

Calendar No. 591

109TH CONGRESS
2^D SESSION**S. 3852****[Report No. 109-327]**

To enhance certain maritime programs of the Department of Transportation,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 6, 2006

Mr. STEVENS, from the Committee on Commerce, Science, and Transportation, reported the following original bill; which was read twice and placed on the calendar

A BILL

To enhance certain maritime programs of the Department
of Transportation, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Maritime Administration Improvement Act of 2006.”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

- Sec. 2. vessel transfer authority.
- Sec. 3. war risk insurance for merchant marine vessels.
- Sec. 4. Requirements for admission to the Merchant Marine Academy.
- Sec. 5. Reserve training compliance and Armed Forces performance reporting requirement for graduates.
- Sec. 6. Service in the Armed Forces and alternate service requirements.
- Sec. 7. Qualifying reserve duty for receipt of student incentive payments.
- Sec. 8. Global Maritime and Transportation School.
- Sec. 9. Availability of funds from application fees for deepwater port licenses.
- Sec. 10. Availability of funds from administrative waivers of coastwise trade restrictions.
- Sec. 11. Amendments to vessel operations revolving fund.
- Sec. 12. Right to use Maritime Administration decoration.
- Sec. 13. Maritime Security Program tank vessels.
- Sec. 14. Intermodal centers.
- Sec. 15. Large passenger ship crew requirements.

1 **SEC. 2. VESSEL TRANSFER AUTHORITY.**

2 (a) IN GENERAL.—Section 2578 of title 10, United
3 States Code, is amended to read as follows:

4 **“§ 2578. Transfer of vessels between departments**

5 “A vessel under the jurisdiction of a military depart-
6 ment may be transferred or otherwise made available with-
7 out reimbursement to another military department, the
8 Department of Transportation, or the Department of
9 Homeland Security. Notwithstanding the provisions of the
10 section 11 of the Foreign Ship Sales Act of 1946, (50 App.
11 U.S.C. 1744), a vessel under the jurisdiction of the De-
12 partment of Transportation may be transferred or other-
13 wise made available with or without reimbursement to any
14 military department or the Department of Homeland Se-
15 curity. A vessel under the jurisdiction of the Department
16 of Homeland Security may be transferred or otherwise
17 made available without reimbursement to any military de-
18 partment or the Department of Transportation. Any such

1 transfer shall be made only upon the request of the Sec-
2 retary of the military department to receive the vessel, the
3 Secretary of Transportation, or the Secretary of Home-
4 land Security, and with the approval of the Secretary of
5 the department having jurisdiction of the vessel.”.

6 (b) CONFORMING AMENDMENT.—The chapter anal-
7 ysis for chapter 153 of title 10, United States Code, is
8 amended by striking the item relating to section 2578 and
9 inserting the following:

“2578. Transfer of vessels between departments.”.

10 **SEC. 3. WAR RISK INSURANCE FOR MERCHANT MARINE**
11 **VESSELS.**

12 Section 1208(a) of the Merchant Marine Act, 1936
13 (46 U.S.C. App. 1288(a)) is amended by striking “Upon
14 the request of the Secretary of Transportation, the Sec-
15 retary of the Treasury may invest or reinvest all or any
16 part of the fund in securities of the United States or in
17 securities guaranteed as to principal and interest by the
18 United States.” and inserting “The Secretary of Trans-
19 portation may request the Secretary of the Treasury to
20 invest such portion of the fund as is not, in the judgment
21 of the Secretary of Transportation, required to meet the
22 current needs of the fund. Such investments shall be made
23 by the Secretary of the Treasury in public debt securities
24 of the United States, with maturities suitable to the needs
25 of the fund, and bearing interest rates determined by the

1 Secretary of the Treasury, taking into consideration cur-
2 rent market yields on outstanding marketable obligations
3 of the United States of comparable maturity.”.

