

TITLE 33 - NAVIGATION AND NAVIGABLE WATERS

CHAPTER 19 - SAINT LAWRENCE SEAWAY

§ 985. Bonds; issuance; maturity; redemption; interest; purchase of obligations by Secretary of the Treasury

(a) To finance its activities, the Corporation may issue revenue bonds payable from corporate revenue to the Secretary of the Treasury. The total face value of all bonds so issued shall not be greater than \$140,000,000. Not more than fifty per centum of the bonds may be issued during any one year. Such obligations shall have maturities agreed upon by the Corporation and the Secretary of the Treasury, not in excess of fifty years. Such obligations may be redeemable at the option of the Corporation before maturity in such manner as may be stipulated in such obligations, but the obligations thus redeemed shall not be refinanced by the Corporation. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Corporation to be issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under chapter 31 of title 31 are extended to include any purchases of the Corporation's obligations hereunder.

(b) Effective as of October 21, 1970, the obligations of the Corporation incurred under subsection (a) of this section shall bear no interest, and the obligation of the Corporation to pay the unpaid interest which has accrued on such obligations is terminated.

(May 13, 1954, ch. 201, § 5, 68 Stat. 94; Pub. L. 85–108, § 1(4), July 17, 1957, 71 Stat. 307; Pub. L. 91–469, § 43(a), Oct. 21, 1970, 84 Stat. 1038.)

Codification

In subsec. (a), “chapter 31 of title 31” substituted for “the Second Liberty Bond Act, as amended” on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Amendments

1970—Subsec. (a). Pub. L. 91–469, § 43(a)(1), designated existing provisions as subsec. (a) and struck out fourth, fifth, and eighth sentences which provided for deferral, with approval of Secretary of the Treasury, of interest payments on bonds but required interest payments so deferred to bear interest after June 30, 1960; prohibited charging of deferred interest against debt limitation of \$140,000,000; and prescribed for each obligation a rate of interest determined by the Secretary, taking into consideration the current average rate on current marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of the obligation of the Corporation.

Subsec. (b). Pub. L. 91–469, § 43(a)(2), added subsec. (b).

1957—Pub. L. 85–108 increased Corporation's borrowing authority from \$105,000,000 to \$140,000,000; omitted first year bond issue limitation, and raised limits of bond issues for any year from 40 to 50 per centum of total borrowing power; and authorized deferment of interest payments on borrowings, excluding such deferred interest charges from the debt limitation of \$140,000,000.