

## COAST GUARD AUTHORIZATION ACT OF 1996

SEPTEMBER 27, 1996.—Ordered to be printed

Mr. SHUSTER, from the committee of conference,  
submitted the following

### CONFERENCE REPORT

[To accompany S. 1004]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1004) to authorize appropriations for the United States Coast Guard, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

**SECTION 1. SHORT TITLE.**

*This Act may be cited as the “Coast Guard Authorization Act of 1996”.*

**SEC. 2. TABLE OF CONTENTS.**

*The table of contents for this Act is as follows:*

**TITLE I—AUTHORIZATION**

- Sec. 101. Authorization of appropriations.*
- Sec. 102. Authorized levels of military strength and training.*
- Sec. 103. Quarterly reports on drug interdiction.*
- Sec. 104. Sense of the Congress regarding funding for Coast Guard.*

**TITLE II—PERSONNEL MANAGEMENT IMPROVEMENT**

- Sec. 201. Provision of child development services.*
- Sec. 202. Hurricane Andrew relief.*
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- Sec. 204. Exclude certain reserves from end-of-year strength.*
- Sec. 205. Officer retention until retirement eligible.*
- Sec. 206. Recruiting.*
- Sec. 207. Access to National Driver Register information on certain Coast Guard personnel.*

- Sec. 208. *Coast Guard housing authorities.*
- Sec. 209. *Board for Correction of Military Records deadline.*
- Sec. 210. *Repeal temporary promotion of warrant officers.*
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#### TITLE III—MARINE SAFETY AND WATERWAY SERVICES MANAGEMENT

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- Sec. 302. *Nondisclosure of port security plans.*
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- Sec. 503. *Definitions.*
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- Sec. 603. *Use of reports, documents, records, and examinations of other persons.*
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## **TITLE I—AUTHORIZATION**

### **SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

(a) *IN GENERAL.*—Funds are authorized to be appropriated for necessary expenses of the Coast Guard, as follows:

(1) *For the operation and maintenance of the Coast Guard—*

(A) *for fiscal year 1996, \$2,618,316,000; and*

(B) *for fiscal year 1997, \$2,637,800,000;*

*of which \$25,000,000 shall be derived each fiscal year from the Oil Spill Liability Trust Fund.*

(2) *For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore and offshore facilities, vessels, and aircraft, including equipment related thereto—*

(A) *for fiscal year 1996, \$428,200,000; and*

(B) *for fiscal year 1997, \$411,600,000;*

to remain available until expended, of which \$32,500,000 for fiscal year 1996 and \$20,000,000 for fiscal year 1997 shall be derived each fiscal year from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990.

(3) For research, development, test, and evaluation of technologies, materials, and human factors directly relating to improving the performance of the Coast Guard's mission in support of search and rescue, aids to navigation, marine safety, marine environmental protection, enforcement of laws and treaties, ice operations, oceanographic research, and defense readiness—

(A) for fiscal year 1996, \$22,500,000; and

(B) for fiscal year 1997, \$20,300,000;

to remain available until expended, of which \$3,150,000 for fiscal year 1996 and \$5,020,000 for fiscal year 1997 shall be derived each fiscal year from the Oil Spill Liability Trust Fund.

(4) For retired pay (including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose), payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code—

(A) for fiscal year 1996, \$582,022,000; and

(B) for fiscal year 1997, \$608,100,000.

(5) For alteration or removal of bridges over navigable waters of the United States constituting obstructions to navigation, and for personnel and administrative costs associated with the Bridge Alteration Program—

(A) for fiscal year 1996, \$25,300,000, to remain available until expended; and

(B) for fiscal year 1997, \$25,100,000, to remain available until expended.

(6) For environmental compliance and restoration at Coast Guard facilities (other than parts and equipment associated with operations and maintenance), \$25,000,000 for each of fiscal years 1996 and 1997, to remain available until expended.

(b) AMOUNTS FROM THE DISCRETIONARY BRIDGE PROGRAM.—(1) Section 104 of title 49, United States Code, is amended by adding at the end thereof the following:

“(e) Notwithstanding the provisions of sections 101(d) and 144 of title 23, highway bridges determined to be unreasonable obstructions to navigation under the Truman-Hobbs Act may be funded from amounts set aside from the discretionary bridge program. The Secretary shall transfer these allocations and the responsibility for administration of these funds to the United States Coast Guard.”.

(2) Notwithstanding any other provision of law, the Secretary of Transportation shall allocate out of funds available, \$9,100,000 for the John F. Limehouse Memorial Bridge, Charleston, South Carolina. The allocation shall be deposited in the Truman-Hobbs bridge program account. The Secretary shall transfer this allocation and responsibility for administration of these funds to the United States Coast Guard.

**SEC. 102. AUTHORIZED LEVELS OF MILITARY STRENGTH AND TRAINING.**

(a) *ACTIVE DUTY STRENGTH.*—The Coast Guard is authorized an end-of-year strength for active duty personnel of—

- (1) 38,400 as of September 30, 1996; and
- (2) 37,561 as of September 30, 1997.

(b) *MILITARY TRAINING STUDENT LOADS.*—The Coast Guard is authorized average military training student loads as follows:

- (1) For recruit and special training—
  - (A) for fiscal year 1996, 1604 student years; and
  - (B) for fiscal year 1997, 1604 student years.
- (2) For flight training—
  - (A) for fiscal year 1996, 85 student years; and
  - (B) for fiscal year 1997, 95 student years.
- (3) For professional training in military and civilian institutions—
  - (A) for fiscal year 1996, 330 student years; and
  - (B) for fiscal year 1997, 295 student years.
- (4) For officer acquisition—
  - (A) for fiscal year 1996, 874 student years; and
  - (B) for fiscal year 1997, 878 student years.

**SEC. 103. QUARTERLY REPORTS ON DRUG INTERDICTION.**

Not later than 30 days after the end of each fiscal year quarter, the Secretary of Transportation shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on all expenditures related to drug interdiction activities of the Coast Guard during that quarter.

**SEC. 104. SENSE OF THE CONGRESS REGARDING FUNDING FOR COAST GUARD.**

It is the sense of the Congress that in appropriating amounts for the Coast Guard, the Congress should appropriate amounts adequate to enable the Coast Guard to carry out all extraordinary functions and duties the Coast Guard is required to undertake in addition to its normal functions established by law.

## **TITLE II—PERSONNEL MANAGEMENT IMPROVEMENT**

**SEC. 201. PROVISION OF CHILD DEVELOPMENT SERVICES.**

(a) *IN GENERAL.*—Title 14, United States Code, is amended by inserting after section 514 the following new section:

**“§ 515. Child development services**

“(a) The Commandant may make child development services available for members and civilian employees of the Coast Guard, and thereafter as space is available for members of the Armed Forces and Federal civilian employees. Child development service benefits provided under the authority of this section shall be in addition to benefits provided under other laws.

“(b)(1) Except as provided in paragraph (2), the Commandant may require that amounts received as fees for the provision of services under this section at Coast Guard child development centers be

used only for compensation of employees at those centers who are directly involved in providing child care.

“(2) If the Commandant determines that compliance with the limitation in paragraph (1) would result in an uneconomical and inefficient use of such fee receipts, the Commandant may (to the extent that such compliance would be uneconomical and inefficient) use such receipts—

“(A) for the purchase of consumable or disposable items for Coast Guard child development centers; and

“(B) if the requirements of such centers for consumable or disposable items for a given fiscal year have been met, for other expenses of those centers.

“(c) The Commandant shall provide for regular and unannounced inspections of each child development center under this section and may use Department of Defense or other training programs to ensure that all child development center employees under this section meet minimum standards of training with respect to early childhood development, activities and disciplinary techniques appropriate to children of different ages, child abuse prevention and detection, and appropriate emergency medical procedures.

“(d) Of the amounts available to the Coast Guard each fiscal year for operating expenses (and in addition to amounts received as fees), the Secretary may use for child development services under this section an amount not to exceed the total amount the Commandant estimates will be received by the Coast Guard in the fiscal year as fees for the provision of those services.

“(e) The Commandant may use appropriated funds available to the Coast Guard to provide assistance to family home day care providers so that family home day care services can be provided to uniformed service members and civilian employees of the Coast Guard at a cost comparable to the cost of services provided by Coast Guard child development centers.

“(f) The Secretary shall promulgate regulations to implement this section. The regulations shall establish fees to be charged for child development services provided under this section which take into consideration total family income.

“(g) For purposes of this section, the term ‘child development center’ does not include a child care services facility for which space is allotted under section 616 of the Act of December 22, 1987 (40 U.S.C. 490b).”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 13 of title 14, United States Code, is amended by inserting after the item related to section 514 the following:

“515. Child development services.”.

**SEC. 202. HURRICANE ANDREW RELIEF.**

Section 2856 of the National Defense Authorization Act for Fiscal Year 1993 (Pub. L. 102-484) applies to the military personnel of the Coast Guard who were assigned to, or employed at or in connection with, any Federal facility or installation in the vicinity of Homestead Air Force Base, Florida, including the areas of Broward, Collier, Dade, and Monroe Counties, on or before August 24, 1992, except that funds available to the Coast Guard, not to exceed

\$25,000, shall be used. The Secretary of Transportation shall administer the provisions of section 2856 for the Coast Guard.

**SEC. 203. DISSEMINATION OF RESULTS OF 0-6 CONTINUATION BOARDS.**

Section 289(f) of title 14, United States Code, is amended by striking “Upon approval by the President, the names of the officers selected for continuation on active duty by the board shall be promptly disseminated to the service at large.”.

**SEC. 204. EXCLUDE CERTAIN RESERVES FROM END-OF-YEAR STRENGTH.**

Section 712 of title 14, United States Code, is amended by adding at the end the following:

“(d) Reserve members ordered to active duty under this section shall not be counted in computing authorized strength of members on active duty or members in grade under this title or under any other law.”.

**SEC. 205. OFFICER RETENTION UNTIL RETIREMENT ELIGIBLE.**

Section 283(b) of title 14, United States Code, is amended—

(1) by inserting “(1)” after “(b)”;

(2) by striking the last sentence; and

(3) by adding at the end the following:

“(2) Upon the completion of a term under paragraph (1), an officer shall, unless selected for further continuation—

“(A) except as provided in subparagraph (B), be honorably discharged with severance pay computed under section 286 of this title;

“(B) in the case of an officer who has completed at least 18 years of active service on the date of discharge under subparagraph (A), be retained on active duty and retired on the last day of the month in which the officer completes 20 years of active service, unless earlier removed under another provision of law; or

“(C) if, on the date specified for the officer’s discharge under this section, the officer has completed at least 20 years of active service or is eligible for retirement under any law, be retired on that date.”.

**SEC. 206. RECRUITING.**

(a) **CAMPUS RECRUITING.**—Section 558 of the National Defense Authorization Act for Fiscal Year 1995 (108 Stat. 2776) is amended—

(1) by inserting “or the Department of Transportation” in subsection (a)(1) after “the Department of Defense”;

(2) by inserting “or the Secretary of Transportation” after “the Secretary of Defense” in subsection (a)(1); and

(3) by inserting “and the Secretary of Transportation” after “the Secretary of Education” in subsection (b).

(b) **FUNDS FOR RECRUITING.**—The text of section 468 of title 14, United States Code, is amended to read as follows:

“The Coast Guard may expend operating expense funds for recruiting activities, including but not limited to advertising and entertainment, in order to—

“(1) obtain recruits for the Service and cadet applicants; and

“(2) gain support of recruiting objectives from those who may assist in the recruiting effort.”.

(c) **RECRUITMENT OF WOMEN AND MINORITIES.**—Not later than January 31, 1997, the Commandant of the Coast Guard shall report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, on the status of and the problems in recruitment of women and minorities into the Coast Guard. The report shall contain specific plans to increase the recruitment of women and minorities and legislative recommendations needed to increase the recruitment of women and minorities.

**SEC. 207. ACCESS TO NATIONAL DRIVER REGISTER INFORMATION ON CERTAIN COAST GUARD PERSONNEL.**

(a) **AMENDMENT TO TITLE 14.**—Section 93 of title 14, United States Code, is amended—

(1) by striking “and” after the semicolon at the end of paragraph (t);

(2) by striking the period at the end of paragraph (u) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(v) require that any member of the Coast Guard or Coast Guard Reserve (including a cadet or an applicant for appointment or enlistment to any of the foregoing and any member of a uniformed service who is assigned to the Coast Guard) request that all information contained in the National Driver Register pertaining to the individual, as described in section 30304(a) of title 49, be made available to the Commandant under section 30305(a) of title 49, may receive that information, and upon receipt, shall make the information available to the individual.”.

(b) **AMENDMENT TO TITLE 49.**—Section 30305(b) of title 49, United States Code, is amended by redesignating paragraph (7) as paragraph (8) and inserting after paragraph (6) the following new paragraph:

“(7) An individual who is an officer, chief warrant officer, or enlisted member of the Coast Guard or Coast Guard Reserve (including a cadet or an applicant for appointment or enlistment of any of the foregoing and any member of a uniformed service who is assigned to the Coast Guard) may request the chief driver licensing official of a State to provide information about the individual under subsection (a) of this section to the Commandant of the Coast Guard. The Commandant may receive the information and shall make the information available to the individual. Information may not be obtained from the Register under this paragraph if the information was entered in the Register more than 3 years before the request, unless the information is about a revocation or suspension still in effect on the date of the request.”.

**SEC. 208. COAST GUARD HOUSING AUTHORITIES.**

(a) **IN GENERAL.**—Title 14, United States Code, is amended by adding after chapter 17 the following new chapter:

**“CHAPTER 18—COAST GUARD HOUSING  
AUTHORITIES**

“Sec.

