

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1727

To establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 19 (legislative day, NOVEMBER 2), 1993

Mr. COHEN introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the "National Maritime  
5        Heritage Act of 1993".

6        **SEC. 2. FINDINGS.**

7        Congress finds and declares that—

1           (1) the United States is a maritime nation with  
2 rich maritime history, and it is desirable to foster in  
3 the American public a greater awareness and appre-  
4 ciation of the role of maritime endeavors in our Na-  
5 tion's history and culture;

6           (2) the maritime historical and cultural founda-  
7 tions of the Nation should be preserved as a part of  
8 our community life and development;

9           (3) national, State, and local groups have been  
10 working independently to preserve the maritime her-  
11 itage of the United States;

12           (4) historic resources significant to the Nation's  
13 maritime heritage are being lost or substantially al-  
14 tered, often inadvertently, with increasing frequency;

15           (5) the preservation of this irreplaceable mari-  
16 time heritage is in the public interest so that its  
17 vital legacy of cultural, educational, aesthetic, inspi-  
18 rational, and economic benefits will be maintained  
19 and enriched for future generations of Americans;

20           (6) in the face of ever-increasing development,  
21 the present governmental and nongovernmental his-  
22 toric preservation programs and activities are inad-  
23 equate to ensure future generations a genuine oppor-  
24 tunity to appreciate and enjoy the rich maritime her-  
25 itage of our Nation;

1           (7) a coordinated national program is needed to  
2 immediately redress the adverse consequences of a  
3 period of indifference during which the heritage of  
4 the United States has become endangered and to en-  
5 sure the future preservation of the Nation's mari-  
6 time heritage;

7           (8) a national maritime heritage policy would  
8 greatly increase public awareness of the educational,  
9 recreational, and preservation values of maritime  
10 heritage; and

11           (9) the creation of a National Maritime Trust  
12 for Historic Preservation in the United States would  
13 greatly enhance maritime preservation.

14 **SEC. 3. NATIONAL MARITIME HERITAGE POLICY.**

15       It shall be the policy of the Federal Government in  
16 partnership with the States and local governments and  
17 private organizations and individuals to—

18           (1) use measures, including financial and tech-  
19 nical assistance, to foster conditions under which our  
20 modern society and our historic maritime resources  
21 can exist in productive harmony and fulfill the so-  
22 cial, economic, and other requirements of present  
23 and future generations;

24           (2) provide leadership in the preservation of the  
25 historic maritime resources of the United States;

1           (3) contribute to the preservation historic mari-  
2           time resources and give maximum encouragement to  
3           organizations and individuals undertaking preserva-  
4           tion by private means; and

5           (4) assist State and local governments to ex-  
6           pand and accelerate their maritime historic preserva-  
7           tion programs and activities.

8   **SEC. 4. NATIONAL MARITIME TRUST.**

9           (a) CREATION.—To further the policy enunciated in  
10          this Act to facilitate public participation in the preserva-  
11          tion of maritime sites, buildings, and objects of signifi-  
12          cance or interest, and to further the education of the  
13          American public about the importance of our maritime  
14          heritage, there is hereby created a charitable, educational,  
15          and nonprofit corporation, to be known as the National  
16          Maritime Trust.

17          (b) PURPOSE.—The purposes of the National Mari-  
18          time Trust shall be to—

19               (1) receive donations of real property and ob-  
20               jects significant in American maritime history and  
21               culture;

22               (2) preserve and administer them for public  
23               benefits;

24               (3) accept, hold, and administer gifts of money,  
25               securities, or other property of whatsoever character

1 for the purpose of carrying out a maritime preserva-  
2 tion and education program; and

3 (4) execute other functions as are vested in it  
4 by this Act.

5 (c) PRINCIPAL OFFICE.—The National Maritime  
6 Trust shall have its principal office in the District of Co-  
7 lumbia and shall be deemed, for purposes of venue in civil  
8 actions, to be an inhabitant and resident thereof. The Na-  
9 tional Maritime Trust may establish offices in other places  
10 as it may deem necessary or appropriate in the conduct  
11 of its business.

