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FOR INFORMATION

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

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*LIMITATION OF LIABILITY—NEW BILL IN HOUSE*  
H. R. 8918. INTRODUCED BY DR. SIROVICH, July 22, 1935.

The text of Title X of the House Subsidy Bill, H. R. 8555, as passed by the House on June 27, 1935 (for text see Document No. 212, pages 2198-2204, and Document No. 213, pages 2207-2208), has been introduced by DR. SIROVICH as a separate Bill, under the number of H. R. 8918, and referred to the Committee on Merchant Marine and Fisheries, of which Mr. Schuyler O. Bland is Chairman.

*LIMITATION OF LIABILITY—AS PART OF A NEW SUBSIDY BILL*  
*In the Senate*

S. 3376. Introduced by SENATOR COPELAND, August 6, 1935, and referred to the Committee on Commerce.

The new bill amends the Subsidy Bill, H. R. 8555, passed by the House on June 27, 1935. It amends Title X, as to Limitation of Liability, by substituting the language of S. 2582, Title X, as favorably reported by the Senate Committee on Commerce on May 24, 1935. The text of the Senate amendment of August 6, 1935, is printed herewith, on the next page.

If H. R. 8555 passes the Senate with the S. 3376 amendments, it will be sent to conference, where the conflict between the two versions of Title X will have to be settled.

If the Subsidy should be passed with Title X in the form favorably reported to the Senate, the complete text of R. S. 4283 (46 U. S. Code 183) would be altered to read as follows (*new matter in italics*; no old matter deleted):

“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.*

*Effective Date. Sec. 1113. The provisions of this Act shall take effect 30 days after the date of its enactment, except as otherwise provided in this Act and except that Section 201 shall take effect on such date.”*

NOTE: The limitation laws would in all other respects remain in their present form, unaltered.

The effect of the amendment appears to be that a limitation proceeding will be carried through as heretofore; and that if in the result the claimants for loss of life and for personal injury are not wholly satisfied, their claims shall be further satisfied until the shipowner shall have paid them \$50 per ton, or the value of the vessel after the disaster, plus her freight, whichever is the greater amount.

The owner may limit, as heretofore, once against all the claims of the voyage; but the right of loss of life and injury claimants to further satisfaction shall be applied to each "distinct occasion" of loss.

The British law similarly applies to "distinct occasions" [Merchant Shipping Act, 1894, Sec. 503(3)]. The Brussels Convention applies to "single accidents" (un même accident) (Art. 6). Neither applies to the crew, whose remedies are governed by the national law, which in European countries is workmen's compensation.

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On July 29, 1935, Congressman Bland, referring to H. R. 8918, wrote the Secretary as follows:

"HOUSE OF REPRESENTATIVES U. S.  
COMMITTEE ON  
MERCHANT MARINE AND FISHERIES  
WASHINGTON, D. C.

Mr. Arnold W. Knauth, Secretary,  
The Maritime Law Association of the U. S.,  
80 Broad Street,  
New York City.

Dear Mr. Knauth:

Enclosed please find new bill introduced by Dr. Sirovich on limitation of liability which is substantially similar to the provisions in Title X of the subsidy bill as passed. Please note the insurance features which I am afraid will prove so burdensome on American ships that they

will be forced out of business or driven to foreign flags, and especially if no subsidy is granted.

One alternative would be the imposition of similar requirements on foreign ships entering our ports. I fear the provisions in the subsidy bill went too far. I should like to have your comments at once as the patron of this bill is urging a report.

If you can do so, please give me your views:

- (1) on the practicability and workability of the insurance provisions;
- (2) probable cost on American ships;
- (3) effect on American shipping;
- (4) and any other suggestions you may care to make.

Yours very sincerely,

S. O. BLAND,  
Chairman."

After efforts to consult the members of the Special Committee on Limitation and the Executive Committee, which were only partly successful because of the summer holidays, the Secretary has written Congressman Bland as follows:

"August 6, 1935.

Honorable Schuyler Otis Bland,  
Chairman of Committee on Merchant Marine,  
House of Representatives,  
Washington, D. C.

My dear Congressman Bland:

Referring to your request of July 29th, for some information about the probable workings of Dr. Sirovich's limitation bill H. R. 8918 (which is identical with H. R. 8555 [Title X] and practically identical with S. 3285), the scattering of people for the summer has, to my regret, made it impossible to obtain for you an organized expression of opinion during the intervening week.