“680. *Definitions.*

“681. *General authority.*

“682. *Loan guarantees.*

“683. *Leasing of housing to be constructed.*

“684. *Limited partnerships in nongovernmental entities.*

“685. *Conveyance or lease of existing property and facilities.*

“686. *Assignment of members of the armed forces to housing units.*

“687. *Coast Guard Housing Fund.*

“688. *Reports.*

“689. *Expiration of authority.*

**“§ 680. Definitions**

“*In this chapter:*

“(1) *The term ‘construction’ means the construction of military housing units and ancillary supporting facilities or the improvement or rehabilitation of existing units or ancillary supporting facilities.*

“(2) *The term ‘contract’ includes any contract, lease, or other agreement entered into under the authority of this chapter.*

“(3) *The term ‘military unaccompanied housing’ means military housing intended to be occupied by members of the armed forces serving a tour of duty unaccompanied by dependents.*

“(4) *The term ‘United States’ includes the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, and the District of Columbia.*

**“§ 681. General authority**

“(a) *AUTHORITY.—In addition to any other authority providing for the acquisition or construction of military family housing or military unaccompanied housing, the Secretary may exercise any authority or any combination of authorities provided under this chapter in order to provide for the acquisition or construction by private persons of the following:*

“(1) *Family housing units on or near Coast Guard installations within the United States and its territories and possessions.*

“(2) *Unaccompanied housing units on or near such Coast Guard installations.*

“(b) *LIMITATION ON APPROPRIATIONS.—No appropriation shall be made to acquire or construct military family housing or military unaccompanied housing under this chapter if that acquisition or construction has not been approved by resolutions adopted by the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.*

**“§ 682. Loan guarantees**

“(a) *LOAN GUARANTEES.—*

“(1) *Subject to subsection (b), the Secretary may guarantee a loan made to any person in the private sector if the proceeds*

of the loan are to be used by the person to acquire, or construct housing units that the Secretary determines are suitable for use as military family housing or as military unaccompanied housing.

“(2) The amount of a guarantee on a loan that may be provided under paragraph (1) may not exceed the amount equal to the lesser of—

“(A) 80 percent of the value of the project; or

“(B) the outstanding principal of the loan.

“(3) The Secretary shall establish such terms and conditions with respect to guarantees of loans under this subsection as the Secretary considers appropriate to protect the interests of the United States, including the rights and obligations of the United States with respect to such guarantees.

“(4) The funds for the loan guarantees entered into under this section shall be held in the Coast Guard Housing Fund under section 687 of this title. The Secretary is authorized to purchase mortgage insurance to guarantee loans in lieu of guaranteeing loans directly against funds held in the Coast Guard Housing Fund.

“(b) **LIMITATION ON GUARANTEE AUTHORITY.**—Loan guarantees may be made under this section only to the extent that appropriations of budget authority to cover their cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) are made in advance, or authority is otherwise provided in appropriations Acts. If such appropriation or other authority is provided, there may be established a financing account (as defined in section 502(7) of such Act (2 U.S.C. 661a(7))) which shall be available for the disbursement of payment of claims for payment on loan guarantees under this section and for all other cash flows to and from the Government as a result of guarantees made under this section.

**“§ 683. Leasing of housing to be constructed**

“(a) **BUILD AND LEASE AUTHORIZED.**—The Secretary may enter into contracts for the lease of military family housing units or military unaccompanied housing units to be constructed under this chapter.

“(b) **LEASE TERMS.**—A contract under this section may be for any period that the Secretary determines appropriate and may provide for the owner of the leased property to operate and maintain the property.

**“§ 684. Limited partnerships with nongovernmental entities**

“(a) **LIMITED PARTNERSHIPS AUTHORIZED.**—The Secretary may enter into limited partnerships with nongovernmental entities carrying out projects for the acquisition or construction of housing units suitable for use as military family housing or as military unaccompanied housing.

“(b) **LIMITATION ON VALUE OF INVESTMENT IN LIMITED PARTNERSHIP.**—(1) The cash amount of an investment under this section in a nongovernmental entity may not exceed an amount equal to 33 $\frac{1}{3}$  percent of the capital cost (as determined by the Secretary) of the project or projects that the entity proposes to carry out under this section with the investment.

“(2) *If the Secretary conveys land or facilities to a nongovernmental entity as all or part of an investment in the entity under this section, the total value of the investment by the Secretary under this section may not exceed an amount equal to 45 percent of the capital cost (as determined by the Secretary) of the project or projects that the entity proposes to carry out under this section with the investment.*

“(3) *In this subsection, the term ‘capital cost’, with respect to a project for the acquisition or construction of housing, means the total amount of the costs included in the basis of the housing for Federal income tax purposes.*

“(c) *COLLATERAL INCENTIVE AGREEMENTS.—The Secretary shall enter into collateral incentive agreements with nongovernmental entities in which the Secretary makes an investment under this section to ensure that a suitable preference will be afforded members of the armed forces and their dependents in the lease or purchase, as the case may be, of a reasonable number of the housing units covered by the investment.*

**“§ 685. Conveyance or lease of existing property and facilities**

“(a) *CONVEYANCE OR LEASE AUTHORIZED.—The Secretary may convey or lease property or facilities (including ancillary support facilities) to private persons for purposes of using the proceeds of such conveyance or lease to carry out activities under this chapter.*

“(b) *TERMS AND CONDITIONS.—(1) The conveyance or lease of property or facilities under this section shall be for such consideration and upon such terms and conditions as the Secretary considers appropriate for the purposes of this chapter and to protect the interests of the United States.*

“(2) *As part or all of the consideration for a conveyance or lease under this section, the purchaser or lessor (as the case may be) may enter into an agreement with the Secretary to ensure that a suitable preference will be afforded members of the armed forces and their dependents in the lease or sublease of a reasonable number of the housing units covered by the conveyance or lease, as the case may be, or in the lease of other suitable housing units made available by the purchaser or lessee.*

“(c) *INAPPLICABILITY OF CERTAIN PROPERTY MANAGEMENT LAWS.—The conveyance or lease of property or facilities under this section shall not be subject to the following provisions of law:*

“(1) *The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).*

“(2) *Section 321 of the Act of June 30, 1932 (commonly known as the Economy Act) (47 Stat. 412, chapter 314; 40 U.S.C. 303b).*

“(3) *The Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.).*

**“§ 686. Assignment of members of the armed forces to housing units**

“(a) *IN GENERAL.—The Secretary may assign members of the armed forces to housing units acquired or constructed under this chapter.*

“(b) *EFFECT OF CERTAIN ASSIGNMENTS ON ENTITLEMENT TO HOUSING ALLOWANCES.*—(1) *Except as provided in paragraph (2), housing referred to in subsection (a) shall be considered as quarters of the United States or a housing facility under the jurisdiction of a uniformed service for purposes of section 403(b) of title 37.*

“(2) *A member of the armed forces who is assigned in accordance with subsection (a) to a housing unit not owned or leased by the United States shall be entitled to a basic allowance for quarters under section 403 of title 37, and, if in a high housing cost area, a variable housing allowance under section 403a of that title.*

“(c) *LEASE PAYMENTS THROUGH PAY ALLOTMENTS.*—*The Secretary may require members of the armed forces who lease housing in housing units acquired or constructed under this chapter to make lease payments for such housing pursuant to allotments of the pay of such members under section 701 of title 37.*

**“§ 687. Coast Guard Housing Fund**

“(a) *ESTABLISHMENT.*—*There is hereby established on the books of the Treasury an account to be known as the Coast Guard Housing Fund (in this section referred to as the ‘Fund’).*

“(b) *CREDITS TO FUND.*—*There shall be credited to the Fund the following:*

“(1) *Amounts authorized for and appropriated to that Fund.*

“(2) *Subject to subsection (e), any amounts that the Secretary transfers, in such amounts as provided in appropriation Acts, to that Fund from amounts authorized and appropriated to the Department of Transportation or Coast Guard for the acquisition or construction of military family housing or unaccompanied housing.*

“(3) *Proceeds from the conveyance or lease of property or facilities under section 685 of this title for the purpose of carrying out activities under this chapter with respect to military family and military unaccompanied housing.*

“(4) *Income from any activities under this chapter, including interest on loan guarantees made under section 682 of this title, income and gains realized from investments under section 684 of this title, and any return of capital invested as part of such investments.*

“(c) *USE OF AMOUNTS IN FUND.*—(1) *In such amounts as provided in appropriation Acts and except as provided in subsection (d), the Secretary may use amounts in the Coast Guard Housing Fund to carry out activities under this chapter with respect to military family and military unaccompanied housing units, including activities required in connection with the planning, execution, and administration of contracts entered into under the authority of this chapter.*

“(2) *Amounts made available under this subsection shall remain available until expended.*

“(d) *LIMITATION ON OBLIGATIONS.*—*The Secretary may not incur an obligation under a contract or other agreements entered into under this chapter in excess of the unobligated balance, at the time the contract is entered into, of the Fund required to be used to satisfy the obligation.*

*“(e) NOTIFICATION REQUIRED FOR TRANSFERS.—A transfer of appropriated amounts to the Fund under subsection (b)(2) or (b)(3) of this section may be made only after the end of a 30-day period beginning on the date the Secretary submits written notice of, and justification for, the transfer to the appropriate committees of Congress.*

*“(f) LIMITATION ON AMOUNT OF BUDGET AUTHORITY.—The total value in budget authority of all contracts and investments undertaken using the authorities provided in this chapter shall not exceed \$20,000,000.*

**“§ 688. Reports**

*“The Secretary shall include each year in the materials the Secretary submits to the Congress in support of the budget submitted by the President pursuant to section 1105 of title 31, the following:*

*“(1) A report on each contract or agreement for a project for the acquisition or construction of military family or military unaccompanied housing units that the Secretary proposes to solicit under this chapter, describing the project and the method of participation of the United States in the project and providing justification of such method of participation.*

*“(2) A report describing each conveyance or lease proposed under section 685 of this title.*

*“(3) A methodology for evaluating the extent and effectiveness of the use of the authorities under this chapter during such preceding fiscal year.*

*“(4) A description of the objectives of the Department of Transportation for providing military family housing and military unaccompanied housing for members of the Coast Guard.*

**“§ 689. Expiration of authority**

*“The authority to enter into a transaction under this chapter shall expire October 1, 2001.”.*

*(b) FINAL REPORT.—Not later than March 1, 2000, the Secretary of the department in which the Coast Guard is operating shall submit to the Congress a report on the use by the Secretary of the authorities provided by chapter 18 of title 14, United States Code, as added by subsection (a). The report shall assess the effectiveness of such authority in providing for the construction and improvement of military family housing and military unaccompanied housing.*

*(c) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I of title 14, United States Code, is amended by inserting after the item relating to chapter 17 the following:*

**“18. Coast Guard Housing Authorities ..... 680”.**

*(d) PILOT PROJECT.—Notwithstanding section 681(b) of title 14, United States Code, as amended by this Act, and subject to the other requirements of chapter 18 of such title, as amended by this Act, the Secretary of Transportation may use the authority provided in sections 682, 683, 684, 685, and 686 of such chapter to provide for the acquisition or construction of up to 60 family housing units and unaccompanied housing units on or near Coast Guard Integrated Support Command, Ketchikan, Alaska.*

**SEC. 209. BOARD FOR CORRECTION OF MILITARY RECORDS DEADLINE.**

(a) *IN GENERAL.*—Chapter 11 of title 14, United States Code, is amended by inserting after section 424 the following new section:

**“§425. Board for Correction of Military Records deadline**

“(a) *DEADLINE FOR COMPLETION OF ACTION.*—The Secretary shall complete processing of an application for correction of military records under section 1552 of title 10 by not later than 10 months after the date the Secretary receives the completed application.

“(b) *REMEDIES DEEMED EXHAUSTED.*—Ten months after a complete application for correction of military records is received by the Board for Correction of Military Records of the Coast Guard, administrative remedies are deemed to have been exhausted, and—

“(1) if the Board has rendered a recommended decision, its recommendation shall be final agency action and not subject to further review or approval within the department in which the Coast Guard is operating; or

“(2) if the Board has not rendered a recommended decision, agency action is deemed to have been unreasonably delayed or withheld and the applicant is entitled to—

“(A) an order under section 706(1) of title 5, directing final action be taken within 30 days from the date the order is entered; and

“(B) from amounts appropriated to the department in which the Coast Guard is operating, the costs of obtaining the order, including a reasonable attorney’s fee.”.

(b) *CLERICAL AMENDMENT.*—The table of sections at the beginning of chapter 11 of title 14, United States Code, is amended by inserting after the item relating to section 424 the following new item:

“425. Board for Correction of Military Records deadline.”.

(c) *SPECIAL RIGHT OF APPLICATIONS UNDER THIS SECTION.*—This section applies to any applicant who had an application filed with or pending before the Board or the Secretary of the department in which the Coast Guard is operating on or after June 12, 1990, who files with the Board for Correction of Military Records of the Coast Guard an application for relief under the amendment made by subsection (a). If a recommended decision was modified or reversed on review with final agency action occurring after expiration of the 10-month deadline under that amendment, an applicant who so requests shall have the order in the final decision vacated and receive the relief granted in the recommended decision if the Coast Guard has the legal authority to grant such relief. The recommended decision shall otherwise have no effect as precedent.

(d) *EFFECTIVE DATE.*—This section shall be effective on and after June 12, 1990.

**SEC. 210. REPEAL TEMPORARY PROMOTION OF WARRANT OFFICERS.**

(a) *REPEAL.*—Section 277 of title 14, United States Code, is repealed. The repeal of such section shall not be construed to affect the status of any warrant officer currently serving under a temporary promotion.