4 **SEC. 4. REQUIREMENTS FOR ADMISSION TO THE MER-**
5 **CHANT MARINE ACADEMY.**

6 Section 1303(b)(2) of the Merchant Marine Act,
7 1936 (46 U.S.C. App. 1295b(b)(2)) is amended by adding
8 at the end the following:

9 “(C) Notwithstanding the Rehabilitation Act
10 (29 U.S.C. 701 et seq.) or any other provision of the
11 Merchant Marine Act, 1936 (46 U.S.C. App. 1101
12 et seq.), an individual appointed as a cadet may not
13 be admitted to the Academy as a student, unless at
14 the time of the taking of the official oath upon entry
15 into the Merchant Marine Academy, that individual
16 satisfies the physical and mental requirements of the
17 Department of Defense to be appointed or enlisted
18 as a Midshipman, United States Naval Reserve. Fol-
19 lowing admission to the Academy, notwithstanding
20 the Rehabilitation Act or any other provision of the
21 Merchant Marine Act, 1936 (46 U.S.C. App. 1101
22 et seq.), such individual may continue as a student
23 only if that individual continues to satisfy the phys-
24 ical and mental standards set forth in this subpara-
25 graph unless the Secretary of Transportation waives

1 the standards for such individual upon good cause
2 shown. The decision of the Secretary as to whether
3 to grant such waiver shall be final.”.

4 **SEC. 5. RESERVE TRAINING COMPLIANCE AND ARMED**
5 **FORCES PERFORMANCE REPORTING RE-**
6 **QUIREMENT FOR GRADUATES.**

7 Section 1303(e) of the Merchant Marine Act, 1936
8 (46 U.S.C. App. 1295b(e)) is amended—

9 (1) by striking subparagraph (D) of paragraph
10 (1) and inserting the following:

11 “(D) in the case of an individual who exe-
12 cutes a commitment agreement under this sub-
13 section after January 1, 2007, to serve and per-
14 form all required duties and comply with all the
15 requirements of a commissioned officer in the
16 Selective Reserve of the United States Navy
17 (including the Merchant Marine Reserve), the
18 U.S. Public Health Service, or the National
19 Oceanic and Atmospheric Administration for a
20 period of at least 5 years following the date of
21 appointment, followed by from 1 to 3 years in
22 the Selective Reserve or Inactive Ready Re-
23 serve, as provided by regulations prescribed by
24 the Secretary of Defense, (for a total of service
25 no greater than 8 years) or, with the approval

1 of the Secretary of Defense, to accept an ap-
2 pointment in any other Reserve component of
3 an armed force of the United States or perform
4 such substitute service as determined by the
5 Secretary of Defense to be the equivalent there-
6 of;” and

7 (2) by adding at the end the following:

8 “(6)(A) In order to meet the requirements of
9 paragraph (1)(D), a graduate of the Academy shall
10 perform all directed training and obey all orders and
11 directions required by the relevant Reserve Compo-
12 nent and remain qualified in Ready Reserve classi-
13 fication for a period of not less than 6 years, as re-
14 quired by the regulations of the applicable armed
15 service unless such compliance is waived by the Sec-
16 retary of Defense or the Secretary of the Depart-
17 ment in which the United States Coast Guard is op-
18 erating.

19 “(B) Notwithstanding section 552a of title 5,
20 United States Code, the Secretary of Defense or the
21 Secretary of the Department in which the Coast
22 Guard is operating, and the Administrator of the
23 National Oceanic and Atmospheric Administration—

24 “(i) shall report the status of obli-
25 gated service of an individual graduate

1 upon request of the Maritime Administra-
 2 tion; and

3 “(ii) may, in their discretion, notify
 4 the Maritime Administration of the default
 5 in performance of a graduate in the per-
 6 formance of the graduate’s duties, either
 7 on active duty or in the Ready Reserve
 8 Component of their respective service, or
 9 as a commissioned officer of the National
 10 Oceanic and Atmospheric Administration.

11 “(C) A report or notice under subpara-
 12 graph (B) shall identify the graduate deter-
 13 mined to have failed to comply with service obli-
 14 gation requirements and provide all required in-
 15 formation as to why such graduate has failed to
 16 comply. Upon receipt of such a report or notice,
 17 such graduate may be considered to be in de-
 18 fault of the graduate’s service obligations by the
 19 Maritime Administration, and be subject to all
 20 remedies the Maritime Administration may
 21 have with respect to such a default.”.

