

103^D CONGRESS
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To amend the coastwise trade laws to clarify their application to certain passenger vessels, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 13 (legislative day, April 11), 1994

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

A BILL

To amend the coastwise trade laws to clarify their application to certain passenger vessels, and for other purposes.

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 “United States-Flag
5 Passenger Vessel Act of 1994”.

6 **SEC. 2. COASTWISE TRANSPORTATION OF PASSENGERS.**

7 (a) IN GENERAL.—Section 8 of the Act of June 19,
8 1886 (46 U.S.C. App. 289), is amended to read as follows:

1 **“SEC. 8. COASTWISE TRANSPORTATION OF PASSENGERS.**

2 “(a) IN GENERAL.—Except as otherwise provided by
3 law, a vessel may transport passengers in coastwise trade
4 only if—

5 “(1) the vessel meets the requirements of sec-
6 tion 27 of the Merchant Marine Act, 1920, and sec-
7 tion 2 of the Shipping Act, 1916, for engaging in
8 coastwise trade; and

9 “(2) in the case of a vessel that is at least 5
10 net tons, the vessel is documented under chapter
11 121 of title 46, United States Code, with a coastwise
12 endorsement.

13 “(b) PENALTIES.—

14 “(1) CIVIL PENALTY.—A person operating a
15 vessel in violation of this section shall be subject to
16 a civil penalty of \$1,000 for each passenger trans-
17 ported in violation of this section.

18 “(2) FORFEITURE.—A vessel operated in know-
19 ing violation of this section, and its equipment, shall
20 be subject to seizure by, and forfeiture to, the Unit-
21 ed States.

22 “(c) DEFINITIONS.—For purposes of this section—

23 “(1) the term ‘coastwise trade’ includes—

24 “(A) transportation of a passenger from a
25 place in any State or possession of the United
26 States and returning to that place, if during the

1 transportation no passenger departs from the
2 vessel in a foreign country; and

3 “(B) transportation of a passenger be-
4 tween points in the United States, either di-
5 rectly or by way of a foreign port; and

6 “(2) the term ‘passenger’ does not include a
7 travel agent on a voyage if—

8 “(A) the purpose of the voyage is to pro-
9 mote future trips on the vessel;

10 “(B) money is not paid to the vessel owner
11 or charterer for the voyage; and

12 “(C) the voyage goes beyond the territorial
13 sea of the United States.”.

14 (b) EXCEPTION.—

15 (1) IN GENERAL.—Notwithstanding the amend-
16 ment made by subsection (a), an ineligible vessel
17 may engage in the transport of passengers in coast-
18 wise trade (as those terms are defined in that
19 amendment) on a trade route, if—

20 (A) the vessel engaged, in the period begin-
21 ning January 1, 1990, and ending March 9,
22 1993, in the transport of passengers in coast-
23 wise trade on the trade route; and

24 (B) not later than 1 year after the date of
25 enactment of this Act, the owner files with the

1 Secretary of Transportation an affidavit certify-
2 ing compliance with subparagraph (A) and list-
3 ing each trade route on which the vessel en-
4 gaged in transport of passengers in coastwise
5 trade in the period described in subparagraph
6 (A).

7 (2) SCHEDULED EXPIRATION OF EXCEPTION.—
8 Paragraph (1) does not apply to an ineligible vessel
9 after the latest of—

10 (A) January 1, 2000;

11 (B) the date that is 15 years after the date
12 of completion of construction of the vessel; or

13 (C) the date that is 15 years after the date
14 of completion of any major conversion of the
15 vessel that is begun before the date of enact-
16 ment of this Act.

17 (3) EXPIRATION OF EXCEPTION FOR FAILURE
18 TO RECREW.—Paragraph (1) does not apply to an
19 ineligible vessel after the date that is 5 years after
20 the date of enactment of this Act, unless—

21 (A) each individual employed on the vessel
22 after the 1-year period beginning on the date of
23 enactment of this Act is either a citizen of the
24 United States or an alien lawfully admitted to
25 the United States for permanent residence; and

1 (B) not more than 25 percent of the total
2 number of individuals employed on the vessel
3 after the 1-year period beginning on the date of
4 enactment of this Act are aliens lawfully admit-
5 ted to the United States for permanent
6 residence.

7 (4) TERMINATION OF EXCEPTION UPON ENTRY
8 OF REPLACEMENT.—Paragraph (1) does not apply
9 to an ineligible vessel with respect to a trade route
10 after the date of entry into service on the trade
11 route of an eligible vessel, if—

12 (A) the eligible vessel has a passenger car-
13 rying capacity that is equal to not less than 75
14 percent of the passenger carrying capacity of
15 the ineligible vessel, as determined by the Sec-
16 retary of the department in which the Coast
17 Guard is operating;

18 (B) the person that is the owner or
19 charterer of the eligible vessel submits to the
20 Secretary of Transportation, not later than 270
21 days before the date of entry into service—

22 (i) a notice of the intent of the person
23 to enter into that service; and

1 (ii) such evidence as the Secretary
2 may require that the person is offering and
3 advertising the service;

4 (C) any individual employed on the ineli-
5 gible vessel after the 1-year period beginning on
6 the date of enactment of this Act—

7 (i) is not a citizen of the United
8 States; and

9 (ii) is not an alien lawfully admitted
10 to the United States for permanent resi-
11 dence; and

12 (D) more than 25 percent of the total
13 number of individuals employed on the ineligible
14 vessel after the 1-year period beginning on the
15 date of enactment of this Act are aliens lawfully
16 admitted to the United States for permanent
17 residence.

18 (5) TERMINATION OF EXCEPTION UPON SALE
19 OF VESSEL.—Paragraph (1) does not apply to an in-
20 eligible vessel after any date on which the vessel is
21 sold after the date of enactment of this Act.

22 (6) DEFINITIONS.—For purposes of this sub-
23 section—

24 (A) the term “eligible vessel” means a ves-
25 sel that is eligible under chapter 121 of title 46,

1 United States Code, for a certificate of docu-
2 mentation authorizing the vessel to engage in
3 coastwise trade;

4 (B) the term “ineligible vessel” means a
5 vessel that is not eligible under chapter 121 of
6 title 46, United States Code, for a certificate of
7 documentation authorizing the vessel to engage
8 in coastwise trade; and

9 (C) the term “major conversion” has the
10 same meaning given such term by section
11 2101(14a) of title 46, United States Code.

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