

appointment as General Agent, Berth Agent, or Ship Manager Contracts may be obtained from, along with inquiries and other written communications submitted to, the Maritime Administration, Attn: Sealift Operations, Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590, (202) 366-1943.

(c) *Approval.* After final approval of an Agent, the contracting office will transmit the applicable General Agency Agreement or Ship Manager Contract to the applicant for execution and return to MARAD.

§ 315.7 Transferred vessels and contracts.

The eligibility requirements of section 315.5(a) do not apply to a contractor managing vessels owned by the United States under a contract or contracts previously awarded by another federal agency if the contract, and the vessels managed under such contract, are subsequently transferred to MARAD, provided the period of performance of the transferred contract does not exceed the period of performance of the original contract, including options.

§ 315.9 Administration of agency agreements.

(a) *Amendments.* MARAD will make conforming amendments to all service agreements and ship manager contracts that are required due to changes in the *Federal Acquisition Regulation* or *Transportation Acquisition Regulation*.

(b) *Annual review of general agent representations and certifications.* General agents must certify annually that all representations and certifications incorporated in a general agency agreement are current, complete, and accurate, or provide new representations and certifications.

§ 315.11 Duties of agents.

The agent must perform all duties prescribed in the service agreement or ship manager contract, as such agreement is applicable, and must follow directions, orders, or regulations issued by MARAD.

§ 315.13 Vessel deactivation procedures.

When an agent is responsible as vessel operator to decommission and deliver a vessel to the NDRF, that agent must observe all the terms, procedures, and requirements prescribed by MARAD.

§ 315.15 Marine protection and indemnity insurance.

(a) *Insurer.* MARAD will be responsible for providing or obtaining P&I insurance for all vessels assigned to Agents under an agreement. At its

election, MARAD may be a self-insurer of any one or more vessels covered by an agreement or MARAD may obtain P&I insurance coverage under one or more policies written by underwriters of marine insurance. MARAD will determine the amount of coverage to be provided or obtained.

(b) *Insureds.* The United States of America, acting by and through MARAD, Department of Transportation, and its Agents (including Agents' employees as sub-agents). Sub-agents may be insureds only as expressly provided in the agreement. Independent contractors of the Agents are not insureds.

(c) *Reports of accidents and occurrences.* The Agent must report every accident or occurrence of a P&I nature promptly to both MARAD and the contracting officer named in the agreement. If MARAD has obtained P&I insurance through a marine insurance underwriter, the Agent also must concurrently file a report of such accident or occurrence with the underwriter. MARAD will disclose full details as the identity of such underwriter to the Agent.

(d) *Report of claims.* The Agent must submit a quarterly report of all claims of a P&I nature to MARAD. The report must contain all relevant information, e.g., the names of the vessels and of the claimant, the date of the injury or occurrence, the amount claimed, the basis for any payments already disbursed on behalf of the United States, estimated future costs, and an evaluation of the claim of the merits.

(e) *Settlement of claims.* After ascertaining from MARAD the availability of funds, the Agent is authorized to settle individual claims of a P&I insurance nature that do not exceed \$5,000.

(1) For a settlement more than \$5,000, the Agent must obtain MARAD's prior approval. If MARAD has placed the P&I insurance with an insurance underwriter, the Agent must obtain the prior approval of the underwriter to settle claims.

(2) The amount of individual claims that do not exceed the Agent's limit for settlement will be chargeable by the Agent to the vessel expense and must be accounted for in accordance with current MARAD accounting instructions.

(3) When settling any such claim, the Agent must advise the claimant that such settlement will be accounted for in accordance with current accounting instructions and must also advise the claimant that such settlement is not to be construed as an admission of liability

by or on behalf of the United States, the Agent, or any other person.

(4) The Agent must apply sound judgment and follow standard practices of vessel operators in the settlement or other disposition of such P&I insurance claims, and must settle such claims only when the settlement is adequately supported by all the facts and circumstances and is in the best interest of the United States.

(f) *Litigation.* (1) If a court suit of a P&I nature is filed which arises out of the activities of the Agent under its Agreement, wherein the Agent is named as the party defendant or one of the parties' defendant irrespective of whether the risk is covered by P&I insurance, the Agent must immediately forward copies of the pleading and all other related legal documents, by first class mail, to the Chief Counsel, Maritime Administration, Department of Transportation, 1200 New Jersey Avenue SE, Washington, DC 20590, and to the Attorney General, Attn: Civil Division, Torts Branch, Department of Justice, Washington, DC 20530. No agent or authorized subagent will incur any legal expenses in connection with any claim of a P&I nature, unless approved in advance by MARAD and by the underwriter, where applicable. However, the Agent may incur legal expenses if the mission of the vessel will be frustrated or impeded and/or time will not permit such prior approval.

(2) In the event of any attachment or seizure of a vessel, whether or not the risk is of a P&I nature, the Agent must immediately notify MARAD.

(Authority: 49 U.S.C. 109, 49 CFR 1.81)

By order of the Maritime Administration.
T. Mitchell Hudson, Jr.