22 **SEC. 6. SERVICE IN THE ARMED FORCES AND ALTERNATE**
 23 **SERVICE REQUIREMENTS.**

24 Section 1303(e) of the Merchant Marine Act, 1936
 25 (46 U.S.C. App. 1295b(e)) is amended—

1 (1) by striking “Administration, or” in para-
2 graph (1)(E)(iii) and inserting “Administration or
3 the U.S. Public Health Service, or in”; and

4 (2) by adding at the end the following:

5 “(7) An individual who graduates from the U.
6 S. Merchant Marine Academy after June 30, 2007,
7 and meets the service commitment described in
8 paragraph (1)(E)(iii) of this subsection shall be ex-
9 cused from meeting the requirements of subpara-
10 graphs (1)(C) and (1)(D).

11 “(8) The Secretary may modify or waive any of
12 the terms and conditions set forth in paragraph (1)
13 through the imposition of alternative service require-
14 ments.”.

15 **SEC. 7. QUALIFYING RESERVE DUTY FOR RECEIPT OF STU-**
16 **DENT INCENTIVE PAYMENTS.**

17 Section 1304(g)(2) of title XIII of the Merchant Ma-
18 rine Act, 1936 (46 U.S.C. App. 1295c(g)(2)) is amended
19 to read as follows:

20 “(2) Each agreement entered into under para-
21 graph (1) shall require the individual to accept en-
22 listed reserve status in the United States Naval Re-
23 serve (including the Merchant Marine Reserve,
24 United States Naval Reserve) or the United States

1 Coast Guard Reserve before receiving any student
2 incentive payments under this subsection.”.

3 **SEC. 8. GLOBAL MARITIME AND TRANSPORTATION**
4 **SCHOOL.**

5 Title XIII of the Merchant Marine Act, 1936 (46
6 U.S.C. App. 1295 et seq.) is amended by adding at the
7 end the following:

8 **“SEC. 1309. OPERATION OF THE GLOBAL MARITIME AND**
9 **TRANSPORTATION SCHOOL.**

10 “(a) OPERATION AS NONAPPROPRIATED FUND IN-
11 STRUMENTALITY.—After the date of enactment of the
12 Maritime Administration Improvement Act of 2006, the
13 Global Maritime and Transportation School shall continue
14 to operate as a nonappropriated fund instrumentality of
15 the United States under the jurisdiction of the Depart-
16 ment of Transportation, Maritime Administration.

17 “(b) ACTIVITIES.—

18 “(1) IN GENERAL.—Under the general super-
19 vision of the Department of Transportation, Mari-
20 time Administration, the school shall develop, admin-
21 ister, and provide educational, training, and profes-
22 sional development activities, including educational
23 activities, for Federal agencies, Federal employees,
24 nonprofit organizations, other entities, and members
25 of the general public, as well as carry out such other

1 projects and activities that may be authorized by the
2 Superintendent.

3 “(2) TRAINING SERVICES.—The training serv-
4 ices and educational activities provided by the school
5 shall be available to the Armed Forces of the United
6 States and Commissioned Officers of the National
7 Oceanic and Atmospheric Administration, Federal
8 and State agencies, Federal and State employees,
9 nonprofit organizations, private companies or orga-
10 nizations, and private individuals of the United
11 States or foreign countries friendly to the United
12 States.

13 “(c) FEES AND DONATIONS.—

14 “(1) COLLECTION OF FEES.—The school may
15 charge and retain fair and reasonable fees for the
16 activities provided.

17 “(2) ACCEPTANCE AND MAKING OF DONA-
18 TIONS.—

19 “(A) The school may not accept any gifts
20 of services or other items from the United
21 States of America. The school may accept, use,
22 hold, dispose, and administer gifts, bequests,
23 and devises of money, securities, and other real
24 or personal property made for the benefit of, or

1 in connection with the school from parties other
2 than the United States of America.

3 “(B) The school shall not accept a dona-
4 tion from a person that is actively engaged in
5 a procurement activity with the school or has
6 an interest that may be substantially affected
7 by the performance or nonperformance of an of-
8 ficial duty of a member of the Board or an em-
9 ployee of the school.

