industries.

C - MARITIME ADMINISTRATION
REGIONS



MARITIME ADMINISTRATION FIELD ORGANIZATION

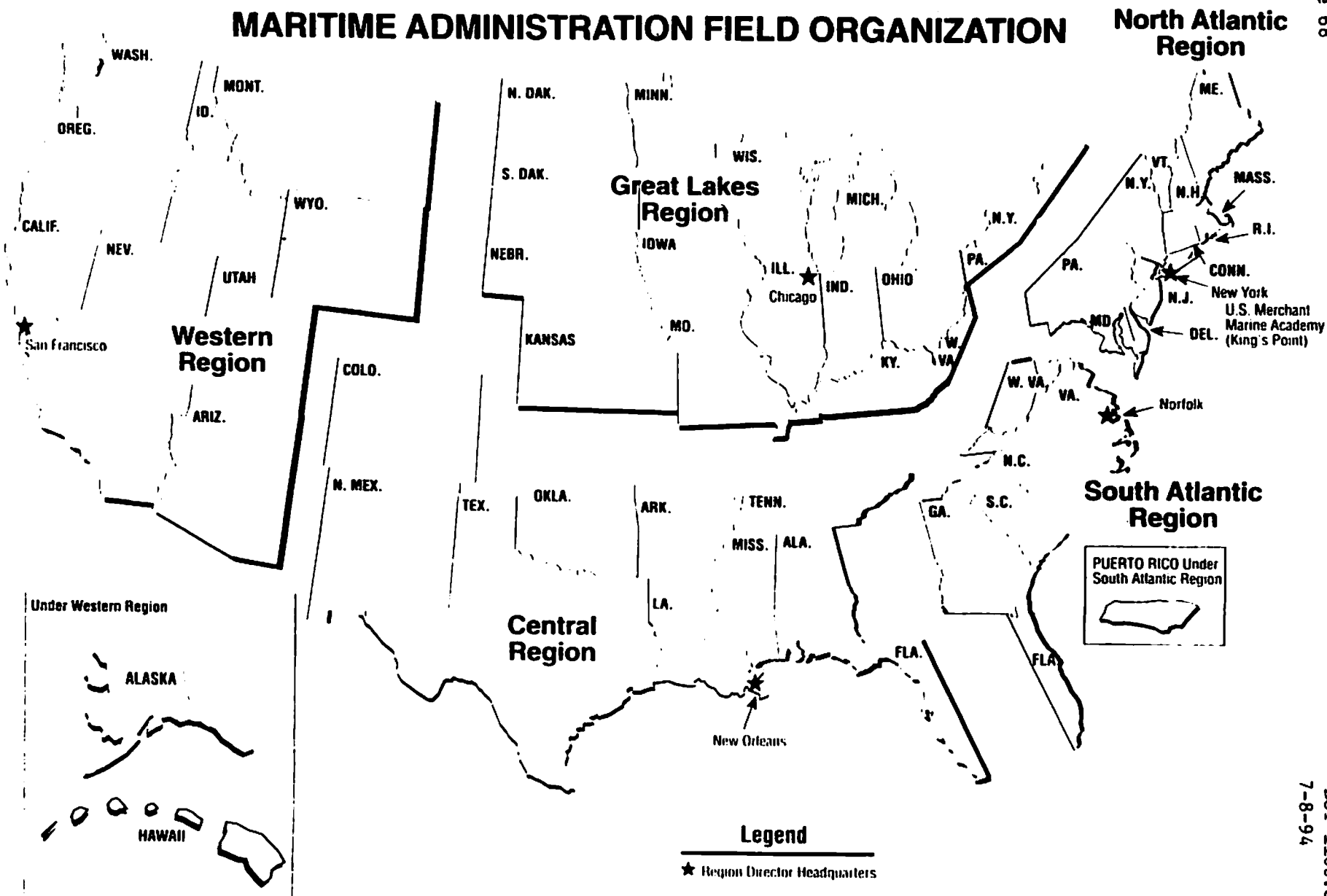


Figure C-1

MARITIME ADMINISTRATION MAP prepared May 1964

REGION OFFICES

REGION

HEADQUARTERS LOCATION

North Atlantic Region	New York, New York
Central Region	New Orleans, Louisiana
Great Lakes Region	Chicago, Illinois
Western Region	San Francisco, California
South Atlantic Region	Norfolk, Virginia