Secretary, Maritime Administration.

[FR Doc. 2025-12101 Filed 6-27-25; 4:15 pm]

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DEPARTMENT OF TRANSPORTATION

Maritime Administration

46 CFR Parts 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, and 339

[Docket Number MARAD-2025-0092]

RIN 2133-AC04

Rescinding Regulations Providing Terms for Agency Agreements

AGENCY: Maritime Administration (MARAD), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: MARAD is deleting 46 CFR parts 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, and 339, which pertain to terms under agreements with agents. While MARAD is retaining its 46 CFR part 315 regulation addressing agency agreements and the appointment of agents, other regulations that simply provide static procedures to serve as terms of agreement are obsolete and are being rescinded because they are covered by clauses contained in the Federal Acquisition Regulation (FAR). In the more than 30 years since MARAD last updated its regulations, the development of its service agreements has benefited from the uniformity and transparency provided by FAR clauses, and MARAD has increased reliance on them.

DATES: This final rule is effective on July 1, 2025.

Privacy Act: Anyone can search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). For information on DOT's compliance with the Privacy Act, please visit <https://www.transportation.gov/privacy>.

FOR FURTHER INFORMATION CONTACT: Mitch Hudson, Office of the Chief Counsel, Division of Legislation and Regulation, (202) 366-9373 or via email at Mitch.Hudson@dot.gov. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 to contact the above individual during business hours. The FIRS is available twenty-four hours a day, seven days a week, to leave a message or question. You will receive a reply during normal business hours. You may send mail to Department of Transportation, Maritime Administration, Office of the Chief Counsel, Division of Legislation and Regulations, W24-220, 1200 New Jersey Avenue SE, Washington, DC 20590-0001.

SUPPLEMENTARY INFORMATION:

Electronic Access and Filing

An electronic copy of this document may also be downloaded by accessing the Office of the Federal Register's home page at: www.federalregister.gov.

Background

Improvement of regulations is a continuous focus for DOT and MARAD. For that reason, DOT/MARAD regularly and deliberately review their rules in accordance with DOT Order 2100.6B, Policies and Procedures for

Rulemakings, Executive Order (E.O.) 12866, Regulatory Planning and Review (Oct. 4, 1993), and section 610 of the Regulatory Flexibility Act. That process is summarized in Appendix D of DOT's semi-annual regulatory agenda. In addition, E.O. 14192, Unleashing Prosperity Through Deregulation (Feb. 6, 2025), and E.O. 14219, Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative (Feb. 19, 2025) directed agencies to further scrutinize their regulations to reduce unnecessary costs, clear barriers to emerging technology, and alleviate unnecessary regulatory burdens.

Discussion

As explained above, the high degree of specificity and procedural detail contained in 46 CFR parts 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, and 339 are better addressed through the terms of MARAD service agreements that are negotiated on a case-by-case basis, and the application of modern federal acquisition policies and procedures that are covered in the FAR. Removing such procedures from the regulations ensures that administrative methods are kept current with modern commercial business practices and more easily aligned with the contracted services. Accordingly, for the reasons provided, MARAD regulations at 46 CFR parts 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, and 339 are now being rescinded.

Rulemaking Analysis and Notices

Administrative Procedure Act

MARAD is issuing this rule without prior notice and the opportunity for public comment and the 30-day delayed effective date ordinarily prescribed by the Administrative Procedure Act (APA). Pursuant to section 553(b)(B) of the APA, general notice and the opportunity for public comment are not required with respect to a rulemaking when an "agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest."

The intent of this action is to remove unnecessary and obsolete MARAD procedures which have been superseded by FAR policies and procedures. For these reasons, MARAD has determined that there is good cause to waive prior notice and comment because rescinding obsolete and unhelpful agency

agreement regulations would not benefit from public input.

Executive Orders 12866 and DOT Rulemaking Procedures

This rule is not a significant regulatory action under Executive Order (E.O.) 12866 and DOT Order 2100.6B and, therefore it was not reviewed by the Office of Management and Budget. It is also not considered a major rule for purposes of Congressional review under Public Law 104-121. This rule is limited to removing obsolete regulations and will result in de minimis cost savings.

Executive Order 14192 (Deregulation)

E.O. 14192 requires that for "each new [E.O. 14192 regulatory action] issued, at least ten prior regulations be identified for elimination." Implementation guidance for E.O. 14192, issued by the Office of Management and Budget (OMB) (Memorandum M-25-20, March 26, 2025), defines an E.O. 14192 deregulatory action as "an action that has been finalized and has total costs less than zero." This rule will have total costs less than zero, and therefore is an E.O. 14192 deregulatory action.

Executive Order 13132 (Federalism)

MARAD analyzed this rulemaking in accordance with the principles and criteria contained in Executive Order 13132 ("Federalism") and has determined that it has no substantial effect on the States, on the current Federal-State relationship, or on the current distribution of power and responsibilities among the various local officials. Nothing in this document preempts any State law or regulation. Therefore, MARAD did not consult with State and local officials on this rulemaking and did not prepare a federalism summary impact statement.

