



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 *[insert date of publication]*.

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, D.C. 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. Accordingly, MARAD has identified its priority and allocation rules, its port utilization regulations, the standard form of service agreements for ports, and the standard form of marine terminal contracts, for deletion.

Discussion

The Defense Production Act of 1950 (Defense Production Act) (50 U.S.C. App. 2061 et seq.) was enacted during the Korean War to ensure the availability of resources to meet national security needs. The Defense Production Act expedites and expands the supply of critical resources from the U.S. industrial base to support the national defense. While Defense

Production Act provisions initially focused on Department of Defense (DoD) acquisition needs, several significant changes to the Defense Production Act's definition of national defense have been added over time to expand the definition from military, energy, and space activities, to include emergency preparedness activities conducted pursuant to title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and the protection and restoration of critical infrastructure.

Section 101(a) of title I of the Defense Production Act (50 U.S.C. App. 2071) authorizes the President to require performance under contracts or orders necessary for the national defense to take priority over performance under other contracts and orders, and to make allocations as necessary to promote the national defense. E.O. 13603, National Defense Resources Preparedness (Mar. 16, 2012), delegates the President's authority under section 101 of the Defense Production Act to the heads of several departments and agencies. The President has delegated this authority to the Secretary of Transportation (Secretary) with respect to all forms of civil transportation.¹

The Defense Production Act Reauthorization of 2009 (50 U.S.C. Chapter 55, Pub. L. 111-67, September 30, 2009) required each federal agency with delegated authority under section 101 of the Defense Production Act to issue rules establishing standards and procedures by which the priorities and allocations authority is used to promote the national defense, under both emergency and non-emergency conditions. Further, Congress directed that, to the extent practicable, the federal agencies should work together to develop a consistent and unified federal priorities and allocations system.

To meet this mandate, DOT worked in conjunction with the Department of Agriculture, the Department of Commerce, DoD, the Department of Energy, the Department of Health and Human Services, and the Department of Homeland Security to develop common provisions that can be used by each Department in its own regulation. The six regulations to be promulgated by

¹ Section 201 of E.O. 13603.

each Department with delegated Defense Production Act title I authority comprise the Federal Priority and Allocation System (FPAS) rules.

On October 1, 2012, DOT published a final rule clarifying the priority and allocation authorities exercised by the Secretary and establishing the administrative procedures by which the Secretary exercises this authority. The rule complied with the requirement in the Defense Production Act Reauthorization of 2009 (50 U.S.C. Chapter 55, Pub. L. 111-67) to issue final rules establishing standards and procedures by which the priority and allocation authority is used to promote the national defense, under both emergency and nonemergency conditions, and as part of a multi-agency effort forming the FPAS. As a result of DOT adding Part 33 to Title 49 of the CFR, titled Transportation Priorities and Allocation System (TPAS), all DOT Operating Modes rely on TPAS in place of their individual regulations pertaining to priorities and allocation. Accordingly, MARAD regulations at 46 CFR Parts 340, 345, 346, and 347, superseded by Part 33, are obsolete and are now being deleted. The corresponding TPAS regulations for each of those parts is provided in Table 1.

Table 1–Obsolete Title 46 Regulations and TPAS Corollaries

<p>Part 340 <i>Priority Use and Allocation of Shipping Services, Containers and Chassis, and Port Facilities and Services for National Security and National Defense Related Operations</i></p>	<p>Superseded by DOT TPAS implementing regulations at 49 CFR Part 33 and accompanying change in related delegations of authority.</p>
<p>Part 345 <i>Restrictions Upon the Transfer or Change in Use or in terms Governing Utilization of Port Facilities</i></p>	<p>Superseded by DOT TPAS implementing regulations at 49 CFR Part 33 and accompanying change in related delegations of authority.</p>
<p>Part 346 <i>Federal Port Controllers</i></p>	<p>Superseded by DOT TPAS implementing regulations at 49 CFR Part 33 and</p>

	accompanying change in related delegations of authority.
Part 347 <i>Operating Contract</i>	Superseded by DOT TPAS implementing regulations at 49 CFR Part 33 and accompanying change in related delegations of authority.

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 DPA Reauthorization Act of 2009 (Pub. L. 111-67) required DOT to establish standards and procedures by which priorities and allocations authority is used to promote the national defense under both emergency and nonemergency conditions. DOT implemented the requirements through a multi-agency effort forming TPAS and returning all prior Operating Administration delegations of authority back to the Office of the Secretary. The intent of this action is to remove unnecessary and obsolete MARAD regulations which were superseded when pursuant to DOT DPA authority, DOT promulgated the TPAS regulations thereby subsuming any MARAD responsibility to regulate in this area. DOT’s administration of priority and allocation authorities is governed by the TPAS regulations promulgated after consideration of public comment on October 1, 2012.² DOT has determined that it is therefore unnecessary to

² See 77 FR 59793 (Oct. 1, 2012).

seek prior notice and comment because MARAD does not have authority to maintain TPAS regulations and is merely removing obsolete regulations from the Code of Federal Regulations.

Executive Orders 12866 and DOT Rulemaking Procedures

This rule is not a significant regulatory action under E.O. 12866 and DOT Order 2100.6B and, therefore, it was not reviewed by the Office of Management and Budget.

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)

This rulemaking will not 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, if so, to minimize any adverse impact. The regulations have been rendered obsolete and are therefore not used. Accordingly, the release 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 (5 U.S.C. 552a, 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.

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.

Congressional Review Act

The Congressional Review Act, 5 U.S.C. 801 et. seq., as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. DOT will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States. This rule does not constitute a major rule as defined in 5 U.S.C. 804(2).

List of Subjects

46 CFR Part 340

Harbors, Maritime carriers, National defense, Packaging and containers.

46 CFR Part 345

Harbors, National defense.

46 CFR Part 346

Government contracts, Harbors, Intergovernmental relations, National defense.

46 CFR Part 347

Governmental contracts, Harbors, National defense.

PARTS 340, 345, 346, and 347—[REMOVED AND RESERVED]

For the reasons set forth in the preamble, under the authority of 49 U.S.C. section 109, 49 CFR 1.81, MARAD amends 46 CFR chapter II, subchapter I-A by removing and reserving part 340 and amends subchapter I-B by removing and reserving parts 345, 346, and 347.

By order of the Maritime Administration.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

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