(b) *CONFORMING AMENDMENT.*—The table of sections at the beginning of chapter 11 of title 14, United States Code, is amended by striking the item relating to section 277.

**SEC. 211. APPOINTMENT OF TEMPORARY OFFICERS.**

(a) *IN GENERAL.*—Section 214 of title 14, United States Code, is amended—

(1) in the heading by striking “**Original appointment**” and inserting “**Appointment**”;

(2) by redesignating subsections (d), (e), and (f) in order as subsections (b), (c), and (d); and

(3) in subsection (c), as so redesignated, by inserting “, or a subsequent promotion appointment of a temporary officer,” after “section”.

(b) *CONFORMING AMENDMENT.*—The table of sections at the beginning of chapter 11 of title 14, United States Code, is amended in the item relating to section 214 by striking “Original appointment” and inserting “Appointment”.

**SEC. 212. INFORMATION TO BE PROVIDED TO OFFICER SELECTION BOARDS.**

Section 258(2) of title 14, United States Code, is amended by striking “, with identification of those officers who are in the promotion zone”.

**SEC. 213. RESCUE DIVER TRAINING FOR SELECTED COAST GUARD PERSONNEL.**

(a) *IN GENERAL.*—Section 88 of title 14, United States Code, is amended by adding at the end the following new subsection:

“(d) The Secretary shall establish a helicopter rescue swimming program for the purpose of training selected Coast Guard personnel in rescue swimming skills, which may include rescue diver training.”

(b) *CONFORMING AMENDMENT.*—Section 9 of the Coast Guard Authorization Act of 1984 (98 Stat. 2862; 14 U.S.C. 88 note) is repealed.

**SEC. 214. SPECIAL AUTHORITIES REGARDING COAST GUARD.**

(a) *REIMBURSEMENT OF EXPENSES FOR MESS OPERATIONS.*—Section 1011 of title 37, United States Code, is amended by adding at the end the following new subsection:

“(d) When the Coast Guard is not operating as a service in the Navy, the Secretary of Transportation shall establish rates for meals sold at Coast Guard dining facilities, provide for reimbursement of operating expenses and food costs to the appropriations concerned, and reduce the rates for such meals when the Secretary determines that it is in the best interest of the United States to do so.”

(b) *SEVERABLE SERVICES CONTRACTS CROSSING FISCAL YEARS.*—Section 2410a of title 10, United States Code, is amended—

(1) by striking “Funds” and inserting “(a) Funds”; and

(2) by adding at the end the following new subsection:

“(b) The Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract)

*the contract period does not exceed one year. Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of this subsection.”.*

### **TITLE III—MARINE SAFETY AND WATERWAY SERVICES MANAGEMENT**

**SEC. 301. CHANGES TO DOCUMENTATION LAWS.**

*(a) CIVIL PENALTY.— Section 12122(a) of title 46, United States Code, is amended by striking “\$500” and inserting “\$10,000”.*

*(b) SEIZURE AND FORFEITURE.—*

*(1) IN GENERAL.— Section 12122(b) of title 46, United States Code, is amended to read as follows:*

*“(b) A vessel and its equipment are liable to seizure by and forfeiture to the United States Government—*

*“(1) when the owner of a vessel or the representative or agent of the owner knowingly falsifies or conceals a material fact, or knowingly makes a false statement or representation about the documentation or when applying for documentation of the vessel;*

*“(2) when a certificate of documentation is knowingly and fraudulently used for a vessel;*

*“(3) when a vessel is operated after its endorsement has been denied or revoked under section 12123 of this title;*

*“(4) when a vessel is employed in a trade without an appropriate trade endorsement;*

*“(5) when a documented vessel with only a recreational endorsement is operated other than for pleasure; or*

*“(6) when a documented vessel, other than a vessel with only a recreational endorsement, is placed under the command of a person not a citizen of the United States.”.*

*(2) CONFORMING AMENDMENT.—Section 12122(c) of title 46, United States Code, is repealed.*

*(c) LIMITATION ON OPERATION OF VESSEL WITH ONLY RECREATIONAL ENDORSEMENT.—Section 12110(c) of title 46, United States Code, is amended to read as follows:*

*“(c) A vessel with only a recreational endorsement may not be operated other than for pleasure.”.*

*(d) TERMINATION OF RESTRICTION ON COMMAND OF RECREATIONAL VESSELS.—*

*(1) TERMINATION OF RESTRICTION.—Subsection (d) of section 12110 of title 46, United States Code, is amended by inserting “, other than a vessel with only a recreational endorsement,” after “A documented vessel”; and*

*(2) CONFORMING AMENDMENTS.—*

*(A) Section 12111(a)(2) of title 46, United States Code, is amended by inserting before the period the following: “in violation of section 12110(d) of this title”.*

*(B) Section 317 of Public Law 101-595 is amended by striking “and 12111” and inserting “12111, and 12122(b)”.*

*(e) FISHERY ENDORSEMENTS.—Section 12108 of title 46, United States Code, is amended by adding at the end the following:*

“(d) A vessel purchased by the Secretary of Commerce through a fishing capacity reduction program under the Magnuson Fishery Conservation Management Act (16 U.S.C. 1801 et seq.) or section 308 of the Interjurisdictional Fisheries Act (16 U.S.C. 4107) is not eligible for a fishery endorsement, and any fishery endorsement issued for that vessel is invalid.”

**SEC. 302. NONDISCLOSURE OF PORT SECURITY PLANS.**

Section 7 of the Ports and Waterways Safety Act (33 U.S.C. 1226), is amended by adding at the end the following new subsection (c):

“(c) **NONDISCLOSURE OF PORT SECURITY PLANS.**—Notwithstanding any other provision of law, information related to security plans, procedures, or programs for passenger vessels or passenger terminals authorized under this Act is not required to be disclosed to the public.”

**SEC. 303. MARITIME DRUG AND ALCOHOL TESTING PROGRAM CIVIL PENALTY.**

(a) **IN GENERAL.**—Chapter 21 of title 46, United States Code, is amended by adding at the end a new section 2115 to read as follows:

**“§2115. Civil penalty to enforce alcohol and dangerous drug testing**

“Any person who fails to implement or conduct, or who otherwise fails to comply with the requirements prescribed by the Secretary for, chemical testing for dangerous drugs or for evidence of alcohol use, as prescribed under this subtitle or a regulation prescribed by the Secretary to carry out the provisions of this subtitle, is liable to the United States Government for a civil penalty of not more than \$1,000 for each violation. Each day of a continuing violation shall constitute a separate violation.”

(b) **CONFORMING AMENDMENT.**—The table of sections at the beginning of chapter 21 of title 46, United States Code, is amended by inserting after the item relating to section 2114 the following:

“2115. Civil penalty to enforce alcohol and dangerous drug testing.”

**SEC. 304. RENEWAL OF ADVISORY GROUPS.**

(a) **NAVIGATION SAFETY ADVISORY COUNCIL.**—Section 5(d) of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2073) is amended by striking “September 30, 1995” and inserting “September 30, 2000”.

(b) **COMMERCIAL FISHING INDUSTRY VESSEL ADVISORY COMMITTEE.**—Subsection (e)(1) of section 4508 of title 46, United States Code, is amended by striking “September 30, 1994” and inserting “September 30, 2000”.

(c) **TOWING SAFETY ADVISORY COMMITTEE.**—Subsection (e) of the Act to Establish A Towing Safety Advisory Committee in the Department of Transportation (33 U.S.C. 1231a(e)) is amended by striking “September 30, 1995” and inserting “September 30, 2000”.

(d) **HOUSTON-GALVESTON NAVIGATION SAFETY ADVISORY COMMITTEE.**—The Coast Guard Authorization Act of 1991 (Public Law 102–241) is amended by adding at the end of section 18 the following:

“(h) The Committee shall terminate on September 30, 2000.”

(e) *LOWER MISSISSIPPI RIVER WATERWAY ADVISORY COMMITTEE.*—The Coast Guard Authorization Act of 1991 (Public Law 102–241) is amended by adding at the end of section 19 the following:  
“(g) The Committee shall terminate on September 30, 2000.”.

(f) *NATIONAL BOATING SAFETY ADVISORY COUNCIL.*—Section 13110(e) of title 46, United States Code, is amended by striking “September 30, 1996” and inserting “September 30, 2000”.

(g) *CLERICAL AMENDMENT.*—The section heading for section 5(d) of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2073) is amended by striking “Rules of the Road Advisory Council” and inserting “Navigation Safety Advisory Council”.

**SEC. 305. ELECTRONIC FILING OF COMMERCIAL INSTRUMENTS.**

Section 31321(a) of title 46, United States Code, is amended by adding at the end the following new paragraph:

“(4)(A) A bill of sale, conveyance, mortgage, assignment, or related instrument may be filed electronically under regulations prescribed by the Secretary.

“(B) A filing made electronically under subparagraph (A) shall not be effective after the 10-day period beginning on the date of the filing unless the original instrument is provided to the Secretary within that 10-day period.”.

**SEC. 306. CIVIL PENALTIES.**

(a) *PENALTY FOR FAILURE TO REPORT A CASUALTY.*—Section 6103(a) of title 46, United States Code is amended by striking “\$1,000” and inserting “not more than \$25,000”.

(b) *OPERATION OF UNINSPECTED TOWING VESSEL IN VIOLATION OF MANNING REQUIREMENTS.*—Section 8906 of title 46, United States Code, is amended by striking “\$1,000” and inserting “not more than \$25,000”.

**SEC. 307. AMENDMENT TO REQUIRE EPIRBs ON THE GREAT LAKES.**

Paragraph (7) of section 4502(a) of title 46, United States Code, is amended by inserting “or beyond 3 nautical miles from the coastline of the Great Lakes” after “high seas”.

**SEC. 308. REPORT ON LORAN-C REQUIREMENTS.**

Not later than 6 months after the date of enactment of this Act, the Secretary of Transportation, in cooperation with the Secretary of Commerce, shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a plan prepared in consultation with users of the LORAN-C radio-navigation system defining the future use of and funding for operations, maintenance, and upgrades of the LORAN-C radio-navigation system. The plan shall provide for—

(1) mechanisms to make full use of compatible satellite and LORAN-C technology by all modes of transportation, the telecommunications industry, and the National Weather Service;

(2) an appropriate timetable for transition from ground-based radionavigation technology after it is determined that satellite-based technology is available as a sole means of safe and efficient navigation and taking into consideration the need to ensure that LORAN-C technology purchased by the public before the year 2000 has a useful economic life; and

(3) agencies in the Department of Transportation and other relevant Federal agencies to share the Federal government's costs related to LORAN-C technology.

**SEC. 309. SMALL BOAT STATIONS.**

(a) *IN GENERAL.*—Chapter 17 of title 14, United States Code, is amended by adding at the end the following:

**“§ 673. Small boat station rescue capability**

*“The Secretary of Transportation shall ensure that each Coast Guard small boat station (including a seasonally operated station) maintains, within the area of responsibility for the station, at least 1 vessel that is fully capable of performing offshore rescue operations, taking into consideration prevailing weather, marine conditions, and depositional geologic features such as sand bars.*

**“§ 674. Small boat station closures**

*“(a) CLOSURES.*—The Secretary of Transportation may not close a Coast Guard multimission small boat station or subunit unless the Secretary—

*“(1) determines that—*

*“(A) remaining search and rescue capabilities maintain the safety of the maritime public in the area of the station or subunit;*

*“(B) regional or local prevailing weather and marine conditions, including water temperature or unusual tide and current conditions, do not require continued operation of the station or subunit; and*

*“(C) Coast Guard search and rescue standards related to search and rescue response times are met; and*

*“(2) provides an opportunity for public comment and for public meetings in the area of the station or subunit with regard to the decision to close the station or subunit.*

*“(b) OPERATIONAL FLEXIBILITY.*—The Secretary may implement any management efficiencies within the small boat station system, such as modifying the operational posture of units or reallocating resources as necessary to ensure the safety of the maritime public nationwide. No stations or subunits may be closed under this subsection except in accordance with subsection (a).”.

(b) *CLERICAL AMENDMENT.*—The analysis at the beginning of chapter 17 of title 14, United States Code, is amended by adding at the end the following new items:

“673. Small boat station rescue capability.

“674. Small boat station closures.”.

**SEC. 310. PENALTY FOR ALTERATION OF MARINE SAFETY EQUIPMENT.**

Section 3318(b) of title 46, United States Code, is amended—

(1) by inserting “(1)” before “A person”; and

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

“(2) A person commits a class D felony if the person—

“(A) alters or services lifesaving, fire safety, or any other equipment subject to this part for compensation; and

“(B) by that alteration or servicing, intentionally renders that equipment unsafe and unfit for the purpose for which it is intended.”.

**SEC. 311. PROHIBITION ON OVERHAUL, REPAIR, AND MAINTENANCE OF COAST GUARD VESSELS IN FOREIGN SHIPYARDS.**

(a) *PROHIBITION.*—Chapter 5 of title 14, United States Code, is amended by adding at the end the following:

**“§96. Prohibition on overhaul, repair, and maintenance of Coast Guard vessels in foreign shipyards**

“A Coast Guard vessel the home port of which is in a State of the United States may not be overhauled, repaired, or maintained in a shipyard outside the United States, other than in the case of voyage repairs.”.

(b) *CLERICAL AMENDMENT.*—The chapter analysis for chapter 5 of title 14, United States Code, is amended by adding at the end the following:

“96. Prohibition on overhaul, repair, and maintenance of Coast Guard vessels in foreign shipyards.”.