Executive Order 13175 (Consultation and Coordination With Indian Tribal Governments)

MARAD does not believe that this rulemaking will significantly or uniquely affect the communities of Indian tribal governments when analyzed under the principles and criteria contained in Executive Order 13175 (Consultation and Coordination with Indian Tribal Governments). Therefore, the funding and consultation requirements of this Executive Order do not apply.

Regulatory Flexibility Act

The Regulatory Flexibility Act of 1980 requires MARAD to assess whether this rulemaking would have a significant

economic impact on a substantial number of small entities and to minimize any adverse impact. The regulations have been rendered obsolete and are therefore not used. Accordingly, the rescission of the regulations will impose no impact. MARAD certifies that this rulemaking will not have a significant economic impact on a substantial number of small entities.

Privacy Impact Assessment

Section 522(a)(5) of the Transportation, Treasury, Independent Agencies, and General Government Appropriations Act, 2005 (Pub. L. 108–447, div. H, 118 Stat. 2809 at 3268) requires the Department of Transportation and certain other federal agencies to conduct a privacy impact assessment of each proposed rule that will affect the privacy of individuals.

Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995 requires agencies to evaluate whether an agency action would result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$206 million or more (as adjusted for inflation) in any 1 year, and if so, to take steps to minimize these unfunded mandates. This rulemaking will not impose unfunded mandates under the Unfunded Mandates Reform Act of 1995. It will not result in costs of \$206 million or more to either State, local, or tribal governments, in the aggregate, or to the private sector, and is the least burdensome alternative that achieves the objectives of the rule. Therefore, the analytical requirements of UMRA do not apply.

Regulation Identifier Number (RIN)

A regulation identifier number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN number contained in the heading of this document can be used to cross-reference this action with the Unified Agenda.

Paperwork Reduction Act

Under the Paperwork Reduction Act of 1995 (PRA), a person is not required to respond to a collection of information by a federal agency unless the collection displays a valid OMB control number. This rulemaking includes no new collection of information.

List of Subjects

46 CFR Part 317

National defense, Surety bonds, Vessels.

46 CFR Part 324

National defense, Reporting and recordkeeping requirements, Uniform System of Accounts, Vessels.

46 CFR Part 325

National defense, Reporting and recordkeeping requirements, Uniform System of Accounts, Vessels, Wages.

46 CFR Part 326

Claims, Insurance, National defense, Vessels.

46 CFR Part 328

National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 329

National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 330

National defense, Vessels.

46 CFR Part 332

National defense, Seamen.

46 CFR Part 335

National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 336

Government contracts, National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 337

Customs duties and inspection, National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 338

Government contracts, National defense, Reporting and recordkeeping requirements, Vessels.

46 CFR Part 339

Government contracts, National defense, Vessels.

PARTS 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, AND 339— [REMOVED AND RESERVED]

■ For the reasons set forth in the preamble, under the authority of 49 U.S.C. 109, 49 CFR 1.81 MARAD amends 46 CFR chapter II, subchapter I—A by removing and reserving parts 317, 324, 325, 326, 328, 329, 330, 332, 335, 336, 337, 338, and 339.

By order of the Maritime Administration.
T. Mitchell Hudson, Jr.,
Secretary, Maritime Administration.
[FR Doc. 2025–12086 Filed 6–27–25; 4:15 pm]
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DEPARTMENT OF TRANSPORTATION

Maritime Administration

46 CFR Parts 340, 345, 346, and 347

[Docket Number MARAD–2025–0088]

RIN 2133–AB88

Rescinding Regulations Regarding Priority and Allocation Rules and Port Utilization

AGENCY: Maritime Administration (MARAD), Department of Transportation (DOT)

ACTION: Final rule.

SUMMARY: MARAD is rescinding four obsolete parts in its regulations pertaining to procedures for assigning priority use of commercial shipping services and port facilities, vessel allocation services, and port utilization under Title I of the Defense Production Act (DFA) of 1950. On October 1, 2012, the Department of Transportation (DOT), Office of the Secretary (OST) established the Department's Transportation Priorities and Allocation System (TPAS) in 49 Code of Federal Regulations (CFR) part 33, which replaces the subject regulations in 46 CFR parts 340 and 345–347 regarding priority use and allocation of shipping services, restrictions on port utilization transfer or changes, the standard form of service agreements for ports, and the standard form of marine terminal contracts. Rescinding these regulations will improve clarity with respect to the implementation and administration of TPAS and recognize the centralization of TPAS within DOT its administration by OST.

DATES: This final rule is effective on July 1, 2025.

FOR FURTHER INFORMATION CONTACT: Mitch Hudson, Office of the Chief Counsel, Division of Legislation and Regulation, (202) 366–9373 or via email at Mitch.Hudson@dot.gov. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during business hours. The FIRS is available twenty-four hours a day, seven days a week, to leave a message or question. You will receive a reply during normal business hours. You may send mail to Department of