The news this morning that further conferences are resulting in amendments to H. R. 8555 so as to amend (among other things) Title X leads me to hope that you are obtaining informal views on the subject since you wrote me. It is my understanding that H. R. 8555 in its new shape before the Senate will substitute, for Title X as passed by the House, Title X of S. 2582 as favorably reported by the Senate Committee on Commerce on May 24th.

Very truly yours,

ARNOLD W. KNAUTH,  
Secretary."

LIMITATION OF LIABILITY—FRENCH ACTION

The actual text of the new French law is as follows:

*Loi Portant Approbation de la Convention Internationale sur la Responsabilité du Propriétaire du Navire, Signée à Bruxelles le 25 Août 1924.*

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Journal officiel du 24 février 1935

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Article unique: Le Président de la République est autorisé à ratifier et, s'il y a lieu, à faire exécuter la convention internationale sur la responsabilité du propriétaire du navire signée à Bruxelles le 25 août 1924.

Une copie certifiée conforme de la convention sera annexée à la présente loi.

*Translation:* Single article: The President of the Republic is authorized to ratify and, if appropriate, to proclaim the international convention relating to the liability of shipowners signed at Brussels on August 25, 1924.

A suitable certified copy of the convention shall be annexed to this Act.

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A translation of the convention will be found in Document No. 196, pages 2020-2025. The effect of Article 15 is that ship-owners in France will have to respond to liability for *death and injury claims* (except the crew, who are under Workmen's Compensation) up to 1,000 francs (£8, or say \$40) per ton; and for *all other claims* by surrender of the ship and freight but not exceeding 1,000 francs (£8) per ton. Freight is in every case assumed to be 10% of the sound value of the vessel. See Document No. 214, pages 2213-2214.

SHIP MORTGAGES AND LIENS—ACTION OF FRANCE

The actual text of the new French law is as follows:

*Loi Portant Approbation de la Convention Internationale pour l'Unification de Certaines Regles Relatives aux Privilèges et Hypothèques Maritimes, Signée à Bruxelles le 10 Avril 1926.*

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Journal officiel du 24 février 1935

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Article unique: Le Président de la République est autorisé à ratifier et, s'il y a lieu, à faire exécuter la convention internationale pour l'unification de certaines règles relatives aux privilèges et hypothèques maritimes, signée à Bruxelles le 10 avril 1926.

Une copie certifiée conforme de la convention est annexée à la présente loi.

*Translation:* Single article: The President of the Republic is authorized and, if appropriate, to proclaim the international convention for the unification of certain Rules relating to maritime liens and mortgages, signed at Brussels on April 10, 1926.

A suitable certified copy of the convention shall be annexed to this Act.

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See Document No. 214, page 2214.

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## HAGUE RULES—FRENCH POSITION

The French Chamber of Deputies has passed a bill adopting the International Convention for the Unification of Certain Rules Relating to Ocean Bills of Lading (Hague Rules) signed at Brussels August 25, 1924, but with a number of amendments. The French Senate has passed a bill enacting the Rules without any amendments.

The matter is now with a Committee of the Chamber of Deputies, which is reported to have voted to accept the Senate bill and recommended enactment of the Rules in their original form with the proviso that they shall become effective when Italy, Norway and Germany shall enact them.

## BILLS PASSED BY CONGRESS

*H. R. 29*

## LEGAL COSTS

Passed House in April, 1935. Passed Senate on unanimous consent, July 29, 1935.

Sent to President and signed August 3, 1935.

Text printed in Document No. 203, pages 2084-2085.

*H. R. 67*

To repeal certain laws that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American ships.

Passed House and Senate, and sent, on June 11, to the President, who has signed it.

*H. R. 115*

To prevent "renaturalization" of coastwise ships sold to foreign flags.

Amending Section 27 of the Merchant Marine Act of 1920.

Passed House and Senate, and, on June 26, 1935, sent to the President.

*H. R. 4982*

PREFERRED MORTGAGES FOR VESSELS UNDER 200 TONS

Passed by House and Senate and signed by the President.

NEW BILLS IN CONGRESS

*H. R. 8916*

Introduced by Mr. O'Connor of New York, July 23, 1935.  
Same as S. 1080 (Senator Sheppard), January 16, 1935.

The purpose appears to be to give a Jones Act remedy *in rem* as well as *in personam* and to enable seamen injured on foreign ships to sue in American courts under the Jones Act. It "shall not apply to persons covered by the Longshoremen's and Harbor Workers' Compensation Act," but might apply to persons covered by the Workmen's Compensation Law of the country whose flag the vessel flies.

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