**SEC. 312. WITHHOLDING VESSEL CLEARANCE FOR VIOLATION OF CERTAIN ACTS.**

(a) *TITLE 49, UNITED STATES CODE.*—Section 5122 of title 49, United States Code, is amended by adding at the end the following new subsection:

“(c) *WITHHOLDING OF CLEARANCE.*—(1) If any owner, operator, or individual in charge of a vessel is liable for a civil penalty under section 5123 of this title or for a fine under section 5124 of this title, or if reasonable cause exists to believe that such owner, operator, or individual in charge may be subject to such a civil penalty or fine, the Secretary of the Treasury, upon the request of the Secretary, shall with respect to such vessel refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91).

“(2) Clearance refused or revoked under this subsection may be granted upon the filing of a bond or other surety satisfactory to the Secretary.”.

(b) *PORT AND WATERWAYS SAFETY ACT.*—Section 13(f) of the Ports and Waterways Safety Act (33 U.S.C. 1232(f)) is amended to read as follows:

“(f) *WITHHOLDING OF CLEARANCE.*—(1) If any owner, operator, or individual in charge of a vessel is liable for a penalty or fine under this section, or if reasonable cause exists to believe that the owner, operator, or individual in charge may be subject to a penalty or fine under this section, the Secretary of the Treasury, upon the request of the Secretary, shall with respect to such vessel refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91).

“(2) Clearance refused or revoked under this subsection may be granted upon filing of a bond or other surety satisfactory to the Secretary.”.

(c) *INLAND NAVIGATION RULES ACT OF 1980.*—Section 4(d) of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2072(d)) is amended to read as follows:

“(d) *WITHHOLDING OF CLEARANCE.*—(1) If any owner, operator, or individual in charge of a vessel is liable for a penalty under this section, or if reasonable cause exists to believe that the owner, operator, or individual in charge may be subject to a penalty under this

section, the Secretary of the Treasury, upon the request of the Secretary, shall with respect to such vessel refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91).

“(2) Clearance or a permit refused or revoked under this subsection may be granted upon filing of a bond or other surety satisfactory to the Secretary.”

(d) TITLE 46, UNITED STATES CODE.—Section 3718(e) of title 46, United States Code, is amended to read as follows:

“(e)(1) If any owner, operator, or individual in charge of a vessel is liable for any penalty or fine under this section, or if reasonable cause exists to believe that the owner, operator, or individual in charge may be subject to any penalty or fine under this section, the Secretary of the Treasury, upon the request of the Secretary, shall with respect to such vessel refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 App. U.S.C. 91).

“(2) Clearance or a permit refused or revoked under this subsection may be granted upon filing of a bond or other surety satisfactory to the Secretary.”

**SEC. 313. INFORMATION BARRED IN LEGAL PROCEEDINGS.**

(a) IN GENERAL.—Chapter 63 of title 46, United States Code, is amended by inserting after section 6307 the following:

**“§ 6308. Information barred in legal proceedings**

“(a) Notwithstanding any other provision of law, no part of a report of a marine casualty investigation conducted under section 6301 of this title, including findings of fact, opinions, recommendations, deliberations, or conclusions, shall be admissible as evidence or subject to discovery in any civil or administrative proceedings, other than an administrative proceeding initiated by the United States. Any employee of the Department of Transportation, and any member of the Coast Guard, investigating a marine casualty pursuant to section 6301 of this title, shall not be subject to deposition or other discovery, or otherwise testify in such proceedings relevant to a marine casualty investigation, without the permission of the Secretary of Transportation. The Secretary shall not withhold permission for such employee or member to testify, either orally or upon written questions, on solely factual matters at a time and place and in a manner acceptable to the Secretary if the information is not available elsewhere or is not obtainable by other means.

“(b) Nothing in this section prohibits the United States from calling the employee or member as an expert witness to testify on its behalf. Further, nothing in this section prohibits the employee or member from being called as a fact witness in any case in which the United States is a party. If the employee or member is called as an expert or fact witness, the applicable Federal Rules of Civil Procedure govern discovery. If the employee or member is called as a witness, the report of a marine casualty investigation conducted under section 6301 of this title shall not be admissible, as provided in subsection (a), and shall not be considered the report of an expert under the Federal Rules of Civil Procedure.

“(c) The information referred to in subsections (a) and (b) of this section shall not be considered an admission of liability by the Unit-

ed States or by any person referred to in those conclusions and statements.”.

(b) *CLERICAL AMENDMENT.*—The table of sections at the beginning of chapter 63 of title 46, United States Code, is amended by adding after the item relating to section 6307 the following new item:

“6308. Information barred in legal proceedings.”.

**SEC. 314. MARINE CASUALTY REPORTING.**

(a) *SUBMISSION OF PLAN.*—Not later than one year after enactment of this Act, the Secretary of Transportation shall, in consultation with appropriate State agencies, submit to the Committee on Resources of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a plan to increase reporting of vessel accidents to appropriate State law enforcement officials.

(b) *PENALTIES FOR VIOLATING REPORTING REQUIREMENTS.*—Section 6103(a) of title 46, United States Code, is amended by inserting “or 6102” after “6101” the second place it appears.

## **TITLE IV—COAST GUARD AUXILIARY**

**SEC. 401. ADMINISTRATION OF THE COAST GUARD AUXILIARY.**

(a) *IN GENERAL.*—Section 821 of title 14, United States Code, is amended to read as follows:

**“§ 821. Administration of the Coast Guard Auxiliary**

“(a) The Coast Guard Auxiliary is a nonmilitary organization administered by the Commandant under the direction of the Secretary. For command, control, and administrative purposes, the Auxiliary shall include such organizational elements and units as are approved by the Commandant, including but not limited to, a national board and staff (to be known as the ‘Auxiliary headquarters unit’), districts, regions, divisions, flotillas, and other organizational elements and units. The Auxiliary organization and its officers shall have such rights, privileges, powers, and duties as may be granted to them by the Commandant, consistent with this title and other applicable provisions of law. The Commandant may delegate to officers of the Auxiliary the authority vested in the Commandant by this section, in the manner and to the extent the Commandant considers necessary or appropriate for the functioning, organization, and internal administration of the Auxiliary.

“(b) Each organizational element or unit of the Coast Guard Auxiliary organization (but excluding any corporation formed by an organizational element or unit of the Auxiliary under subsection (c) of this section), shall, except when acting outside the scope of section 822, at all times be deemed to be an instrumentality of the United States, for purposes of the following:

“(1) Chapter 26 of title 28 (popularly known as the Federal Tort Claims Act).

“(2) Section 2733 of title 10 (popularly known as the Military Claims Act).

“(3) The Act of March 3, 1925 (46 App. U.S.C. 781–790; popularly known as the Public Vessels Act).

“(4) *The Act of March 9, 1920 (46 App. U.S.C. 741–752; popularly known as the Suits in Admiralty Act).*

“(5) *The Act of June 19, 1948 (46 App. U.S.C. 740; popularly known as the Admiralty Extension Act).*

“(6) *Other matters related to noncontractual civil liability.*

“(c) *The national board of the Auxiliary, and any Auxiliary district or region, may form a corporation under State law in accordance with policies established by the Commandant.*”.

(b) **CLERICAL AMENDMENT.**—*The table of sections at the beginning of chapter 23 of title 14, United States Code, is amended by striking the item relating to section 821, and inserting the following: “821. Administration of the Coast Guard Auxiliary.”.*

**SEC. 402. PURPOSE OF THE COAST GUARD AUXILIARY.**

(a) **IN GENERAL.**—*Section 822 of title 14, United States Code, is amended to read as follows:*

**“§ 822. Purpose of the Coast Guard Auxiliary**

*“The purpose of the Auxiliary is to assist the Coast Guard as authorized by the Commandant, in performing any Coast Guard function, power, duty, role, mission, or operation authorized by law.”.*

(b) **CLERICAL AMENDMENT.**—*The table of sections at the beginning of chapter 23 of title 14, United States Code, is amended by striking the item relating to section 822 and inserting the following: “822. Purpose of the Coast Guard Auxiliary.”.*

**SEC. 403. MEMBERS OF THE AUXILIARY; STATUS.**

(a) **IN GENERAL.**—*Title 14, United States Code, is amended by inserting after section 823 the following new section:*

**“§ 823a. Members of the Auxiliary; status**

*“(a) Except as otherwise provided in this chapter, a member of the Coast Guard Auxiliary shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, Federal employee benefits, ethics, conflicts of interest, and other similar criminal or civil statutes and regulations governing the conduct of Federal employees. However, nothing in this subsection shall constrain the Commandant from prescribing standards for the conduct and behavior of members of the Auxiliary.*

*“(b) A member of the Auxiliary while assigned to duty shall be deemed to be a Federal employee only for the purposes of the following:*

*“(1) Chapter 26 of title 28 (popularly known as the Federal Tort Claims Act).*

*“(2) Section 2733 of title 10 (popularly known as the Military Claims Act).*

*“(3) The Act of March 3, 1925 (46 App. U.S.C. 781–790; popularly known as the Public Vessels Act).*

*“(4) The Act of March 9, 1920 (46 App. U.S.C. 741–752; popularly known as the Suits in Admiralty Act).*

“(5) *The Act of June 19, 1948 (46 App. U.S.C. 740; popularly known as the Admiralty Extension Act).*

“(6) *Other matters related to noncontractual civil liability.*

“(7) *Compensation for work injuries under chapter 81 of title 5.*

“(8) *The resolution of claims relating to damage to or loss of personal property of the member incident to service under the Military Personnel and Civilian Employees’ Claims Act of 1964 (31 U.S.C. 3721).*

“(c) *A member of the Auxiliary, while assigned to duty, shall be deemed to be a person acting under an officer of the United States or an agency thereof for purposes of section 1442(a)(1) of title 28.*”.

(b) **CLERICAL AMENDMENT.**—*The table of sections for chapter 23 of title 14, United States Code, is amended by inserting the following new item after the item relating to section 823:*

“823a. *Members of the Auxiliary; status.*”.

**SEC. 404. ASSIGNMENT AND PERFORMANCE OF DUTIES.**

(a) **TRAVEL AND SUBSISTENCE EXPENSE.**—*Section 830(a) of title 14, United States Code, is amended by striking “specific”.*

(b) **ASSIGNMENT OF GENERAL DUTIES.**—*Section 831 of title 14, United States Code, is amended by striking “specific” each place it appears.*

(c) **BENEFITS FOR INJURY OR DEATH.**—*Section 832 of title 14, United States Code, is amended by striking “specific” each place it appears.*

**SEC. 405. COOPERATION WITH OTHER AGENCIES, STATES, TERRITORIES, AND POLITICAL SUBDIVISIONS.**

(a) **IN GENERAL.**—*Section 141 of title 14, United States Code, is amended—*

(1) *by striking the section heading and inserting the following:*

**“§141. Cooperation with other agencies, States, territories, and political subdivisions”;**

(2) *in the first sentence of subsection (a), by inserting after “personnel and facilities” the following: “(including members of the Auxiliary and facilities governed under chapter 23)”;* and

(3) *by adding at the end of subsection (a) the following new sentence: “The Commandant may prescribe conditions, including reimbursement, under which personnel and facilities may be provided under this subsection.”.*

(b) **CLERICAL AMENDMENT.**—*The table of sections at the beginning of chapter 7 of title 14, United States Code, is amended by striking the item relating to section 141 and inserting the following:*

“141. *Cooperation with other agencies, States, territories, and political subdivisions.*”.

**SEC. 406. VESSEL DEEMED PUBLIC VESSEL.**

*Section 827 of title 14, United States Code, is amended to read as follows:*

**“§827. Vessel deemed public vessel**

*“While assigned to authorized Coast Guard duty, any motorboat or yacht shall be deemed to be a public vessel of the United States*

and a vessel of the Coast Guard within the meaning of sections 646 and 647 of this title and other applicable provisions of law.”.

**SEC. 407. AIRCRAFT DEEMED PUBLIC AIRCRAFT.**

Section 828 of title 14, United States Code, is amended to read as follows:

**“§ 828. Aircraft deemed public aircraft**

“While assigned to authorized Coast Guard duty, any aircraft shall be deemed to be a Coast Guard aircraft, a public vessel of the United States, and a vessel of the Coast Guard within the meaning of sections 646 and 647 of this title and other applicable provisions of law. Subject to the provisions of sections 823a and 831 of this title, while assigned to duty, qualified Auxiliary pilots shall be deemed to be Coast Guard pilots.”.

**SEC. 408. DISPOSAL OF CERTAIN MATERIAL.**

Section 641(a) of title 14, United States Code, is amended—

(1) by inserting after “with or without charge,” the following: “to the Coast Guard Auxiliary, including any incorporated unit thereof;” and

(2) by striking “to any incorporated unit of the Coast Guard Auxiliary,”.

## **TITLE V—DEEPWATER PORT MODERNIZATION**

**SEC. 501. SHORT TITLE.**

This title may be cited as the “Deepwater Port Modernization Act”.

**SEC. 502. DECLARATIONS OF PURPOSE AND POLICY.**

(a) **PURPOSES.**—The purposes of this title are to—

- (1) update and improve the Deepwater Port Act of 1974;
- (2) assure that the regulation of deepwater ports is not more burdensome or stringent than necessary in comparison to the regulation of other modes of importing or transporting oil;
- (3) recognize that deepwater ports are generally subject to effective competition from alternative transportation modes and eliminate, for as long as a port remains subject to effective competition, unnecessary Federal regulatory oversight or involvement in the ports’ business and economic decisions; and
- (4) promote innovation, flexibility, and efficiency in the management and operation of deepwater ports by removing or reducing any duplicative, unnecessary, or overly burdensome Federal regulations or license provisions.