10 “(C) The school is authorized to make
11 gifts to the Department of Transportation and
12 the Secretary is authorized to accept gifts from
13 the school for any purpose.

14 “(3) NOT FEDERAL FUNDS.—Fees collected
15 under paragraph (1) and amounts received under
16 paragraph (2) shall not be considered to be Federal
17 funds and shall not be required to be deposited in
18 the Treasury of the United States. The school shall
19 not be funded by appropriated funds.

20 “(d) USE OF USMMA FACULTY AND STAFF.—

21 “(1) PAYMENT.—The school may provide pay-
22 ment to United States Merchant Marine Academy
23 faculty and staff for teaching and other services for
24 the school, but only to the extent that the provision
25 of such teaching or services does not interfere or

1 conflict with the official duties of the faculty and
2 staff and are approved by the Superintendent.

3 “(2) CONTRACTING AUTHORITY.—The Academy
4 may enter into contracts with the school to provide
5 faculty and staff of the Academy for teaching and
6 other services and, to the extent of the actual costs
7 incurred by the Academy under said contracts, cred-
8 it such funds received under such contracts to the
9 Academy’s appropriations, notwithstanding those
10 provisions of law relating to the deposit of miscella-
11 neous receipts into the Treasury.

12 “(e) GENERAL ADMINISTRATION.—

13 “(1) AUTHORITY OF SUPERINTENDENT.—The
14 Superintendent is responsible for the overall super-
15 vision and administration of the school and the de-
16 termination of its policies. In implementing this re-
17 sponsibility, the Superintendent shall appoint mem-
18 bers to the Board and shall designate one member
19 as the Senior Managing Director and may designate
20 other Managing Directors as necessary.

21 “(2) AUTHORITY OF THE BOARD.—The Super-
22 intendent may delegate to the Board the Super-
23 intendent’s responsibility to advise and oversee the
24 supervision and administration of the school. The
25 Board may consist of both United States Merchant

1 Marine Academy employees and non-Academy em-
2 ployees, as determined by the Superintendent. The
3 Board shall be subject to regulation by the Secretary
4 and shall report to the Superintendent.

5 “(3) AUTHORITY OF THE SENIOR MANAGING
6 DIRECTOR.—The Superintendent may delegate to
7 the Senior Managing Director of the school the au-
8 thority to manage, administer, and operate the
9 school.

10 “(4) DUTIES OF THE MANAGING DIRECTORS.—
11 The Senior Managing Director shall be responsible,
12 subject to the supervision and direction of the Board
13 and the Superintendent, for carrying out the func-
14 tions of the school. All other Managing Directors
15 shall be responsible, subject to the supervision and
16 direction of the Senior Managing Director, for car-
17 rying out the functions of the school.

18 “(5) BORROWING AND INVESTMENT AUTHOR-
19 ITY.—The Board, with the approval of the Super-
20 intendent, may authorize the Senior Managing Di-
21 rector—

22 “(A) to borrow money on the credit of the
23 school; and

1 “(B) to invest funds held in excess of the
2 current operating requirements of the school for
3 purposes of maintaining a reasonable reserve.

4 “(6) LIABILITY.—The Managing Directors and
5 the other members of the Board shall not be held
6 personally liable for any loss or damage that may ac-
7 cruer to the school as the result of any act performed
8 within the scope of their duties under this section.

9 “(f) EMPLOYEES.—Employees of the school are em-
10 ployees of a nonappropriated fund instrumentality of the
11 United States.

12 “(g) NOT A FEDERAL AGENCY.—The the school shall
13 not be considered a Federal agency for purposes of—

14 “(1) the Federal Advisory Committee Act; or

15 “(2) sections 552 and 552a of title 5, United
16 States Code.

17 “(h) ACQUISITION AND DISPOSAL OF PROPERTY.—
18 In order to carry out the activities of the school, the school
19 may—

20 “(1) acquire goods, services, and real property
21 by lease, purchase, or otherwise;

22 “(2) maintain, enlarge, or remodel any such
23 property;

24 “(3) have sole control of any such personal or
25 real property; and

1 “(4) dispose of real and personal property with-
2 out regard to the Federal Property and Administra-
3 tive Services Act of 1949 (40 U.S.C. 101 et seq.).

