

Document No. 210

May 29, 1935

FOR INFORMATION

**THE MARITIME LAW ASSOCIATION  
OF THE UNITED STATES**

---

**PENDING BILLS BEFORE CONGRESS**

---

**LIMITATION OF SHIPOWNERS' LIABILITY**

S. 2582. Committee Print, No. 5, May 14, 1935, as favorably reported by the Senate Committee on Commerce on May 24, 1935.

S. 2582 is known popularly as the "Subsidy Bill." After conclusion of hearings on H. R. 4550 (generally known as the Sirovich Bill), a new title was added to the Subsidy Bill in the Senate Committee on Commerce on the subject of Limitation of Shipowners' Liability, as follows:

*TITLE X.*

*LIMITATION OF SHIPOWNERS' LIABILITY.*

*Section 1001. Revised Statutes 4283, United States Code Title 46, section 183, shall be amended by adding the following proviso at the end thereof:*

*"Provided, That the liability of the owner or owners of any sea-going sailing, steam or motor vessel, other than tugs and barges, whether American or foreign, for any loss of life or personal injury caused without the fault or privity of such owner or owners to any person, shall not exceed an aggregate amount of \$50 for each ton of such vessel's tonnage, or the amount or value of the in-*

*terest of such owner in such vessel and her freight then pending, if the latter be the greater amount.*

*“The tonnage of a steam or motor vessel shall be her gross tonnage without deduction on account of engine room, and the tonnage of a sailing vessel shall be her registered tonnage, provided that there shall not be included in such tonnage any space occupied by seamen or apprentices and appropriated to their use.*

*“The owner of every sea-going vessel or share therein shall be liable in respect of every such loss of life or personal injury arising on distinct occasions to the same extent as if no other loss or injury had arisen.”*

The complete text of R. S. 4283 (46 U. S. Code, 183) would accordingly be altered to read as follows, if the Subsidy Bill is passed with Title X in its form as favorably reported to the Senate:

“R. S. 4283. LIABILITY OF OWNER NOT TO EXCEED INTEREST. The liability of the owner of any vessel, for any embezzlement, loss, or destruction, by any person, of any property, goods, or merchandise, shipped or put on board of such vessel, or for any loss, damage or injury by collision, or for any act, matter, or thing, loss, damage, or forfeiture, done, occasioned, or incurred without the privity, or knowledge of such owner or owners, shall in no case exceed the amount or value of the interest of such owner in such vessel, and her freight then pending.

*Provided, That the liability of the owner or owners of any sea-going sailing, steam or motor vessel, other than tugs and barges, whether American or foreign, for any loss of life or personal injury caused without the fault or privity of such owner or owners to any person, shall not exceed an aggregate amount of \$50 for each ton of such vessel's tonnage, or the amount or value of the interest of such owner in such vessel and her freight then pending, if the latter be the greater amount.*

*The tonnage of a steam or motor vessel shall be her gross tonnage without deduction on account of engine room, and the tonnage of a sailing vessel shall be her registered tonnage, provided that there shall not be included in such tonnage any space occupied by seamen or apprentices and appropriated to their use.*

*The owner of every sea-going vessel or share therein shall be liable in respect of every such loss of life or personal injury arising on distinct occasions to the same extent as if no other loss or injury had arisen."*

NOTE: The effect of the amendment appears to be to set a minimum of \$50 per ton for death and injury claims, below which the shipowner may never limit liability for claims of that character, arising on a "distinct occasion," rather than as at present, on a "voyage." The limitation laws in respect of claims of every other character appear to be left in their present form, unaltered.

---

#### HAGUE RULES

S. 1152. The Senate Committee on Merchant Marine, Radio & Fisheries held a hearing on May 10, printed copies of which are now available. The only opposition expressed emanated from the Associated Transatlantic Freight Conferences, which confined its opposition to two of the six amendments proposed by the U. S. Chamber of Commerce: (1) as to deviation to load or deliver cargo, and (2) as to strikes and lockouts "produced by the carrier for its own benefit."

As a result of further conferences, the strikes amendment has been redrafted in a form satisfactory to representatives of both cargo and the Transatlantic Conferences, so as merely to state "that nothing herein contained

shall be construed to relieve a carrier from responsibility for the carrier's own acts."

With this change, the Bill as amended at the May 10 hearing is being favorably reported to the Senate by Senator White, speaking for the Committee.

In the meantime, the Convention, to the ratification of which the Senate gave its consent on April 1, 1935, rests with the State Department on the understanding that Congress intends to legislate the Rules at this time prior to the conclusion of the formalities of ratification.

ARNOLD W. KNAUTH,  
*Secretary.*