(b) **POLICY.**—Section 2(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1501(a)) is amended—

- (1) by striking “and” at the end of paragraph (3);
- (2) by striking the period at the end of paragraph (4) and inserting a semicolon; and
- (3) by inserting at the end the following:
  - “(5) promote the construction and operation of deepwater ports as a safe and effective means of importing oil into the United States and transporting oil from the outer continental

*shelf while minimizing tanker traffic and the risks attendant thereto; and*

*“(6) promote oil production on the outer continental shelf by affording an economic and safe means of transportation of outer continental shelf oil to the United States mainland.”.*

**SEC. 503. DEFINITIONS.**

*(a) ANTITRUST LAWS.—Section 3 of the Deepwater Port Act of 1974 (33 U.S.C. 1502) is amended—*

*(1) by striking paragraph (3); and*

*(2) by redesignating paragraphs (4) through (19) as paragraphs (3) through (18), respectively.*

*(b) DEEPWATER PORT.—The first sentence of section 3(9) of such Act, as redesignated by subsection (a), is amended by striking “such structures,” and all that follows through “section 23.” and inserting the following: “structures, located beyond the territorial sea and off the coast of the United States and which are used or intended for use as a port or terminal for the transportation, storage, and further handling of oil for transportation to any State, except as otherwise provided in section 23, and for other uses not inconsistent with the purposes of this title, including transportation of oil from the United States outer continental shelf.”.*

**SEC. 504. LICENSES.**

*(a) ELIMINATION OF UTILIZATION RESTRICTIONS.—Section 4(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(a)) is amended by striking all that follows the second sentence.*

*(b) ELIMINATION OF PRECONDITION TO LICENSING.—Section 4(c) of such Act is amended—*

*(1) by striking paragraph (7); and*

*(2) by redesignating paragraphs (8), (9), and (10) as paragraphs (7), (8), and (9), respectively.*

*(c) CONDITIONS PRESCRIBED BY SECRETARY.—Section 4(e)(1) of such Act is amended by striking the first sentence and inserting the following: “In issuing a license for the ownership, construction, and operation of a deepwater port, the Secretary shall prescribe those conditions which the Secretary deems necessary to carry out the provisions and requirements of this title or which are otherwise required by any Federal department or agency pursuant to the terms of this title. To the extent practicable, conditions required to carry out the provisions and requirements of this title shall be addressed in license conditions rather than by regulation and, to the extent practicable, the license shall allow a deepwater port’s operating procedures to be stated in an operations manual, approved by the Coast Guard, in accordance with section 10(a) of this title, rather than in detailed and specific license conditions or regulations; except that basic standards and conditions shall be addressed in regulations.”.*

*(d) ELIMINATION OF RESTRICTION ON TRANSFERS.—Section 4(e)(2) of such Act is amended by striking “application” and inserting “license”.*

*(e) FINDINGS REQUIRED FOR TRANSFERS.—Section 4(f) of such Act is amended to read as follows:*

*“(f) AMENDMENTS, TRANSFERS, AND REINSTATEMENTS.—The Secretary may amend, transfer, or reinstate a license issued under*

*this title if the Secretary finds that the amendment, transfer, or reinstatement is consistent with the requirements of this Act.”.*

**SEC. 505. INFORMATIONAL FILINGS.**

*Section 5(c) of the Deepwater Port Act of 1974 (33 U.S.C. 1504(c)) is amended by adding the following:*

*“(3) Upon written request of any person subject to this subsection, the Secretary may make a determination in writing to exempt such person from any of the informational filing provisions enumerated in this subsection or the regulations implementing this section if the Secretary determines that such information is not necessary to facilitate the Secretary’s determinations under section 4 of this Act and that such exemption will not limit public review and evaluation of the deepwater port project.”.*

**SEC. 506. ANTITRUST REVIEW.**

*Section 7 of the Deepwater Port Act of 1974 (33 U.S.C. 1506) is repealed.*

**SEC. 507. OPERATION.**

*(a) AS COMMON CARRIER.—Section 8(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1507(a)) is amended by inserting after “sub-title IV of title 49, United States Code,” the following: “and shall accept, transport, or convey without discrimination all oil delivered to the deepwater port with respect to which its license is issued,”.*

*(b) CONFORMING AMENDMENT.—Section 8(b) of such Act is amended by striking the first sentence and the first 3 words of the second sentence and inserting the following: “A licensee is not discriminating under this section and”.*

**SEC. 508. MARINE ENVIRONMENTAL PROTECTION AND NAVIGATIONAL SAFETY.**

*Section 10(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1509(a)) is amended—*

*(1) by inserting after “international law” the following: “and the provision of adequate opportunities for public involvement”; and*

*(2) by striking “shall prescribe by regulation and enforce procedures with respect to any deepwater port, including, but not limited to,” and inserting the following: “shall prescribe and enforce procedures, either by regulation (for basic standards and conditions) or by the licensee’s operations manual, with respect to”.*

## **TITLE VI—COAST GUARD REGULATORY REFORM**

**SEC. 601. SHORT TITLE.**

*This title may be cited as the “Coast Guard Regulatory Reform Act of 1996”.*

**SEC. 602. SAFETY MANAGEMENT.**

*(a) MANAGEMENT OF VESSELS.—Title 46, United States Code, is amended by adding after chapter 31 the following new chapter:*

**“CHAPTER 32—MANAGEMENT OF VESSELS**

“Sec.

“3201. Definitions.

“3202. Application.

“3203. Safety management system.

“3204. Implementation of safety management system.

“3205. Certification.

**“§ 3201. Definitions**

“In this chapter—

“(1) ‘International Safety Management Code’ has the same meaning given that term in chapter IX of the Annex to the International Convention for the Safety of Life at Sea, 1974;

“(2) ‘responsible person’ means—

“(A) the owner of a vessel to which this chapter applies;

or

“(B) any other person that has—

“(i) assumed the responsibility for operation of a vessel to which this chapter applies from the owner; and

“(ii) agreed to assume with respect to the vessel responsibility for complying with all the requirements of this chapter and the regulations prescribed under this chapter.

“(3) ‘vessel engaged on a foreign voyage’ means a vessel to which this chapter applies—

“(A) arriving at a place under the jurisdiction of the United States from a place in a foreign country;

“(B) making a voyage between places outside the United States; or

“(C) departing from a place under the jurisdiction of the United States for a place in a foreign country.

**“§ 3202. Application**

“(a) MANDATORY APPLICATION.—This chapter applies to the following vessels engaged on a foreign voyage:

“(1) Beginning July 1, 1998—

“(A) a vessel transporting more than 12 passengers described in section 2101(21)(A) of this title; and

“(B) a tanker, bulk freight vessel, or high-speed freight vessel, of at least 500 gross tons.

“(2) Beginning July 1, 2002, a freight vessel and a self-propelled mobile offshore drilling unit of at least 500 gross tons.

“(b) VOLUNTARY APPLICATION.—This chapter applies to a vessel not described in subsection (a) of this section if the owner of the vessel requests the Secretary to apply this chapter to the vessel.

“(c) EXCEPTION.—Except as provided in subsection (b) of this section, this chapter does not apply to—

“(1) a barge;

“(2) a recreational vessel not engaged in commercial service;

“(3) a fishing vessel;

“(4) a vessel operating on the Great Lakes or its tributary and connecting waters; or

“(5) a public vessel.

**“§ 3203. Safety management system**

*“(a) IN GENERAL.—The Secretary shall prescribe regulations which establish a safety management system for responsible persons and vessels to which this chapter applies, including—*

- “(1) a safety and environmental protection policy;*
- “(2) instructions and procedures to ensure safe operation of those vessels and protection of the environment in compliance with international and United States law;*
- “(3) defined levels of authority and lines of communications between, and among, personnel on shore and on the vessel;*
- “(4) procedures for reporting accidents and nonconformities with this chapter;*
- “(5) procedures for preparing for and responding to emergency situations; and*
- “(6) procedures for internal audits and management reviews of the system.*

*“(b) COMPLIANCE WITH CODE.—Regulations prescribed under this section shall be consistent with the International Safety Management Code with respect to vessels engaged on a foreign voyage.*

**“§ 3204. Implementation of safety management system**

*“(a) SAFETY MANAGEMENT PLAN.—Each responsible person shall establish and submit to the Secretary for approval a safety management plan describing how that person and vessels of the person to which this chapter applies will comply with the regulations prescribed under section 3203(a) of this title.*

*“(b) APPROVAL.—Upon receipt of a safety management plan submitted under subsection (a), the Secretary shall review the plan and approve it if the Secretary determines that it is consistent with and will assist in implementing the safety management system established under section 3203.*

*“(c) PROHIBITION ON VESSEL OPERATION.—A vessel to which this chapter applies under section 3202(a) may not be operated without having on board a Safety Management Certificate and a copy of a Document of Compliance issued for the vessel under section 3205 of this title.*

**“§ 3205. Certification**

*“(a) ISSUANCE OF CERTIFICATE AND DOCUMENT.—After verifying that the responsible person for a vessel to which this chapter applies and the vessel comply with the applicable requirements under this chapter, the Secretary shall issue for the vessel, on request of the responsible person, a Safety Management Certificate and a Document of Compliance.*

*“(b) MAINTENANCE OF CERTIFICATE AND DOCUMENT.—A Safety Management Certificate and a Document of Compliance issued for a vessel under this section shall be maintained by the responsible person for the vessel as required by the Secretary.*

*“(c) VERIFICATION OF COMPLIANCE.—The Secretary shall—*

- “(1) periodically review whether a responsible person having a safety management plan approved under section 3204(b) and each vessel to which the plan applies is complying with the plan; and*

“(2) revoke the Secretary’s approval of the plan and each Safety Management Certificate and Document of Compliance issued to the person for a vessel to which the plan applies, if the Secretary determines that the person or a vessel to which the plan applies has not complied with the plan.

“(d) ENFORCEMENT.—At the request of the Secretary, the Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes (46 U.S.C. App. 91) of a vessel that is subject to this chapter under section 3202(a) of this title or to the International Safety Management Code, if the vessel does not have on board a Safety Management Certificate and a copy of a Document of Compliance for the vessel. Clearance may be granted on filing a bond or other surety satisfactory to the Secretary.”

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of subtitle II of title 46, United States Code, is amended by inserting after the item relating to chapter 31 the following:

“32. Management of vessels ..... 3201”.

(c) STUDY.—

(1) IN GENERAL.—The Secretary of the department in which the Coast Guard is operating shall conduct, in cooperation with the owners, charterers, and managing operators of vessels documented under chapter 121 of title 46, United States Code, and other interested persons, a study of the methods that may be used to implement and enforce the International Management Code for the Safe Operation of Ships and for Pollution Prevention under chapter IX of the Annex to the International Convention for the Safety of Life at Sea, 1974.

(2) REPORT.—The Secretary shall submit to the Congress a report of the results of the study required under paragraph (1) before the earlier of—

(A) the date that final regulations are prescribed under section 3203 of title 46, United States Code (as enacted by subsection (a)); or

(B) the date that is 1 year after the date of enactment of this Act.

**SEC. 603. USE OF REPORTS, DOCUMENTS, RECORDS, AND EXAMINATIONS OF OTHER PERSONS.**

(a) REPORTS, DOCUMENTS, AND RECORDS.—Chapter 31 of title 46, United States Code, is amended by adding the following new section:

**“§ 3103. Use of reports, documents, and records**

“The Secretary may rely, as evidence of compliance with this subtitle, on—

“(1) reports, documents, and records of other persons who have been determined by the Secretary to be reliable; and

“(2) other methods the Secretary has determined to be reliable.”

(b) CLERICAL AMENDMENT.—The table of sections for chapter 31 of title 46, United States Code, is amended by adding at the end the following:

“3103. Use of reports, documents, and records.”

(c) *EXAMINATIONS.*—Section 3308 of title 46, United States Code, is amended by inserting “or have examined” after “examine”.

**SEC. 604. EQUIPMENT APPROVAL.**

(a) *IN GENERAL.*—Section 3306(b) of title 46, United States Code, is amended to read as follows:

“(b)(1) Equipment and material subject to regulation under this section may not be used on any vessel without prior approval of the Secretary.

“(2) Except with respect to use on a public vessel, the Secretary may treat an approval of equipment or materials by a foreign government as approval by the Secretary for purposes of paragraph (1) if the Secretary determines that—

“(A) the design standards and testing procedures used by that government meet the requirements of the International Convention for the Safety of Life at Sea, 1974;

“(B) the approval of the equipment or material by the foreign government will secure the safety of individuals and property on board vessels subject to inspection; and

“(C) for lifesaving equipment, the foreign government—

“(i) has given equivalent treatment to approvals of lifesaving equipment by the Secretary; and

“(ii) otherwise ensures that lifesaving equipment approved by the Secretary may be used on vessels that are documented and subject to inspection under the laws of that country.”

(b) *FOREIGN APPROVALS.*—The Secretary of Transportation, in consultation with other interested Federal agencies, shall work with foreign governments to have those governments approve the use of the same equipment and materials on vessels documented under the laws of those countries that the Secretary requires on United States documented vessels.

(c) *TECHNICAL AMENDMENT.*—Section 3306(a)(4) of title 46, United States Code, is amended by striking “clauses (1)–(3)” and inserting “paragraphs (1), (2), and (3)”.

**SEC. 605. FREQUENCY OF INSPECTION.**

(a) *FREQUENCY OF INSPECTION, GENERALLY.*—Section 3307 of title 46, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking “and nautical school vessel” and inserting “, nautical school vessel, and small passenger vessel allowed to carry more than 12 passengers on a foreign voyage”; and

(B) by adding “and” after the semicolon at the end;

(2) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(3) in paragraph (2) (as so redesignated), by striking “2 years” and inserting “5 years”.