4 “(i) CONTRACT AUTHORITY.—The school may enter
5 into contracts and leases without regard to the Federal
6 Property and Administrative Services Act of 1949 (40
7 U.S.C. 101 et seq.) or any other law that prescribes proce-
8 dures for the procurement of property or service by an
9 executive agency.

10 “(j) USE OF DEPARTMENT FACILITIES AND RE-
11 SOURCES.—The school may use the facilities and re-
12 sources of the Department of Transportation, with the ap-
13 proval of the Superintendent, but only if any costs in-
14 curred by the Department that are attributable solely to
15 the school operations and all costs incurred by the school
16 arising out of such operations are paid using funds of the
17 school or the Department of Transportation receives other
18 adequate consideration for paying for such costs. Any re-
19 imbursement may be retained by the United States Mer-
20 chant Marine Academy and credited to the charged appro-
21 priations account.

22 “(k) AUDITS OF RECORDS.—The financial records of
23 the school shall be made available to the Department of
24 Transportation Inspector General, upon request, for pur-
25 poses of conducting an audit.

1 “(1) DEFINITIONS.—In this section:

2 “(1) BOARD.—The term ‘Board’ means the
3 school Board of Directors.

4 “(2) DIRECTOR.—The term ‘Director’ means a
5 member of the school’s Board of Directors.

6 “(3) MANAGING DIRECTOR.—The term ‘Man-
7 aging Director’ means a member of the Board who
8 is an employee of the school with operational respon-
9 sibility for the organization, but not a Federal em-
10 ployee.

11 “(4) SENIOR MANAGING DIRECTOR.—The term
12 ‘Senior Managing Director’ means the Managing Di-
13 rector designated the ‘Senior Managing Director’ by
14 the Superintendent, as set forth in subsection (e) of
15 this section.

16 “(5) SECRETARY.—The term ‘Secretary’ means
17 the Secretary of Transportation.

18 “(6) SUPERINTENDENT.—The term ‘Super-
19 intendent’ means the Superintendent of the United
20 States Merchant Marine Academy at Kings Point,
21 New York, operated by the Maritime Administra-
22 tion, United States Department of Transportation
23 or, in the absence of the Superintendent, the Super-
24 intendent’s authorized designee or such other person
25 as the Secretary may designate.”.

1 **SEC. 9. AVAILABILITY OF FUNDS FROM APPLICATION FEES**
2 **FOR DEEPWATER PORT LICENSES.**

3 (a) IN GENERAL.—Fees collected pursuant to the
4 processing of applications for licenses for ownership, con-
5 struction, and operation of deepwater ports, as authorized
6 by section 5 of the Deepwater Port Act of 1974 (33 U.S.C.
7 1504), shall be credited to the Maritime Administration
8 for deposit into its operations and training account. Fees
9 credited pursuant to this section shall be used to defray
10 administrative expenses and for enhancements and im-
11 provements to the program’s operations, and shall be
12 available until expended.

13 (b) LIMITATION.—The amount of fees credited to the
14 Administration under this section may not exceed
15 \$400,000 per fiscal year.

16 **SEC. 10. AVAILABILITY OF FUNDS FROM ADMINISTRATIVE**
17 **WAIVERS OF COASTWISE TRADE RESTRIC-**
18 **TIONS.**

19 (a) IN GENERAL.—Fees collected pursuant to the
20 processing of Administrative Waivers of the Coastwise
21 Trade Laws for Eligible Vessels, as authorized by title V
22 of the Coast Guard Authorization Act of 1998 (46 U.S.C.
23 12106 note)—

24 (1) shall be credited as offsetting collections to
25 the Maritime Administration for deposit into its Op-
26 erations and Training account;

1 (2) shall be available for expenditure to defray
2 administrative expenses and for enhancements and
3 improvements to the program's operations; and

4 (3) shall remain available until expended.