12 (d) ADMINISTRATION OF NATIONAL TRUST.—

13 (1) COMPOSITION OF BOARD OF TRUSTEES.—

14 (A) The affairs of the National Maritime  
15 Trust shall be under the administration of a  
16 board composed as follows: the Secretary of  
17 Transportation, the Secretary of Commerce,  
18 and the Secretary of the Navy, ex officio; and  
19 not less than six general trustees who shall be  
20 citizens of the United States (one of whom shall  
21 be a State Historic Preservation officer whose  
22 State has an agreement with the Secretary  
23 under section 5 of the Act), to be chosen as  
24 hereinafter provided.

1           (B) The Secretary of Transportation, the  
2           Secretary of Commerce, and the Secretary of  
3           the Navy, when it appears desirable in the in-  
4           terest of the conduct of the business of the  
5           board and to the extent as they deem it advis-  
6           able, may, by written notice to the National  
7           Maritime Trust, designate any officer of their  
8           respective departments to act for them in the  
9           discharge of their duties as a member of the  
10          board of trustees.

11          (C) The number of general trustees shall  
12          be—

13                 (i) fixed by the Board of Trustees of  
14                 the National Maritime Trust;

15                 (ii) chosen by the members of the Na-  
16                 tional Maritime Trust from its members at  
17                 any regular meeting of the National Mari-  
18                 time Trust; and

19                 (iii) appointed by the Secretary of  
20                 Transportation.

21          (2) TERMS OF OFFICE.—The respective terms  
22          of office of the general trustees shall be as pre-  
23          scribed by the said board of trustees but in no case  
24          shall exceed a period of five years from the date of  
25          election. A successor to a general trustee shall be

1 chosen in the same manner and shall have a term  
2 expiring five years from the date of the expiration of  
3 the term for which the trustees predecessor was cho-  
4 sen, except that a successor chosen to fill a vacancy  
5 occurring prior to the expiration of such term shall  
6 be chosen only for the remainder of that term. The  
7 chairman of the board of trustees shall be elected by  
8 a majority vote of the member of the board.

9 (3) COMPENSATION AND EXPENSES.—No com-  
10 pensation shall be paid to the members of the board  
11 of trustees for their services as such members, but  
12 they shall be reimbursed for travel and actual ex-  
13 penses necessary incurred by them in attending  
14 board meetings and performing other official duties  
15 on behalf of the National Maritime Trust at the di-  
16 rection of the board.

17 (e) POWERS AND DUTIES OF NATIONAL MARITIME  
18 TRUST.—To the extent necessary to enable it to carry out  
19 the functions vested in it by this Act, the National Mari-  
20 time Trust shall have the following general powers:

21 (1) To have succession until dissolved by Act of  
22 Congress, in which event title to the properties of  
23 the National Maritime Trust, both real and per-  
24 sonal, shall, insofar as consistent with existing con-  
25 tractual obligations and subject to all other legally

1 enforceable claims or demands by or against the Na-  
2 tional Maritime Trust, at the discretion of the Sec-  
3 retary of the Interior, pass to and become vested in  
4 the United States of America.

5 (2) To sue and be sued in its corporate name.

6 (3) To adopt, alter, and use a corporate seal  
7 which shall be judicially noticed.

8 (4) To adopt a constitution and to make such  
9 bylaws, rules, and regulations, not inconsistent with  
10 the laws of the United States or of any State, as it  
11 deems necessary for the administration of its func-  
12 tions under this Act, including among other matter,  
13 bylaws, rules, and regulations governing visitation to  
14 maritime historic properties, administration of cor-  
15 porate funds, and the organization and procedure of  
16 the board of trustees.