(b) *CONFORMING AMENDMENT.*—Section 3710(b) of title 46, United States Code, is amended by striking “24 months” and inserting “5 years”.

**SEC. 606. CERTIFICATE OF INSPECTION.**

Section 3309(c) of title 46, United States Code, is amended by striking “(but not more than 60 days)”.

**SEC. 607. DELEGATION OF AUTHORITY OF SECRETARY TO CLASSIFICATION SOCIETIES.**

(a) *AUTHORITY TO DELEGATE.*—Section 3316 of title 46, United States Code, is amended—

- (1) by striking subsections (a) and (d);
- (2) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively;
- (3) by striking “Bureau” in subsection (a), as redesignated, and inserting “American Bureau of Shipping”; and
- (4) in subsection (b), as so redesignated, by—
  - (A) redesignating paragraph (2) as paragraph (3); and
  - (B) striking so much of the subsection as precedes paragraph (3), as so redesignated, and inserting the following:

“(b)(1) The Secretary may delegate to the American Bureau of Shipping or another classification society recognized by the Secretary as meeting acceptable standards for such a society, for a vessel documented or to be documented under chapter 121 of this title, the authority to—

“(A) review and approve plans required for issuing a certificate of inspection required by this part;

“(B) conduct inspections and examinations; and

“(C) issue a certificate of inspection required by this part and other related documents.

“(2) The Secretary may make a delegation under paragraph (1) to a foreign classification society only—

“(A) to the extent that the government of the foreign country in which the society is headquartered delegates authority and provides access to the American Bureau of Shipping to inspect, certify, and provide related services to vessels documented in that country; and

“(B) if the foreign classification society has offices and maintains records in the United States.”.

(b) *CONFORMING AMENDMENTS.*—

(1) The heading for section 3316 of title 46, United States Code, is amended to read as follows:

**“§ 3316. Classification societies”.**

(2) The table of sections for chapter 33 of title 46, United States Code, is amended by striking the item relating to section 3316 and inserting the following:

“3316. Classification societies.”.

## **TITLE VII—TECHNICAL AND CONFORMING AMENDMENTS**

**SEC. 701. AMENDMENT OF INLAND NAVIGATION RULES.**

Section 2 of the Inland Navigational Rules Act of 1980 is amended—

(1) by amending Rule 9(e)(i) (33 U.S.C. 2009(e)(i)) to read as follows:

“(i) In a narrow channel or fairway when overtaking, the power-driven vessel intending to overtake another power-driven ves-

*sel shall indicate her intention by sounding the appropriate signal prescribed in Rule 34(c) and take steps to permit safe passing. The power-driven vessel being overtaken, if in agreement, shall sound the same signal and may, if specifically agreed to take steps to permit safe passing. If in doubt she shall sound the danger signal prescribed in Rule 34(d).”;*

*(2) in Rule 15(b) (33 U.S.C. 2015(b)) by inserting “power-driven” after “Secretary, a”;*

*(3) in Rule 23(a)(i) (33 U.S.C. 2023(a)(i)) after “masthead light forward”; by striking “except that a vessel of less than 20 meters in length need not exhibit this light forward of amidships but shall exhibit it as far forward as is practicable;”;*

*(4) by amending Rule 24(f) (33 U.S.C. 2024(f)) to read as follows:*

*“(f) Provided that any number of vessels being towed alongside or pushed in a group shall be lighted as one vessel, except as provided in paragraph (iii)—*

*“(i) a vessel being pushed ahead, not being part of a composite unit, shall exhibit at the forward end, sidelights and a special flashing light;*

*“(ii) a vessel being towed alongside shall exhibit a sternlight and at the forward end, sidelights and a special flashing light; and*

*“(iii) when vessels are towed alongside on both sides of the towing vessels a stern light shall be exhibited on the stern of the outboard vessel on each side of the towing vessel, and a single set of sidelights as far forward and as far outboard as is practicable, and a single special flashing light.”;*

*(5) in Rule 26 (33 U.S.C. 2026)—*

*(A) in each of subsections (b)(i) and (c)(i) by striking “a vessel of less than 20 meters in length may instead of this shape exhibit a basket;”;* and

*(B) by amending subsection (d) to read as follows:*

*“(d) The additional signals described in Annex II to these Rules apply to a vessel engaged in fishing in close proximity to other vessels engaged in fishing.”;* and

*(6) by amending Rule 34(h) (33 U.S.C. 2034) to read as follows:*

*“(h) A vessel that reaches agreement with another vessel in a head-on, crossing, or overtaking situation, as for example, by using the radiotelephone as prescribed by the Vessel Bridge-to-Bridge Radiotelephone Act (85 Stat. 164; 33 U.S.C. 1201 et seq.), is not obliged to sound the whistle signals prescribed by this rule, but may do so. If agreement is not reached, then whistle signals shall be exchanged in a timely manner and shall prevail.”.*

**SEC. 702. MEASUREMENT OF VESSELS.**

*Section 14104 of title 46, United States Code, is amended by redesignating the existing text after the section heading as subsection (a) and by adding at the end the following new subsection:*

*“(b) If a statute allows for an alternate tonnage to be prescribed under this section, the Secretary may prescribe it by regulation. Any such regulation shall be considered to be an interpretive regulation for purposes of section 553 of title 5. Until an alternate tonnage is*

prescribed, the statutorily established tonnage shall apply to vessels measured under chapter 143 or chapter 145 of this title.

“(c) The head of each Federal agency shall ensure that regulations issued by the agency that specify particular tonnages comply with the alternate tonnages implemented by the Secretary.”.

**SEC. 703. LONGSHORE AND HARBOR WORKERS COMPENSATION.**

Section 3(d)(3)(B) of the Longshore and Harbor Workers’ Compensation Act (33 U.S.C. 903(d)(3)(B)) is amended by inserting after “1,600 tons gross” the following: “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title”.

**SEC. 704. RADIOTELEPHONE REQUIREMENTS.**

Section 4(a)(2) of the Vessel Bridge-to-Bridge Radiotelephone Act (33 U.S.C. 1203(a)(2)) is amended by inserting after “one hundred gross tons” the following “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title,”.

**SEC. 705. VESSEL OPERATING REQUIREMENTS.**

Section 4(a)(3) of the Ports and Waterways Safety Act (33 U.S.C. 1223(a)(3)) is amended by inserting after “300 gross tons” the following: “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title”.

**SEC. 706. MERCHANT MARINE ACT, 1920.**

Section 27A of the Merchant Marine Act, 1920 (46 App. U.S.C. 883–1), is amended by inserting after “five hundred gross tons” the following: “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title,”.

**SEC. 707. MERCHANT MARINE ACT, 1956.**

Section 2 of the Act of June 14, 1956 (46 App. U.S.C. 883a), is amended by inserting after “five hundred gross tons” the following: “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title”.

**SEC. 708. MARITIME EDUCATION AND TRAINING.**

Section 1302(4)(A) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1295a(4)(a)) is amended by inserting after “1,000 gross tons or more” the following: “as measured under section 14502 of title 46, United States Code, or an alternate tonnage measured under section 14302 of that title as prescribed by the Secretary under section 14104 of that title”.

**SEC. 709. GENERAL DEFINITIONS.**

Section 2101 of title 46, United States Code, is amended—

(1) in paragraph (13), by inserting after “15 gross tons” the following: “as measured under section 14502 of this title, or an

*alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(2) in paragraph (13a), by inserting after “3,500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(3) in paragraph (19), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(4) in paragraph (22), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(5) in paragraph (30)(A), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(6) in paragraph (32), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(7) in paragraph (33), by inserting after “300 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(8) in paragraph (35), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*  
and

*(9) in paragraph (42), by inserting after “100 gross tons” each place it appears, the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 710. AUTHORITY TO EXEMPT CERTAIN VESSELS.**

*Section 2113 of title 46, United States Code, is amended—*

*(1) in paragraph (4), by inserting after “at least 100 gross tons but less than 300 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;* and

*(2) in paragraph (5), by inserting after “at least 100 gross tons but less than 500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 711. INSPECTION OF VESSELS.**

*Section 3302 of title 46, United States Code, is amended—*

*(1) in subsection (c)(1), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or*

*an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(2) in subsection (c)(2), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(3) in subsection (c)(4)(A), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(4) in subsection (d)(1), by inserting after “150 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(5) in subsection (i)(1)(A), by inserting after “300 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(6) in subsection (j), by inserting after “15 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 712. REGULATIONS.**

*Section 3306 of title 46, United States Code, is amended—*

*(1) in subsection (h), by inserting after “at least 100 gross tons but less than 300 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(2) in subsection (i), by inserting after “at least 100 gross tons but less than 500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 713. PENALTIES—INSPECTION OF VESSELS.**

*Section 3318 of title 46, United States Code, is amended—*

*(1) in subsection (a), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(2) in subsection (j)(1), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 714. APPLICATION—TANK VESSELS.**

*Section 3702 of title 46, United States Code, is amended—*

*(1) in subsection (b)(1), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

(2) in subsection (c), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and

(3) in subsection (d), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 715. TANK VESSEL CONSTRUCTION STANDARDS.**

Section 3703a of title 46, United States Code, is amended—

(1) in subsection (b)(2), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(2) in subsection (c)(2), by inserting after “5,000 gross tons” each place it appears the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(3) in subsection (c)(3)(A), by inserting after “15,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(4) in subsection (c)(3)(B), by inserting after “30,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and

(5) in subsection (c)(3)(C), by inserting after “30,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 716. TANKER MINIMUM STANDARDS.**

Section 3707 of title 46, United States Code, is amended—

(1) in subsection (a), by inserting after “10,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and

(2) in subsection (b), by inserting after “10,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 717. SELF-PROPELLED TANK VESSEL MINIMUM STANDARDS.**

Section 3708 of title 46, United States Code, is amended by inserting after “10,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 718. DEFINITION—ABANDONMENT OF BARGES.**

Section 4701(1) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 719. APPLICATION—LOAD LINES.**

Section 5102(b) of title 46, United States Code, is amended—

(1) in paragraph (4), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(2) in paragraph (5), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and

(3) in paragraph (10), by inserting after “150 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 720. LICENSING OF INDIVIDUALS.**

Section 7101(e)(3) of title 46, United States Code, is amended by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 721. ABLE SEAMEN—LIMITED.**

Section 7308 of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 722. ABLE SEAMEN—OFFSHORE SUPPLY VESSELS.**

Section 7310 of title 46, United States Code, is amended by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 723. SCALE OF EMPLOYMENT—ABLE SEAMEN.**

Section 7312 of title 46, United States Code, is amended—

(1) in subsection (b), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(2) in subsection (c)(1), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;

(3) in subsection (d), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an

*alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(4) in subsection (f)(1), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*  
and

*(5) in subsection (f)(2), by inserting after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 724. GENERAL REQUIREMENTS—ENGINE DEPARTMENT.**

*Section 7313(a) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 725. COMPLEMENT OF INSPECTED VESSELS.**

*Section 8101(h) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 726. WATCHMEN.**

*Section 8102(b) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 727. CITIZENSHIP AND NAVAL RESERVE REQUIREMENTS.**

*Section 8103(b)(3)(A) of title 46, United States Code, is amended by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 728. WATCHES.**

*Section 8104 of title 46, United States Code, is amended—*

*(1) in subsection (b), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(2) in subsection (d), by inserting after “100 gross tons” and after “5,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(3) in subsection (l)(1), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(4) in subsection (m)(1), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this*

*title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(5) in subsection (o)(1), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(6) in subsection (o)(2), by inserting after “500 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 729. MINIMUM NUMBER OF LICENSED INDIVIDUALS.**

*Section 8301 of title 46, United States Code, is amended—*

*(1) in subsection (a)(2), by inserting after “1,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(2) in subsection (a)(3), by inserting after “at least 200 gross tons but less than 1,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(3) in subsection (a)(4), by inserting after “at least 100 gross tons but less than 200 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”;*

*(4) in subsection (a)(5), by inserting after “300 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(5) in subsection (b), by inserting after “200 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 730. OFFICERS’ COMPETENCY CERTIFICATES CONVENTION.**

*Section 8304(b)(4) of title 46, United States Code, is amended by inserting after “200 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 731. MERCHANT MARINERS’ DOCUMENTS REQUIRED.**

*Section 8701 of title 46, United States Code, is amended—*

*(1) in subsection (a), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(2) in subsection (a)(6), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or*

*an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 732. CERTAIN CREW REQUIREMENTS.**

*Section 8702 of title 46, United States Code, is amended—*

*(1) in subsection (a), by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”; and*

*(2) in subsection (a)(6), by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 733. FREIGHT VESSELS.**

*Section 8901 of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 734. EXEMPTIONS.**

*Section 8905(b) of title 46, United States Code, is amended by inserting after “200 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 735. UNITED STATES REGISTERED PILOT SERVICE.**

*Section 9303(a)(2) of title 46, United States Code, is amended by inserting after “4,000 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 736. DEFINITIONS—MERCHANT SEAMEN PROTECTION.**

*Section 10101(4)(B) of title 46, United States Code, is amended by inserting after “1,600 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 737. APPLICATION—FOREIGN AND INTERCOASTAL VOYAGES.**

*Section 10301(a)(2) of title 46, United States Code, is amended by inserting after “75 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 738. APPLICATION—COASTWISE VOYAGES.**

*Section 10501(a) of title 46, United States Code, is amended by inserting after “50 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.*

**SEC. 739. FISHING AGREEMENTS.**

Section 10601(a)(1) of title 46, United States Code, is amended by inserting after “20 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 740. ACCOMMODATIONS FOR SEAMEN.**

Section 11101(a) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 741. MEDICINE CHESTS.**

Section 11102(a) of title 46, United States Code, is amended by inserting after “75 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 742. LOGBOOK AND ENTRY REQUIREMENTS.**

Section 11301(a)(2) of title 46, United States Code, is amended by inserting after “100 gross tons” the following: “as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 743. COASTWISE ENDORSEMENTS.**

Section 12106(c)(1) of title 46, United States Code, is amended by striking “two hundred gross tons” and inserting “200 gross tons as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 744. FISHERY ENDORSEMENTS.**

Section 12108(c)(1) of title 46, United States Code, is amended by striking “two hundred gross tons” and inserting “200 gross tons as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title”.

