

GRANTING THE MASTERS OF CERTAIN U.S. VESSELS A
LIEN ON THOSE VESSELS FOR THEIR WAGES AND FOR
CERTAIN DISBURSEMENTS

M E S S A G E

FROM

THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL THE BILL (H.R. 162) TO GRANT THE MASTERS
OF CERTAIN U.S. VESSELS A LIEN ON THOSE VESSELS FOR THEIR
WAGES AND FOR CERTAIN DISBURSEMENTS

DECEMBER 11, 1967.—Referred to the Committee on Merchant Marine and
Fisheries and ordered to be printed, together with the accompanying bill

To the House of Representatives:

I am returning H.R. 162 without my approval.

This measure could seriously endanger private financing for ship construction.

It could lead to far greater government subsidies for the merchant fleet—and place an undue and unnecessary financial burden on the American taxpayer.

It could also result in extended litigation.

In short, H.R. 162 is bad public policy.

The preferred ship mortgage is a useful and time-tested private financing device for building our merchant fleet. The holders of these mortgages are now secured creditors. Under existing law, their liens are paid immediately after those for seamen's wages, tort judgments or other contract liens which attached prior to the preferred mortgage.

The mischief in H.R. 162 is this: it would—for the first time—give the highest priority lien to those who contract with the ship's master for ship supplies and other items. As a result, it places these suppliers and contractors in a superior position to the holders of preferred ship mortgages.

In substance, H.R. 162 could reduce the preferred mortgage holder virtually to the status of an unsecured creditor.

This could destroy the usefulness of the preferred ship mortgage as a means of privately financing merchant ship construction—a method which Congress itself authorized and approved in the Ship Mortgage Act of 1920.

Some portions of H.R. 162 are desirable. I believe it is wise to give the master of a vessel a lien for his wages that would have the same high priority as a seaman has for his. This affords the master greater protection for the fruits of his labor.

If the Congress enacts a bill so safeguarding the shipmaster's wages—without the offending provision I have discussed above—I would be happy to approve it.

LYNDON B. JOHNSON.

THE WHITE HOUSE, December 8, 1967.

H.R. 162

NINETYETH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE FIRST SESSION,
 BEGUN AND HELD AT THE CITY OF WASHINGTON ON TUESDAY, THE TENTH DAY
 OF JANUARY, ONE THOUSAND NINE HUNDRED AND SIXTY-SEVEN

AN ACT To grant the masters of certain United States vessels a lien on those vessels for their wages and for certain disbursements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the master of a vessel documented, registered, enrolled, or licensed under the laws of the United States shall have the same lien for his wages against such vessel and the same priority as any other seaman serving on such vessel.

(b) Sections 4546 and 4547 of the Revised Statutes of the United States (46 U.S.C. 603 and 604) shall not apply in any proceeding brought by a master for the enforcement of the lien granted by this section.

(c) Section 4535 of the Revised Statutes of the United States (46 U.S.C. 600) is amended by striking out "seaman" each place it appears and inserting in lieu thereof at each such place "master or seaman".

(d) Section 12 of the Act of March 4, 1915, as amended (38 Stat. 1164; 46 U.S.C. 601), is amended (1) by striking out "seaman or apprentice" each place it appears and inserting in lieu thereof at each such place "master, seaman, or apprentice", and (2) by striking out in the first proviso thereof "any seaman" and inserting in lieu thereof "any master or seaman".

(e) A master shall have the same lien and the same priority for disbursements or liabilities properly made or incurred by him for or on account of the vessel as he has, under the provisions of this section, for his wages.

Sec. 2. For the purposes of this Act, section 4535 of the Revised Statutes of the United States and section 12 of the Act of March 4, 1915, as amended (38 Stat. 1164; 46 U.S.C. 601), the term "master" shall include every person having command of any vessel documented, registered, enrolled, or licensed under the laws of the United States, except a person who has a financial interest valued at 5 per centum or more either of the corporation, partnership, or association which owns the vessel against which the lien is claimed, or of the market value of the vessel against which the lien is claimed.

JOHN W. McCORMACK,
Speaker of the House of Representatives.
 HUBERT H. HUMPHREY,
Vice President of the United States and
President of the Senate.

[Endorsement on back of bill:]

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS, *Clerk.*