17 (5) To accept, hold, and administer gifts and  
18 bequests of money, securities, or other personal  
19 property of whatsoever character, absolutely or in  
20 trust, for the purposes for which the National Mari-  
21 time Trust is created. Unless otherwise restricted by  
22 the terms of the gift or bequest, the National Mari-  
23 time Trust is authorized to sell, exchange, or other-  
24 wise dispose of and to invest or reinvest in such in-  
25 vestments as it may determine from time to time the

1 moneys, securities, or other property given or be-  
2 queathed to it. The principal of such corporate  
3 funds, together with the income therefrom and all  
4 other revenues received by it from any source what-  
5 soever, shall be placed in such depositories as the  
6 National Maritime Trust shall determine and shall  
7 be subject to expenditure by the National Maritime  
8 Trust for its corporate purposes.

9 (6) To acquire by gift, devise, purchase, or oth-  
10 erwise, absolutely or on trust, and to hold and, un-  
11 less otherwise restricted by the terms of the gift or  
12 devise, to encumber, convey, or otherwise dispose of,  
13 any real property, or any estate or interest therein  
14 (except property within the exterior boundaries of  
15 national parks and national monuments), as may be  
16 necessary and proper in carrying into effect the pur-  
17 poses of the National Maritime Trust.

18 (7) To contract and make cooperative agree-  
19 ments with Federal, State, or municipal departments  
20 or agencies, corporations, associations, or individ-  
21 uals, under such terms and conditions as it deems  
22 advisable, respecting the protection, preservation,  
23 maintenance, or operation of any maritime historic  
24 site, building, object, or other property used in con-  
25 nection them-with for public use, regardless of

1 whether the National Maritime Trust has acquired  
2 title to the properties, or any interest therein.

3 (8) To enter into contracts generally and to  
4 execute all instruments necessary or appropriate to  
5 carry out its corporate purposes, which instruments  
6 shall include such concession contracts, leases, or  
7 permits for the use of lands, buildings, or other  
8 property deemed desirable either to accommodate  
9 the public or to facilitate administration.

10 (9) To appoint and prescribe the duties of such  
11 officers, agents, and employees as may be necessary  
12 to carry out its functions, and to fix and pay such  
13 compensation to them for their services as the Na-  
14 tional Maritime Trust may determine.

15 (10) Generally to do any and all lawful acts  
16 necessary or appropriate to carry out the purposes  
17 for which the National Maritime Trust is created.

18 **SEC. 5. NATIONAL HERITAGE GRANTS PROGRAM.**

19 (a) ESTABLISHMENT.—

20 (1) There is established within the Department  
21 of Transportation a National Maritime Heritage  
22 Grants Program to foster in the American public a  
23 greater awareness and appreciation of the role of  
24 maritime endeavors in our Nation's history and cul-  
25 ture.

1           (2) Within ninety days after the date of enact-  
2           ment of this Act, the Secretary may enter into a co-  
3           operative agreement with the National Maritime  
4           Trust for assistance in the administration of the  
5           grants program.

6           (3) The Secretary shall administer a program  
7           of matching grants-in-aid to carry out the purposes  
8           of this Act.

9           (4)(A) In addition to the programs under para-  
10          graph (3) of this subsection, the Secretary may ad-  
11          minister a program of direct grants for the preserva-  
12          tion of maritime resources. Funds to support this di-  
13          rect grants program annually shall not exceed 10  
14          percent of the amount derived under section 6 of  
15          this Act.

16          (B) These grants may be made by the Sec-  
17          retary—

18                 (i) for the preservation of national mari-  
19                 time historic resources which are threatened  
20                 with demolition or impairment and for the pres-  
21                 ervation of maritime historic resources of sig-  
22                 nificance;

23                 (ii) for maritime demonstration projects  
24                 which will provide information concerning pro-

1 professional methods and techniques having appli-  
2 cation to maritime historic resources;

3 (iii) for the training and development of  
4 skilled labor in trades and crafts, and in analy-  
5 sis, marine survey, and curation, relating to  
6 maritime historic preservation; and

7 (iv) for educational programs to increase  
8 the awareness by the American public of our  
9 maritime heritage.

10 (b) GRANTS PROCESS.—

11 (1) The Secretary shall publish annually a  
12 grants solicitation, together with grant priorities and  
13 other relevant information, in the Federal Register  
14 and otherwise as the Secretary deems appropriate.