1. Mission. To provide for the accomplishment of assigned Maritime Administration programs at the region level consistent with the policies, determinations, procedures, and directives of the appropriate Washington, DC headquarters offices.
2. Functions. Under the general direction and supervision of the Maritime Administrator, the Region Directors shall be responsible for implementation of the following program activities within their respective regional areas:
 - a. Ship operations, financial analysis of the shipping industry, and custody and preservation of ships in the national defense reserve fleets.
 - b. Supplementary training for licensed and unlicensed personnel in the maritime industries.
 - c. Market development, port and intermodal transportation development, and environmental activities.
 - d. Utilization of disadvantaged/women-owned business enterprises through contractors and subcontractors and implementation of equal employment opportunity program and affirmative action plans.
 - e. Maritime aids support activities, administrative support activities and activities relating to operation, repair, and maintenance of ships.
3. Regional Boundaries. Maritime Administration's regional boundaries are shown in Figure C-1.

UNITED STATES MERCHANT MARINE ACADEMY
(Kings Point, New York)

1. Mission. To educate and graduate professional officers and leaders of honor and integrity, who are dedicated to serve the economic and national defense interests of the United States in our armed forces and merchant marine so as to tie America together through an effective intermodal transportation system.

4.

MARAD'S MISSION STATEMENT

MARAD's mission is to strengthen the U.S. maritime transportation system - including infrastructure, industry and labor - to meet the economic and security needs of the Nation. MARAD seeks to promote the development and maintenance of an adequate, well-balanced United States merchant marine, sufficient to carry the Nation's domestic waterborne commerce and a substantial portion of its waterborne foreign commerce, as well as be capable of serving as a naval and military auxiliary in time of war or national emergency. MARAD also seeks to ensure that the United States maintains adequate shipbuilding and repair services, efficient ports, effective intermodal water and land connections, and reserve shipping capacity for use in time of national emergency.

5.

Major Programs, Functions and Responsibilities

Maritime Security Program – The Maritime Security Program (MSP) and Voluntary Intermodal Sealift Agreement (VISA) programs provide sustainment sealift via commercial, U.S.-flag vessels. MSP is an asset management program. MARAD provides support to DOD by managing maritime assets and resources so that at any one time, 94 percent of those assets [representing sealift capacity] are available for use by DOD.

Ready Reserve Force - The U.S. Transportation Command (USTRANSCOM) is responsible for ensuring adequate sealift transportation of military cargo to support U.S. military deployments during the early, or "surge" stages of a military crisis and for logistics sustainment after initial deployment. USTRANSCOM relies on the Department of Transportation's Ready Reserve Force (RRF) ships to meet approximately half of their surge sealift requirement. DOD funds the maintenance of the RRF, and MARAD owns and manages the fleet. The RRF is composed of ships with special capabilities that can carry or offload heavy and oversized military cargoes which regular U.S. flag commercial cargo ships cannot.

Federal Maritime Education and Training Program - MARAD supports mariner education to help ensure adequate numbers of mariners replenish the mariner workforce. MARAD supports maritime training and education through full support of the operating requirements of the U.S. Merchant Marine Academy (USMMA) and partial support of the six State Maritime Schools (SMS). The USMMA and SMS are the principal source of officers for the merchant marine.

Cargo Preference - MARAD's cargo preference program exists to ensure compliance by both Federal agencies and shippers with cargo preference laws designed to maximize the use of U.S.-flag vessels when shipping U.S. government owned or sponsored cargoes. Where necessary, the program also determines fair and reasonable guideline rates for the shipment of preference cargoes so that the Federal government is not charged excessive costs. These laws help to ensure the existence of a significant portion of the U.S.-flag fleet operating in foreign commerce.

Maritime Guaranteed Loan Program (Title XI) – The Maritime Guaranteed Loan (MGL) Program was established to provide a Federal guarantee of private sector debt for ship construction and shipyard modernization and enables shipowners and shipyards to obtain long term financing with attractive terms that are generally not available from the private sector. The MGL program fosters and sustains the U.S. shipbuilding and repair industry and supports the continued existence of a U.S. merchant marine. This in turn preserves mariner jobs and jobs in the shipbuilding and ship repair industry, while assisting the Nation in meeting defense sealift requirements through the availability of new, modern U.S.-flag vessels.

Ship Disposal - MARAD is the U.S. government's disposal agent for merchant type vessels 1,500 gross tons or more and has custody of a fleet of over one hundred obsolete ships owned by the Federal government. Some of these ships are in very poor condition and pose a risk to the surrounding environment from hull failures and discharges of residual oil/fuels. MARAD conducts its Ship Disposal Program to help achieve DOT's Environmental Stewardship strategic objective to promote transportation solutions that enhance communities and protect the natural and built environment.

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