5 (b) LIMITATION.—The amount of fees credited to the
6 Administration under this section may not exceed \$50,000
7 per fiscal year.

8 **SEC. 11. AMENDMENTS TO VESSEL OPERATIONS REVOLV-**
9 **ING FUND.**

10 Section 801 of the Act of June 2, 1951 (46 U.S.C.
11 App. 1241a) is amended to read as follows:

12 **“SEC. 801. VESSEL OPERATIONS REVOLVING FUND.**

13 “(a) IN GENERAL.—There is established in the
14 Treasury, for the purposes set forth in subsection (b), a
15 Vessel Operations Revolving Fund which shall be available
16 without appropriation to the Secretary of Transportation.
17 All amounts and all receipts and proceeds received by the
18 Fund shall be deposited into the Fund, become available
19 for the purposes of the Fund, and shall remain available
20 until expended.

21 “(b) USES.—Amounts in the Fund shall be available
22 for—

23 “(1) all expenses and charges relating to the
24 maintenance, repair, and operation of vessels under
25 the jurisdiction of the Secretary;

1 “(2) all expenses and charges relating to the
2 maintenance, repair, and operation of the facilities
3 necessary to preserve and maintain such vessels;

4 “(3) payment of all costs of, and indirect costs
5 that are reasonably related to, contracting, procure-
6 ment, inspection, storage, management, distribution,
7 and accountability of vessels under the jurisdiction
8 of the Secretary and such property, facilities, and
9 nonpersonal services as the Secretary deems nec-
10 essary for the operation and maintenance of such
11 vessels;

12 “(4) expenses incurred in activating, repairing,
13 and deactivating vessels under the jurisdiction of the
14 Secretary;

15 “(5) the acquisition of such vessels for the Na-
16 tional Defense Reserve Fleet as both the Secretary
17 and the Secretary of Navy deem necessary;

18 “(6) necessary expenses incurred in the protec-
19 tion, preservation, maintenance, acquisition, or use
20 of vessels of the National Defense Reserve Fleet in-
21 volved in mortgage foreclosure or forfeiture pro-
22 ceedings instituted by the United States Govern-
23 ment, including payment of prior claims and liens,
24 expenses of sale, and other related charges; and

1 “(7) costs and expenses incurred to repair dam-
2 ages to Government property under the jurisdiction
3 or control of the Secretary that is used in connection
4 with the National Defense Reserve Fleet.

5 “(c) CREDITS TO THE FUND.—

6 “(1) IN GENERAL.—There shall be credited to
7 and retained by the Fund—

8 “(A) all amounts received in connection
9 with vessel operations for vessels under the ju-
10 risdiction of the Secretary; except that there
11 shall be no surcharge on charter hire or similar
12 collection in connection with vessel operations
13 for the purpose of the reserve described in sub-
14 section (c)(2); and

15 “(B) any reimbursements, advances,
16 setoffs, refunds, or recoveries arising out of or
17 relating to the operation and maintenance of
18 vessels of the National Defense Reserve Fleet
19 under the jurisdiction of the Secretary, includ-
20 ing any recoveries from litigation, arbitration,
21 or otherwise.

22 “(2) RESERVE.—There shall be established and
23 retained in the Fund from litigation and arbitration
24 recoveries a reserve, not to exceed \$30,000,000 at
25 any one time, for use as a reserve for unscheduled

1 repairs and other necessary expenses in connection
2 with casualties to vessels in the National Reserve
3 Fleet.

4 “(d) LAWS RELATING TO SEAMEN.—Subject to the
5 provisions of sections 1(a) and (c), 3(c), and 4 of the Act
6 of March 24, 1943 (50 U.S.C. App. 1291(a) and (c),
7 1293(c), 1294), seamen employed on vessels in the cus-
8 tody of the Secretary and operated through the Sec-
9 retary’s ship managers or general agents may be so em-
10 ployed by such ship managers or agents in accordance
11 with customary commercial practices in the maritime in-
12 dustry without regard to any of the laws on employment
13 of persons by the United States.