15 (2) Each fiscal year, the Secretary, acting  
16 through the National Maritime Trust, shall receive  
17 and process applications for grants under the regula-  
18 tions promulgated pursuant to section 11 of this  
19 Act.

20 (c) NATIONAL MARITIME TRUST RESPONSIBIL-  
21 ITIES.—Under the cooperative agreement executed under  
22 subsection (a) of this section, the National Maritime Trust  
23 shall be responsible for administration of the grants pro-  
24 gram, including—

- 1           (1) publicizing the program to prospective  
2           grantees in accordance with the regulations promul-  
3           gated by the Secretary;
- 4           (2) answering inquiries from the public, includ-  
5           ing providing information on the program as re-  
6           quested;
- 7           (3) distributing grant applications;
- 8           (4) collecting proposals and ensuring their com-  
9           pleteness;
- 10          (5) forwarding the proposals to the Committee  
11          for review;
- 12          (6) transmitting the recommendations of the  
13          Committee to the Secretary;
- 14          (7) keeping records of all grant awards and ex-  
15          penditures of funds;
- 16          (8) monitoring progress of grants;
- 17          (9) providing progress reports to the Secretary  
18          as requested;
- 19          (10) delegating responsibility of administering a  
20          project to the appropriate State Historic Preserva-  
21          tion officer for the State in which the project or pro-  
22          gram is principally located to the maximum extent  
23          possible consistent with the purposes of this Act;  
24          and

1           (11) any other responsibilities that the Sec-  
2           retary deems appropriate.

3           (d) REPORT TO CONGRESS.—The National Maritime  
4 Trust shall submit an annual report on the program to  
5 the Secretary for transmittal to Congress. The report shall  
6 include—

7           (1) a description of each project funded;

8           (2) the results or accomplishments of each  
9           project;

10          (3) a detailed review of the National Maritime  
11 Trust's operations, activities, and financial condi-  
12 tion;

13          (4) recommended priorities for achieving the  
14 purposes of the Act under section 5(c)(4); and

15          (5) the audit report required under section 8.

16          (e) CRITERIA FOR GRANT ELIGIBILITY.—To qualify  
17 for a grant under this section, a grantee must—

18          (1) demonstrate that the project for which  
19 funding is being sought—

20                (A) has the potential for reaching a broad  
21 audience with an effective educational program  
22 based on American maritime history, tech-  
23 nology, or the role of maritime endeavors in  
24 American culture; and

1 (B) has the ability to garner support from  
2 non-Federal sources;

3 (2) match the grant award with non-Federal as-  
4 sets, including cash, as appropriate;

5 (3) demonstrate organizational viability;

6 (4) exhibit the existence of approved business  
7 and operation plans;

8 (5) maintain records as may be reasonably nec-  
9 essary to fully disclose—

10 (A) the amount and the disposition of the  
11 proceeds of the grant;

12 (B) the total cost of the project for which  
13 the grant is given or used;

14 (C) the amount and nature of that portion  
15 of the cost of the project supplied by other  
16 sources; and

17 (D) other records as will facilitate an effec-  
18 tive audit required in regulation by the Sec-  
19 retary;

20 (6) provide access for the purposes of any re-  
21 quired audit and examination of any books, docu-  
22 ments, papers, and records of the recipient under  
23 this Act;

24 (7) be principally located in a State whose State  
25 Historic Preservation Officer enters into an agree-

1 ment with the Secretary regarding the delegations of  
2 the administration of the project or program under  
3 this Act; and

4 (8) be a unit of Federal, State, or local govern-  
5 ment, or a nonprofit organization that has applied  
6 for, or has been granted, 501(c)(3) status.

7 (f) GRANTS.—Grants will be available for projects  
8 of—

9 (1) national, regional, and local maritime his-  
10 toric significance, including restoration of vessels,  
11 small craft, lighthouses, and other sites, structures,  
12 or objects listed on the National Register of Historic  
13 Places; and

14 (2) significant educational or cultural value, in-  
15 cluding museums, fishing, villages, maritime edu-  
16 cational waterborne-experience programs, construc-  
17 tion or purchase of educational facilities, structures  
18 or vessels, and other projects that the Secretary  
19 deems appropriate.