**SEC. 745. CONVENTION TONNAGE FOR LICENSES, CERTIFICATES, AND DOCUMENTS.**

(a) **AUTHORITY TO USE CONVENTION TONNAGE.**—Chapter 75 of title 46, United States Code, is amended by adding at the end the following:

**“§ 7506. Convention tonnage for licenses, certificates, and documents**

“Notwithstanding any provision of section 14302(c) or 14305 of this title, the Secretary may—

“(1) evaluate the service of an individual who is applying for a license, a certificate of registry, or a merchant mariner’s document by using the tonnage as measured under chapter 143 of this title for the vessels on which that service was acquired, and

“(2) issue the license, certificate, or document based on that service.”.

(b) **CLERICAL AMENDMENT.**—The analysis to chapter 75 of title 46, United States Code, is amended by adding a new item as follows:

“7506. Convention tonnage for licenses, certificates, and documents.”.

**SEC. 746. TECHNICAL CORRECTIONS.**

(a) Title 46, United States Code, is amended—

(1) by striking the first section 12123 in chapter 121;

(2) by striking the first item relating to section 12123 in the table of sections for such chapter 121;

(3) by striking “proceeding” in section 13108(a)(1) and inserting “preceding”; and

(4) by striking “Secertary” in section 13108(a)(1) and inserting “Secretary”.

(b) Section 645 of title 14, United States Code, is amended by redesignating the second subsection (d) and subsections (e) through (h) as subsection (e) and subsections (f) through (i), respectively.

(c) Effective September 30, 1996, the Act of November 6, 1966 (Public Law 89-777), is amended—

(1) in section 2(d) (46 U.S.C. App. 817d(d)) by striking “Shipping Act, 1916,” and inserting “Shipping Act of 1984”; and

(2) in section 3(d) (46 U.S.C. App. 817e(d)) by striking “Shipping Act, 1916,” and inserting “Shipping Act of 1984”.

(d) Section 672 of title 14, United States Code, is amended by striking the section heading and inserting the following:

**“§672. Long-term lease authority for navigation and communications systems sites”.**

**SEC. 747. TECHNICAL CORRECTIONS TO REFERENCES TO ICC.**

Section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), is amended—

(1) in the third proviso—

(A) by striking “Interstate Commerce Commission” and inserting “Surface Transportation Board”; and

(B) by striking “said Commission” and inserting “the Board”; and

(2) in the fifth proviso—

(A) by striking “Interstate Commerce Commission” the first place it appears and inserting “Surface Transportation Board”; and

(B) by striking “Interstate Commerce Commission” the second place it appears and inserting “Board”.

## **TITLE VIII—POLLUTION FROM SHIPS**

**SEC. 801. PREVENTION OF POLLUTION FROM SHIPS.**

(a) **IN GENERAL.**—Section 6 of the Act to Prevent Pollution From Ships (33 U.S.C. 1905) is amended—

(1) by striking “(2) If” in subsection (c)(2) and inserting “(2)(A) Subject to subparagraph (B), if”; and

(2) by adding at the end of subsection (c)(2) the following:

“(B) The Secretary may not issue a certificate attesting to the adequacy of reception facilities under this paragraph unless, prior to the issuance of the certificate, the Secretary conducts an inspection of the reception facilities of the port or terminal that is the subject of the certificate.

“(C) The Secretary may, with respect to certificates issued under this paragraph prior to the date of enactment of the Coast Guard Authorization Act of 1996, prescribe by regulation differing periods of validity for such certificates.”;

(3) by striking subsection (c)(3)(A) and inserting the following:

“(A) is valid for the 5-year period beginning on the date of issuance of the certificate, except that if—

“(i) the charge for operation of the port or terminal is transferred to a person or entity other than the person or entity that is the operator on the date of issuance of the certificate—

“(I) the certificate shall expire on the date that is 30 days after the date of the transfer; and

“(II) the new operator shall be required to submit an application for a certificate before a certificate may be issued for the port or terminal; or

“(ii) the certificate is suspended or revoked by the Secretary, the certificate shall cease to be valid; and”;

(4) by striking subsection (d) and inserting the following:

“(d)(1) The Secretary shall maintain a list of ports or terminals with respect to which a certificate issued under this section—

“(A) is in effect; or

“(B) has been revoked or suspended.

“(2) The Secretary shall make the list referred to in paragraph (1) available to the general public.”.

(b) RECEPTION FACILITY PLACARDS.—Section 6(f) of the Act to Prevent Pollution From Ships (33 U.S.C. 1905(f)) is amended—

(1) by inserting “(1)” before “The Secretary”; and

(2) by adding at the end the following new paragraph:

“(2)(A) Not later than 18 months after the date of enactment of the Coast Guard Authorization Act of 1996, the Secretary shall promulgate regulations that require the operator of each port or terminal that is subject to any requirement of the MARPOL Protocol relating to reception facilities to post a placard in a location that can easily be seen by port and terminal users. The placard shall state, at a minimum, that a user of a reception facility of the port or terminal should report to the Secretary any inadequacy of the reception facility.”.

**SEC. 802. MARINE PLASTIC POLLUTION RESEARCH AND CONTROL.**

(a) COMPLIANCE REPORTS.—Section 2201(a) of the Marine Plastic Pollution Research and Control Act of 1987 (33 U.S.C. 1902 note) is amended—

(1) by striking “for a period of 6 years”; and

(2) by inserting before the period at the end the following: “and, not later than 1 year after the date of enactment of the Coast Guard Authorization Act of 1996, and annually thereafter, shall publish in the Federal Register a list of the enforcement actions taken against any domestic or foreign ship (in-

cluding any commercial or recreational ship) pursuant to the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.).

(b) COORDINATION.—Section 2203 of the Marine Plastic Pollution Research and Control Act of 1987 (101 Stat. 1466) is amended to read as follows:

**“SEC. 2203. COORDINATION.**

“(a) ESTABLISHMENT OF MARINE DEBRIS COORDINATING COMMITTEE.—The Secretary of Commerce shall establish a Marine Debris Coordinating Committee.

“(b) MEMBERSHIP.—The Committee shall include a senior official from—

“(1) the National Oceanic and Atmospheric Administration, who shall serve as the Chairperson of the Committee;

“(2) the Environmental Protection Agency;

“(3) the United States Coast Guard;

“(4) the United States Navy; and

“(5) such other Federal agencies that have an interest in ocean issues or water pollution prevention and control as the Secretary of Commerce determines appropriate.

“(c) MEETINGS.—The Committee shall meet at least twice a year to provide a forum to ensure the coordination of national and international research, monitoring, education, and regulatory actions addressing the persistent marine debris problem.

“(d) MONITORING.—The Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration, in cooperation with the Administrator of the Environmental Protection Agency, shall utilize the marine debris data derived under title V of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 2801 et seq.) to assist—

“(1) the Committee in ensuring coordination of research, monitoring, education and regulatory actions; and

“(2) the United States Coast Guard in assessing the effectiveness of this Act and the Act to Prevent Pollution from Ships in ensuring compliance under section 2201.”.

(c) PUBLIC OUTREACH PROGRAM.—Section 2204(a) of the Marine Plastic Pollution Research and Control Act of 1987 (42 U.S.C. 6981 note) is amended—

(1) by striking “for a period of at least 3 years,” in paragraph (1) in the matter preceding subparagraph (A);

(2) by striking “and” at the end of paragraph (1)(C);

(3) by striking the period at the end of subparagraph (1)(D) and inserting “; and”;

(4) by adding at the end of paragraph (1) the following:

“(E) the requirements under this Act and the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.) with respect to ships and ports, and the authority of citizens to report violations of this Act and the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.)”; and

(5) by striking paragraph (2) and inserting the following:

“(2) AUTHORIZED ACTIVITIES.—

“(A) PUBLIC OUTREACH PROGRAM.—A public outreach program under paragraph (1) may include—

“(i) developing and implementing a voluntary boaters’ pledge program;

- “(ii) workshops with interested groups;
- “(iii) public service announcements;
- “(iv) distribution of leaflets and posters; and
- “(v) any other means appropriate to educating the public.

“(B) GRANTS AND COOPERATIVE AGREEMENTS.—To carry out this section, the Secretary of the department in which the Coast Guard is operating, the Secretary of Commerce, and the Administrator of the Environmental Protection Agency are authorized to award grants, enter into cooperative agreements with appropriate officials of other Federal agencies and agencies of States and political subdivisions of States and with public and private entities, and provide other financial assistance to eligible recipients.

“(C) CONSULTATION.—In developing outreach initiatives for groups that are subject to the requirements of this title and the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.), the Secretary of the department in which the Coast Guard is operating, in consultation with the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration, and the Administrator of the Environmental Protection Agency, shall consult with—

- “(i) the heads of State agencies responsible for implementing State boating laws; and
- “(ii) the heads of other enforcement agencies that regulate boaters or commercial fishermen.”.

## **TITLE IX—TOWING VESSEL SAFETY**

### **SEC. 901. REDUCTION OF OIL SPILLS FROM NON-SELF-PROPELLED TANK VESSELS.**

(a) *IN GENERAL.*—Chapter 37 of title 46, United States Code, is amended by adding at the end the following new section:

#### **“§ 3719. Reduction of oil spills from single hull non-self-propelled tank vessels**

“The Secretary shall, in consultation with the Towing Safety Advisory Committee and taking into consideration the characteristics, methods of operation, and the size and nature of service of single hull non-self-propelled tank vessels and towing vessels, prescribe regulations requiring a single hull non-self-propelled tank vessel that operates in the open ocean or coastal waters, or the vessel towing it, to have at least one of the following:

“(1) A crew member and an operable anchor on board the tank vessel that together are capable of arresting the tank vessel without additional assistance under reasonably foreseeable sea conditions.

“(2) An emergency system on the tank vessel or towing vessel that without additional assistance under reasonably foreseeable sea conditions will allow the tank vessel to be retrieved by the towing vessel if the tow line ruptures.

“(3) Any other measure or combination of measures that the Secretary determines will provide protection against grounding

of the tank vessel comparable to that provided by the measures described in paragraph (1) or (2).”.

(b) **DEADLINE.**—The Secretary of the department in which the Coast Guard is operating shall issue regulations required under section 3719 of title 46, United States Code, as added by subsection (a), by not later than October 1, 1997.

(c) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 37 of title 46, United States Code, is amended by adding at the end the following new item:

“3719. Reduction of oil spills from non-self-propelled tank vessels.”.

**SEC. 902. REQUIREMENT FOR FIRE SUPPRESSION DEVICES.**

(a) **IN GENERAL.**—Section 4102 of title 46, United States Code, is amended by adding at the end the following new subsection:

“(f)(1) The Secretary, in consultation with the Towing Safety Advisory Committee and taking into consideration the characteristics, methods of operation, and nature of service of towing vessels, may require the installation, maintenance, and use of a fire suppression system or other measures to provide adequate assurance that fires on board towing vessels can be suppressed under reasonably foreseeable circumstances.

“(2) The Secretary shall require under paragraph (1) the use of a fire suppression system or other measures to provide adequate assurance that a fire on board a towing vessel that is towing a non-self-propelled tank vessel can be suppressed under reasonably foreseeable circumstances.”.

(b) **REGULATIONS.**—The Secretary of the department in which the Coast Guard is operating shall issue regulations establishing the requirement described in subsection (f)(2) of section 4102 of title 46, United States Code, as added by this section, by not later than October 1, 1997.

**SEC. 903. STUDIES ADDRESSING VARIOUS SOURCES OF OIL SPILL RISK.**

(a) **STUDY OF GROUP-5 FUEL OIL SPILLS.**—

(1) **DEFINITION.**—In this subsection, the term “group-5 fuel oil” means a petroleum-based oil that has a specific gravity of greater than 1.0.

(2) **COORDINATION OF STUDY.**—The Secretary of Transportation shall coordinate with the Marine Board of the National Research Council to conduct a study of the relative environmental and public health risks posed by discharges of group-5 fuel oil.

(3) **MATTERS TO BE INCLUDED.**—The study under this subsection shall include a review and analysis of—

(A) the specific risks posed to the public health or welfare of the United States, including fish, shellfish and wildlife, public and private property, shorelines, beaches, habitat, and other natural resources under the jurisdiction or control of the United States, as a result of an actual or threatened discharge of group-5 fuel oil from a vessel or facility;

(B) cleanup technologies currently available to address actual or threatened discharge of group-5 fuel oil; and

(C) any technological and financial barriers that prevent the prompt remediation of discharges of group-5 fuel oil.

(4) *REPORT.*—Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall submit to the Committee on Environment and Public Works and the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study under this subsection.

(5) *RULEMAKING.*—If the Secretary of Transportation determines, based on the results of the study under this subsection, that there are significant risks to public health or the environment resulting from the actual or threatened discharge of group-5 fuel oil from a vessel or facility that cannot be technologically or economically addressed by existing or anticipated cleanup efforts, the Secretary may initiate a rulemaking to take such action as is necessary to abate the threat.