14 “(e) ADVANCEMENTS.—With the approval of the Di-
15 rector of the Office of Management and Budget, the Sec-
16 retary may advance amounts the Secretary considers nec-
17 essary from the Fund to the Maritime Administration Op-
18 erations and Training appropriation account for purposes
19 of carrying out duties and powers related to the mainte-
20 nance, repair, and operation of vessels under the jurisdic-
21 tion of the Secretary, without regard to the limitations on
22 amounts stated in the Operations and Training appropria-
23 tion.”

24 “(f) LIMITATIONS.—

1 “(1) IN GENERAL.—Amounts made available to
 2 the Secretary for purposes of this section or any
 3 other law may not be used to pay for a vessel de-
 4 scribed in paragraph (2) unless the compensation to
 5 be paid is computed under section 56303 of title 46,
 6 United States Code, as that section is interpreted by
 7 the Comptroller General.

8 “(2) APPLICABLE VESSELS.—Paragraph (1) ap-
 9 plies to a vessel—

10 “(A) the title to which is acquired by the
 11 Government by requisition or purchase;

12 “(B) the use of which is taken by requisi-
 13 tion or agreement; or

14 “(C) that is lost while insured by the Gov-
 15 ernment.

16 “(3) NONAPPLICABLE VESSELS.—Subpara-
 17 graph (1) of this section does not apply to a vessel
 18 operating under a construction-differential subsidy
 19 contract.”.

20 **SEC. 12. RIGHT TO USE MARITIME ADMINISTRATION DECO-**
 21 **RATION.**

22 Section 8 of the Merchant Marine Decorations and
 23 Medals Act (46 U.S.C. App. 2007) is amended by insert-
 24 ing “or the Secretary of Transportation,” after “Act,”.

1 **SEC. 13. MARITIME SECURITY PROGRAM TANK VESSELS.**

2 (a) IN GENERAL.—Section 53103(c)(4) of title 46,
3 United States Code, is amended—

4 (1) by striking “(i)” in subparagraph (A)(i) and
5 inserting “(i)(I);

6 (2) by striking “(ii)” in subparagraph (A)(ii)
7 and inserting “(II);

8 (3) by striking “53102(b).” in subparagraph
9 (A)(i)(II), as amended, and inserting “53102(b);
10 or”;

11 (4) by inserting after subparagraph (A)(i)(II),
12 as amended, the following:

13 “(ii)(I) not later than 9 months after
14 the first date amounts are to available to
15 carry out this chapter, the operator of the
16 existing tank vessel enters into an agree-
17 ment to charter one or more tank vessels
18 to be built in the United States and oper-
19 ated as a documented vessel or docu-
20 mented vessels; and

21 “(II) the combined tonnage of the
22 documented vessel or vessels to be con-
23 structed under clause (I) is equal to or
24 greater than the tonnage of the existing
25 tank vessel subject to an operating agree-
26 ment.

1 If the person that is the owner or operator
2 of the existing tank vessel owns or operates
3 more than one existing tank vessel subject
4 to an operating agreement, the combined
5 tonnage of all documented vessels to be
6 built under clause (ii)(I) for that owner or
7 operator shall be equal to or greater than
8 the combined tonnage of all such existing
9 tank vessels owned or operated by such
10 person that are subject to operating agree-
11 ments. For the purpose of clause (ii), ton-
12 nage shall be measured under section
13 14502 of this title, or an alternate tonnage
14 measured under section 14302 of this title
15 as prescribed by the Secretary under sec-
16 tion 14104 of this title.”;

17 (5) by inserting “subject to subparagraph
18 (A)(i)” after “existing tank vessel” in subparagraph
19 (B); and

20 (6) by adding at the end thereof the following:

21 “(C) Subparagraph (A)(ii) applies only for
22 the period that the operator of the existing tank
23 vessel charters the United States-built vessel or
24 vessels described in such subparagraph. No
25 payment under this chapter may be made for

1 an existing tank vessel subject to subparagraph
2 (A)(ii) for any period that the United States-
3 built vessel or vessels described in such sub-
4 paragraph are not chartered by the operator of
5 the existing tank vessel.”.