20 (g) TERMS AND CONDITIONS.—

21 (1) No part of any grant made under this sec-  
22 tion may be used to compensate any person inter-  
23 vening in any proceedings under this Act.

1           (2) An application must be submitted in accord-  
2           ance with regulations and procedures prescribed by  
3           the Secretary.

4           (3) No grant may be awarded—

5                 (A) unless the grantee has agreed to as-  
6                 sume, after completion of the project for which  
7                 the grant is awarded, the total cost of the con-  
8                 tinued maintenance, repair, and administration  
9                 of the property in a manner satisfactory to the  
10                Secretary; and

11               (B) until the grantee has complied with  
12               such further terms and conditions as the Sec-  
13               retary may deem necessary or advisable.

14           (4) Except as permitted by other law, the State  
15           share of the costs referred to in paragraph (3) of  
16           this subsection shall be contributed by non-Federal  
17           sources.

18           (5) Notwithstanding any other law, no grant  
19           made pursuant to this Act shall be treated as tax-  
20           able income for purposes of the Internal Revenue  
21           Code of 1986.

22           (6) The Secretary shall make funding available  
23           as soon as practicable after execution of a grant  
24           agreement through the State Historic Preservation

1       Officer for the State in which the project or program  
2       is principally located.

3           (7) The State Historic Preservation Officer  
4       shall administer grants for projects and programs as  
5       provided by this Act.

6           (8) The total administrative costs, direct and  
7       indirect, charged for carrying out projects and pro-  
8       grams may not exceed 25 percent of the aggregate  
9       costs.

10          (9) The amount of funds expended on Federal  
11       projects shall not exceed 20 percent of the amount  
12       appropriated annually under this Act for the fund.

13       (h) REVIEW OF PROPOSALS.—

14           (1) COMMITTEE RECOMMENDATIONS.—The  
15       committee established under section 7 of this Act  
16       shall review the grant proposals and make rec-  
17       ommendations to the Secretary as to which projects  
18       should receive funding.

19           (2) SECRETARIAL APPROVAL.—Within one hun-  
20       dred and twenty days of the deadline for submission,  
21       the Secretary shall approve applications for grants  
22       under this subsection recommended by the commit-  
23       tee if the Secretary is satisfied that—

1 (A) the applicant has the requisite tech-  
2 nical and financial capability to carry out the  
3 project; and

4 (B) the project adequately implements the  
5 objectives of the Act and will comply with sub-  
6 section (g) of this section.

7 (i) WAIVER.—The Secretary may waive the require-  
8 ments of this section for any grant under this Act.

9 **SEC. 6. CONVEYANCE OF NDRF VESSEL FOR SCRAPPING BY**  
10 **NATIONAL MARITIME TRUST.**

11 (a) VESSEL CONVEYANCE AUTHORITY.—

12 (1) IN GENERAL.—Notwithstanding any other  
13 law, the Secretary may convey to the National Mari-  
14 time Trust, without consideration, all right, title,  
15 and interest of the United States Government in  
16 each vessel which—

17 (A) is in the National Defense Reserve  
18 Fleet on the date of the enactment of this sec-  
19 tion;

20 (B) has no usefulness to the Government;  
21 and

22 (C) is scheduled to be scrapped.

23 (2) CONDITION.—As a condition of conveying a  
24 vessel to the National Maritime Trust pursuant to  
25 this section, the Secretary shall require that the Na-

1 tional Maritime Trust enter into an agreement with  
2 the Secretary which requires that the National Mari-  
3 time Trust—

4 (A) sell the vessel for scrap purposes;

5 (B) use the proceeds of that scrapping for  
6 expenses directly related to the purposes of this  
7 Act; and

8 (C) comply with any other conditions the  
9 Secretary considers appropriate.

10 (b) DELIVERY.—The Secretary shall deliver a vessel  
11 conveyed under this section to the National Maritime  
12 Trust.—

13 (1) at the place where the vessel is located on  
14 the date of the approval of the conveyance;

15 (2) in its condition on that date; and

16 (3) without cost to the Government.

17 (c) MINIMUM VESSEL SALE.—The National Mari-  
18 time Trust shall sell a sufficient quantity of vessels annu-  
19 ally to ensure that the amount derived is not less than  
20 \$5,000,000 for each fiscal year beginning in fiscal year  
21 1994 and ending in fiscal year 2000, and amounts as may  
22 be required thereafter.

23 (d) TREATMENT OF AMOUNTS AVAILABLE TO THE  
24 TRUST.—Amounts available to, or used by, the National  
25 Maritime Trust pursuant to this subsection shall not be

1 considered in any determination of the amounts available  
2 to the Department of the Interior.

3 (e) ADMINISTRATIVE EXPENDITURES.—

4 (1) MINIMUM AMOUNT.—Not more than 15  
5 percent or \$250,000, whichever is greater, of the  
6 amount derived under this section in any fiscal year  
7 may be used for administering the program under  
8 the cooperative agreement executed under section 5  
9 of this Act.

10 (2) ALLOCATION.—Of the amount used for ad-  
11 ministering the program in any fiscal year, two  
12 thirds shall be allocated to the National Maritime  
13 Trust and one-third allocated to the Secretary.

14 (f) DISBURSEMENT CRITERIA.—In expending the  
15 funds derived under this section, the Secretary shall give  
16 due consideration to the following factors:

17 (1) the national significance of a project;

18 (2) its maritime historical and educational value  
19 to the community;

20 (3) the imminence of its destruction or loss;

21 and

22 (4) the expressed intentions of the donor.

1 **SEC. 7. MARITIME HERITAGE PROGRAM GRANTS COMMIT-**  
2 **TEE.**

3 (a) ESTABLISHMENT.—There is established a Mari-  
4 time Heritage Grants Committee.

5 (b) MEMBERSHIP.—Within one hundred twenty days  
6 of enactment of this Act, and biennially thereafter, the  
7 Secretary shall appoint the members of the Committee.  
8 The Committee shall consist of eleven members represent-  
9 ing various sectors of the maritime community who are  
10 knowledgeable and experienced in maritime heritage and  
11 preservation, and showing regional geographic balance, as  
12 follows:

13 (1) one representative from the field of small  
14 craft preservation;

15 (2) one representative from the field of large  
16 vessel preservation;

17 (3) one representative from the field of sail  
18 training;

19 (4) one representative from the field of preser-  
20 vation architecture;

21 (5) one representative from the field of under-  
22 water archeology;

23 (6) one representative from the field of light-  
24 house preservation;

25 (7) one representative from the field of mari-  
26 time education;

1           (8) one representative having a military naval  
2 history background;

3           (9) one representative from a maritime museum  
4 or maritime historical society;

5           (10) one representative who is a State Historic  
6 Preservation Officer whose State has an agreement  
7 with the Secretary under section 5 of this Act; and

8           (11) one representative from the general public.

9           (c) DUTIES OF THE COMMITTEE.—The duties of the  
10 Committee include—

11           (1) providing oversight of the grants program  
12 on a continuing basis;

13           (2) reviewing grant proposals;

14           (3) making funding recommendations to the  
15 Secretary;

16           (4) identifying and advising the Secretary re-  
17 garding priorities for achieving the purposes of the  
18 Act;

19           (5) reviewing the National Maritime Trust's an-  
20 nual grants report to the Secretary; and

21           (6) performing any other duties as the Sec-  
22 retary deems appropriate.

23           (d) REPORT.—The Committee shall submit annually  
24 a comprehensive report of its activities and the results of  
25 its studies to the Secretary and Congress and shall from

1 time to time submit additional and special reports as it  
2 deems advisable. Each report shall propose legislative en-  
3 actments and other actions as, in the judgment of the  
4 Committee, are necessary and appropriate to carry out its  
5 recommendations and shall provide the Committee's as-  
6 sessment of current and emerging problems in the field  
7 of maritime historic preservation and an evaluation of the  
8 effectiveness of the programs of Federal agencies, State  
9 and local governments, and the private sector in carrying  
10 out the purposes of this Act.