6 (b) ASSISTANCE AUTHORITY.—Section 3543(a) of
7 the National Defense Authorization Act for Fiscal Year
8 2004 (46 U.S.C. 53101 note) is amended by striking
9 “shall, to the extent of the availability of appropriations,”
10 and inserting “may”.

11 **SEC. 14. INTERMODAL CENTERS.**

12 (a) IN GENERAL.—Notwithstanding section
13 5309(m)(6)(B) of title 49, United States Code, half of the
14 amounts appropriated or made available under subsections
15 (b) and (c) of section 5338 of title 49, United States Code,
16 for capital projects under section 5309(m)(6)(B) of that
17 title for fiscal years 2006 through 2009 shall be made
18 available and used, in accordance with section 9008(a) of
19 Public Law 109–59, for an intermodal or marine facility
20 comprising a component of the Hawaii Port Infrastructure
21 Expansion Program.

22 (b) SUPPLEMENTARY FUNDING.—Any amount made
23 available pursuant to subsection (a) shall be in addition
24 to any amounts authorized or appropriated pursuant to

1 subsections (b) and (c) of section 9008 of Public Law
2 109–59.

3 **SEC. 15. LARGE PASSENGER SHIP CREW REQUIREMENTS.**

4 (a) IN GENERAL.—For the purpose of facilitating the
5 implementation by the Maritime Administration of section
6 211 of Public Law 108–7 Division B, Title II, General
7 Provisions, Department of Commerce, section 8103 of title
8 46, United States Code, is amended by adding at the end
9 the following:

10 “(k)(1) Each unlicensed seaman on a passenger ves-
11 sel of more than 70,000 gross tons as measured under
12 section 14302 of this title, with capacity for at least 2,000
13 passengers and documented with a coastwise endorsement
14 under chapter 121 of this title, shall be—

15 “(A) a citizen of the United States;

16 “(B) an alien lawfully admitted to the United
17 States for permanent residence,

18 “(C) an alien allowed to be employed under the
19 Immigration and Nationality Act (8 U.S.C. 1101 et
20 seq.), including an alien crewman under section
21 1101 (15)(D)(i) of that Act; or

22 “(D) a foreign national who is enrolled in the
23 United States Merchant Marine Academy.

24 “(2) Not more than 25 percent of the unlicensed sea-
25 men on a vessel subject to paragraph (1) of this subsection

1 may be aliens referred to in subparagraph (B) or (C) of
2 that paragraph.

3 “(3) An unlicensed seaman referred to in paragraph
4 (1)(C) of this subsection—

5 “(A) shall have been employed, for a period of
6 not less than 1 year, on a passenger vessel under the
7 same common ownership or control as the vessel re-
8 ferred to in paragraph (1) of this subsection, as cer-
9 tified by the owner or managing operator of such
10 vessel;

11 “(B) may be employed only in the steward’s de-
12 partment, as defined in the vessel security plan ap-
13 proved by the Secretary pursuant to section
14 70103(e) of this title, of the vessel; and

15 “(C) shall have successfully completed a secu-
16 rity check of the relevant domestic and international
17 databases, as appropriate, or any other national se-
18 curity-related information or database.”.

19 (b) IMPLEMENTATION.—An unlicensed seaman re-
20 ferred to in section 8103(j)(1)(C) or (D) of title 46,
21 United States Code—

22 (1) is deemed to meet the nationality require-
23 ments necessary to qualify for a merchant mariner
24 document notwithstanding the requirements of part
25 12 of title 46, Code of Federal Regulations; and

1 (2) may be employed for a period of service on
2 board not to exceed 36 months in the aggregate as
3 a nonimmigrant crewman under section
4 1101(15)(D)(i) of the Immigration and Nationality
5 Act (8 U.S. C. 1101(15)(D)(i)) on vessels engaged
6 in domestic voyages notwithstanding the departure
7 requirements of such section and the regulations and
8 rules promulgated thereunder.

Calendar No. 591

109TH CONGRESS
2^D SESSION

S. 3852

[Report No. 109-327]

A BILL

To enhance certain maritime programs of the Department of Transportation, and for other purposes.

SEPTEMBER 6, 2006

Read twice and placed on the calendar