11 (e) QUORUM.—Seven members of the Committee  
12 shall constitute a quorum.

13 (f) APPOINTMENTS PROCESS.—

14 (1) DUTIES OF THE SECRETARY.—The Sec-  
15 retary shall—

16 (A) publicize annually in the Federal Reg-  
17 ister a call for nominations with a statement  
18 that the applications for nomination shall be  
19 submitted to the National Maritime Trust;

20 (B) make the appointments to the Com-  
21 mittee giving due consideration to the rec-  
22 ommendations of the National Maritime Trust;  
23 and

24 (C) designate a Chairman and a Vice  
25 Chairman, from the members appointed under

1           this section. The Vice Chairman may act in  
2           place of the Chairman during the absence or  
3           disability of the Chairman or when the office is  
4           vacant.

5           (2) DUTIES OF THE NATIONAL MARITIME  
6           TRUST.—The National Maritime Trust shall—

7                   (A) widely publicize the call for nomina-  
8                   tions in its newsletter and by any other appro-  
9                   priate means;

10                   (B) collect nominations and categorize the  
11                   nominations as set forth in subsection (b); and

12                   (C) submit the nominations to the Sec-  
13                   retary with recommendations as to appoint-  
14                   ments by category as set forth in subsection  
15                   (b).

16           (3) TERMS OF APPOINTMENTS.—The members  
17           of the Committee shall be appointed for staggered  
18           terms of not more than three years. If a vacancy oc-  
19           curs, the Secretary shall appoint a replacement for  
20           the balance of the vacated term within sixty days.

21           (g) GOVERNMENT REPRESENTATIVES.—There shall  
22           be nonvoting government representatives appointed to  
23           serve as advisors to the Committee as follows—

24                   (1) one representative each from the Depart-  
25                   ment of Transportation, Department of the Navy,

1 and the National Oceanographic and Atmospheric  
2 Administration;

3 (2) at least one representative from the Na-  
4 tional Maritime Initiative of the National Park Serv-  
5 ice; and

6 (3) other representatives from interested gov-  
7 ernment agencies as the Secretary deems appro-  
8 priate.

9 (h) COMMITTEE INDEPENDENCE.—No officer or  
10 agency of the United States shall have any authority to  
11 require the Committee to submit its legislative rec-  
12 ommendations, or testimony, or comments on legislation  
13 to any officer or agency of the United States for approval,  
14 comments, or review, prior to the submission of rec-  
15 ommendations, testimony, or comments to Congress. In  
16 instances in which the Committee voluntarily seeks to ob-  
17 tain the comments or review of any officer or agency of  
18 the United States, the Committee shall include a descrip-  
19 tion of those actions in its legislative recommendations,  
20 testimony, or comments on legislation that it transmits to  
21 Congress.

22 (i) SECRETARY ASSISTANCE.—To assist the Commit-  
23 tee in discharging its responsibilities under this Act, the  
24 Secretary at the request of the Chairman, shall provide  
25 a report to the Committee detailing the significance of any

1 maritime historic resource, describing the effects of any  
2 proposed undertaking on the affecting resource, and rec-  
3 ommending measure to avoid, minimize, or mitigate ad-  
4 verse effects.

5 (j) COMPENSATION.—A member of the Committee  
6 who is not an officer or employee of the United States  
7 shall serve without pay, and a member of the Committee  
8 who is an officer or employee of the United States shall  
9 receive no additional pay, on account of the member's  
10 service on the Committee. While away from home or regu-  
11 lar place of business in the performance of service for the  
12 Committee, a member of the Committee shall be allowed  
13 travel expenses, including per diem in lieu of subsistence,  
14 in the same manner as a person employed intermittently  
15 in the Government service is allowed expenses under sec-  
16 tion 5703 of title 5, United States Code.

17 (k) FACA EXEMPTION.—The Committee is exempt  
18 from the provisions of the Federal Advisory Committee  
19 Act (86 Stat. 770).

20 **SEC. 8. INTERIM PROJECTS.**

21 (a) DETERMINATION BY COMMITTEE.—Within six  
22 months of the date of enactment of this Act, the Commit-  
23 tee, in consultation with the Secretary, shall determine if  
24 any projects exist that meet the criteria under subsection  
25 (d) of this section.

1 (b) DESIGNATION BY SECRETARY.—The Secretary  
2 shall designate those projects determined qualified under  
3 subsection (a) of this section to receive a grant prior to  
4 issuance of the implementing regulations.

5 (c) ISSUANCE OF GRANTS.—Upon scrapping of a ves-  
6 sel under section 6 of this Act, the Secretary shall disburse  
7 funds derived under that section to those projects des-  
8 ignated in subsection (b) of this section in the amounts  
9 approved in the grant for each project.

10 (d) INTERIM CRITERIA.—To qualify for an interim  
11 grant, a grantee must meet the criteria under section 5(e)  
12 of this Act and—

13 (1) be a 501(c)(3) organization;

14 (2) demonstrate that the project needs acceler-  
15 ated consideration to contribute to a significant na-  
16 tional event relating to the maritime heritage of the  
17 United States;

18 (3) establish that one-half of the matching  
19 funds are in cash;

20 (4) demonstrate that the project for which  
21 funding is sought is national in scope and edu-  
22 cational in nature; and

23 (5) show that the proposed project is supported  
24 by a broadbased membership program or group of  
25 donors.

1 **SEC. 9. AUDITS OF ACCOUNTS.**

2 (a) INDEPENDENT AUDIT.—The accounts of the Na-  
3 tional Maritime Trust shall be audited annually in accord-  
4 ance with generally accepted auditing standards by inde-  
5 pendent certified public accountants or independent li-  
6 censed public accountants certified or licensed by a regu-  
7 latory authority of a State or other political subdivision  
8 of the United States. The audits shall be conducted at a  
9 place or places where the accounts of the organization are  
10 nominally kept. All books, accounts, financial records, re-  
11 ports, files, and all other papers, things, or property be-  
12 longing to or in use by the Alliance and necessary to facili-  
13 tate the audits, and full facilities for verifying transactions  
14 with any assets held by depositories, fiscal agents, and  
15 custodians, shall be afforded to that person or persons.  
16 The report of this independent audit shall be included in  
17 the report to Congress required by section 3 of this Act.

18 (b) GENERAL ACCOUNTING OFFICE AUDIT.—The fi-  
19 nancial transactions of the National Maritime Trust for  
20 each fiscal year may be audited by the General Accounting  
21 Office in accordance with the principles and procedures  
22 and under rules and regulations as may be prescribed by  
23 the Comptroller General of the United States. Any audit  
24 shall be conducted at the place or places where accounts  
25 of the organization are normally kept. The representatives  
26 of the General Accounting Office shall have access to all

1 books, accounts, records, reports, and files, and all other  
2 papers, things, or property belonging to or in use by the  
3 Trust, pertaining to its financial transactions and nec-  
4 essary to facilitate the audit, and shall be afforded full  
5 facilities for verifying transactions with any assets held by  
6 depositories, fiscal agents, and custodians. All books, ac-  
7 counts, records, reports, files, papers, and property of the  
8 organization shall remain in the possession and custody  
9 of the organization.

10 **SEC. 10. DEFINITIONS.**

11 (a) "Committee" means the Maritime Heritage  
12 Grants Committee established under section 5.

13 (b) "Secretary" means the Secretary of Transpor-  
14 tation.

15 **SEC. 11. REGULATIONS.**

16 The Secretary, after consultation with the maritime  
17 community, shall promulgate regulations within one year  
18 of the date of enactment of this Act to establish terms  
19 of office for committee membership, granting priorities,  
20 the method of solicitation and review of grant proposals,  
21 criteria for review of grant proposals, administrative re-  
22 quirements, reporting and record keeping requirements,  
23 delegation of project and program administration to State  
24 Historic Preservation officers, and any other requirements  
25 as the Secretary deems appropriate.