(b) *STUDY OF AUTOMATIC FUELING SHUTOFF EQUIPMENT.*—

(1) *COORDINATION OF STUDY.*—The Secretary of Transportation shall coordinate with the Marine Board of the National Research Council to conduct a study of the unintentional or accidental discharge of fuel oil during lightering or fuel loading or off-loading activity.

(2) *MATTERS TO BE INCLUDED.*—The study under this subsection shall include a review and analysis of current monitoring and fueling practices to determine the need for automatic fuel shutoff equipment to prevent the accidental discharge of fuel oil, and whether such equipment is needed as a supplement to or replacement of existing preventive equipment or procedures.

(3) *REPORT.*—Not later than 18 months after the date of enactment of this Act, the Secretary of Transportation shall submit to the Committee on Environment and Public Works and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study under this subsection.

(4) *RULEMAKING.*—If the Secretary of Transportation determines, based on the results of the study conducted under this subsection, that the use of automatic oil shutoff equipment is necessary to prevent the actual or threatened discharge of oil during lightering or fuel loading or off loading activity, the Secretary may initiate a rulemaking to take such action as is necessary to abate a threat to public health or the environment.

(c) *LIGHTERING STUDY.*—The Secretary of Transportation shall coordinate with the Marine Board of the National Research Council on a study into the actual incidence and risk of oil spills from lightering operations off the coast of the United States. Among other things, the study shall address the manner in which existing regulations are serving to reduce oil spill risks. The study shall take into account current or proposed international rules and standards and also include recommendations on measures that would be likely to further reduce the risks of oil spills from lightering operations. Not

later than 18 months after the date of enactment of this Act, the Secretary shall submit a report on the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

## **TITLE X—CONVEYANCES**

### **SEC. 1001. CONVEYANCE OF LIGHTHOUSES.**

*(a) AUTHORITY TO CONVEY.—*

*(1) IN GENERAL.—The Secretary of Transportation or the Secretary of the Interior, as appropriate, shall convey, by an appropriate means of conveyance, all right, title, and interest of the United States in and to each of the following properties:*

*(A) Cape Ann Lighthouse, located on Thachers Island, Massachusetts, to the town of Rockport, Massachusetts.*

*(B) Light Station Montauk Point, located at Montauk, New York, to the Montauk Historical Association in Montauk, New York.*

*(C) Squirrel Point Light, located in Arrowsic, Maine, to Squirrel Point Associates, Incorporated.*

*(D) Point Arena Light Station, located in Mendocino County, California, to the Point Arena Lighthouse Keepers, Incorporated.*

*(E) Saint Helena Island Light Station, located in MacKinac County, Moran Township, Michigan, to the Great Lakes Lighthouse Keepers Association.*

*(F) Presque Isle Light Station, located in Presque Isle Township, Michigan, to Presque Isle Township, Presque Isle County, Michigan.*

*(G) Cove Point Lighthouse, located in Calvert County, Maryland, to Calvert County, Maryland.*

*(2) IDENTIFICATION OF PROPERTY.—The Secretary may identify, describe, and determine the property to be conveyed under this subsection.*

*(3) EXCEPTION.—The Secretary may not convey any historical artifact, including any lens or lantern, located on the property at or before the time of the conveyance.*

*(b) TERMS OF CONVEYANCE.—*

*(1) IN GENERAL.—The conveyance of property under this section shall be made—*

*(A) without payment of consideration; and*

*(B) subject to the conditions required by this section and other terms and conditions the Secretary may consider appropriate.*

*(2) REVERSIONARY INTEREST.—In addition to any term or condition established under this section, the conveyance of property under this subsection shall be subject to the condition that all right, title, and interest in the property shall immediately revert to the United States if—*

*(A) the property, or any part of the property—*

*(i) ceases to be used as a nonprofit center for the interpretation and preservation of maritime history;*

(ii) ceases to be maintained in a manner that ensures its present or future use as a Coast Guard aid to navigation; or

(iii) ceases to be maintained in a manner consistent with the provisions of the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.); or

(B) at least 30 days before that reversion, the Secretary of Transportation provides written notice to the owner that the property is needed for national security purposes.

(3) MAINTENANCE OF NAVIGATION FUNCTIONS.—A conveyance of property under this section shall be made subject to the conditions that the Secretary of Transportation considers to be necessary to assure that—

(A) the lights, antennas, sound signal, electronic navigation equipment, and associated lighthouse equipment located on the property conveyed, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as they are needed for this purpose;

(B) the owner of the property may not interfere or allow interference in any manner with aids to navigation without express written permission from the Secretary of Transportation;

(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation or make any changes to the property as may be necessary for navigational purposes;

(D) the United States shall have the right, at any time, to enter the property without notice for the purpose of maintaining aids to navigation; and

(E) the United States shall have an easement of access to and across the property for the purpose of maintaining the aids to navigation in use on the property.

(4) OBLIGATION LIMITATION.—The owner of property conveyed under this section is not required to maintain any active aid to navigation equipment on the property.

(5) PROPERTY TO BE MAINTAINED IN ACCORDANCE WITH CERTAIN LAWS.—The owner of property conveyed under this section shall maintain the property in accordance with the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.) and other applicable laws.

(c) MAINTENANCE STANDARD.—The owner of any property conveyed under this section, at its own cost and expense, shall maintain the property in a proper, substantial, and workmanlike manner.

(d) DEFINITIONS.—For purposes of this section:

(1) The term “Montauk Light Station” includes the keeper’s dwellings, adjacent Coast Guard rights-of-way, the World War II submarine spotting tower, the lighthouse tower, and the paint locker.

(2) The term “owner” means the person identified in subsection (a)(1)(A) through (G), and includes any successor of assign of that person.

(3) The term "Point Arena Light Station" includes the light tower building, fog signal building, 2 small shelters, 4 residential quarters, and a restroom facility.

(4) The term "Squirrel Point Light" includes the light tower, dwelling, boat house, oil house, barn, any other ancillary buildings, and any other land as may be necessary for the owner to operate a nonprofit center for public benefit.

(5) The term "Presque Isle Light Station" includes the light tower, attached dwelling, detached dwelling, 3-car garage, and any other improvements on that parcel of land.

**SEC. 1002. CONVEYANCE OF CERTAIN LIGHTHOUSES LOCATED IN MAINE.**

(a) *AUTHORITY TO CONVEY.*—

(1) *IN GENERAL.*—The Secretary of Transportation (in this section referred to as the "Secretary") shall convey to an entity recommended by the Island Institute, Rockland, Maine (in this section referred to as the "Institute"), and approved by the Selection Committee established in subsection (d)(3)(A), by an appropriate means of conveyance, all right, title, and interest of the United States in and to any of the facilities and real property and improvements described in paragraph (2).

(2) *IDENTIFICATION OF PROPERTIES.*—Paragraph (1) applies to lighthouses, together with any real property and other improvements associated therewith, located in the State of Maine as follows:

- (A) *Burnt Island Light.*
- (B) *Rockland Harbor Breakwater Light.*
- (C) *Monhegan Island Light.*
- (D) *Eagle Island Light.*
- (E) *Curtis Island Light.*
- (F) *Moose Peak Light.*
- (G) *Great Duck Island Light.*
- (H) *Goose Rocks Light.*
- (I) *Isle au Haut Light.*
- (J) *Goat Island Light.*
- (K) *Wood Island Light.*
- (L) *Doubling Point Light.*
- (M) *Doubling Point Front Range Light.*
- (N) *Doubling Point Rear Range Light.*
- (O) *Little River Light.*
- (P) *Spring Point Ledge Light.*
- (Q) *Ram Island Light (Boothbay).*
- (R) *Seguin Island Light.*
- (S) *Marshall Point Light.*
- (T) *Fort Point Light.*
- (U) *West Quoddy Head Light.*
- (V) *Brown's Head Light.*
- (W) *Cape Neddick Light.*
- (X) *Halfway Rock Light.*
- (Y) *Ram Island Ledge Light.*
- (Z) *Mount Desert Rock Light.*
- (AA) *Whitlock's Mill Light.*
- (BB) *Nash Island Light.*
- (CC) *Manana Island Fog Signal Station.*

*(DD) Franklin Island Light.*

(3) *DEADLINE FOR CONVEYANCE.*—(A) *The conveyances authorized by this subsection shall take place not later than 2 years after the date of the enactment of this Act.*

(B) *During the period described in subparagraph (A), the Secretary may not transfer or convey any right, title, or interest in the properties listed in paragraph (2) in any manner that is inconsistent with this section, nor shall the Secretary transfer these properties to the General Services Administration for disposal, unless the Selection Committee notifies the Secretary that an eligible entity referred to in subsection (d)(2) will not be identified during that period.*

(C) *During the period described in subparagraph (A), no other provision of law concerning the disposal of Federal property that is inconsistent in any manner with the provisions of this section shall apply to the properties listed in paragraph (2).*

(4) *ADDITIONAL CONVEYANCES.*—*The Secretary may transfer, in accordance with the terms and conditions of subsection (b), the following lighthouses, together with any real property and improvements associated therewith—*

(A) *directly to the United States Fish and Wildlife Service:*

(i) *Two Bush Island Light.*

(ii) *Egg Rock Light.*

(iii) *Libby Island Light.*

(iv) *Matinicus Rock Light.*

(B) *to the Institute, with the concurrence of the Maine Lighthouse Selection Committee:*

(i) *Whitehead Island Light.*

(ii) *Deer Island Thorofare (Mark Island) Light.*

(b) *TERMS OF CONVEYANCE.*—

(1) *IN GENERAL.*—*The conveyance of property pursuant to this section shall be made—*

(A) *without payment of consideration; and*

(B) *subject to the conditions required by this section and other terms and conditions the Secretary may consider appropriate.*

(2) *MAINTENANCE OF NAVIGATION FUNCTION.*—*The conveyance of property pursuant to this section shall be made subject to the conditions that the Secretary considers necessary to assure that—*

(A) *the lights, antennas, sound signal, electronic navigation equipment, and associated lighthouse equipment located on the property conveyed, which are active aids to navigation, shall continue to be operated and maintained by the United States;*

(B) *the Institute, the United States Fish and Wildlife Service, and an entity to which property is conveyed under this section may not interfere or allow interference in any manner with aids to navigation without express written permission from the Secretary;*

(C) *there is reserved to the United States the right to relocate, replace, or add any aid to navigation or make any*

changes to property conveyed under this section as may be necessary for navigational purposes;

(D) the United States shall have the right, at any time, to enter property conveyed under this section without notice for the purpose of maintaining aids to navigation; and

(E) the United States shall have an easement of access to and across property conveyed under this section for the purpose of maintaining the aids to navigation in use on the property.

(3) OBLIGATION LIMITATION.—The Institute, or any entity to which a lighthouse is conveyed under subsection (d), is not required to maintain any active aid to navigation equipment on a property conveyed under this section.

(4) REVERSIONARY INTEREST.—In addition to any term or condition established pursuant to this section, the conveyance of property pursuant to this section shall be subject to the condition that all right, title, and interest in such property shall immediately revert to the United States if—

(A) such property or any part of such property ceases to be used for educational, historic, recreational, cultural, and wildlife conservation programs for the general public and for such other uses as the Secretary determines to be not inconsistent or incompatible with such uses;

(B) such property or any part of such property ceases to be maintained in a manner that ensures its present or future use as a Coast Guard aid to navigation; or

(C) such property or any part of such property ceases to be maintained in a manner consistent with the provisions of the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.).

(c) INSPECTION.—The State Historic Preservation Officer of the State of Maine may at any time inspect any lighthouse, and any real property and improvements associated therewith, that is conveyed under this section to an entity that is not a Federal agency, without notice, for purposes of ensuring that the lighthouse is being maintained in the manner required under subsection (b). The Institute, and conveyees under subsection (d) that are not Federal agencies, shall cooperate with the official referred to in the preceding sentence in the inspections of that official under this subsection.

(d) CONVEYANCE OF LIGHTHOUSES.—

(1) REQUIREMENT.—The Secretary shall convey, without consideration, all right, title, and interest of the United States in and to the lighthouses identified in subsection (a)(2), together with any real property and improvements associated therewith, to one or more entities identified under paragraph (2) and approved by the committee established under paragraph (3) in accordance with the provisions of such paragraph (3).

(2) IDENTIFICATION OF ELIGIBLE ENTITIES.—

(A) IN GENERAL.—Subject to subparagraph (B), the Institute shall identify entities eligible for the conveyance of a lighthouse under this subsection. Such entities shall include any department or agency of the Federal Government, any department or agency of the government of the State of Maine, any local government in that State, or any nonprofit

corporation, educational agency, or community development organization that—

(i) is financially able to maintain the lighthouse (and any real property and improvements conveyed therewith) in accordance with the conditions set forth in subsection (b);

(ii) has agreed to permit the inspections referred to in subsection (c); and

(iii) has agreed to comply with the conditions set forth in subsection (b); and to have such conditions recorded with the deed of title to the lighthouse and any real property and improvements that may be conveyed therewith.

(B) ORDER OF PRIORITY.—In identifying entities eligible for the conveyance of a lighthouse under this paragraph, the Institute shall give priority to entities in the following order, which are also the exclusive entities eligible for the conveyance of a lighthouse under this section:

(i) Agencies of the Federal Government.

(ii) Entities of the government of the State of Maine.

(iii) Entities of local governments in the State of Maine.

(iv) Nonprofit corporations, educational agencies, and community development organizations.

(3) SELECTION OF CONVEYEEES AMONG ELIGIBLE ENTITIES.—

(A) COMMITTEE.—

(i) IN GENERAL.—There is hereby established a committee to be known as the Maine Lighthouse Selection Committee (in this paragraph referred to as the “Committee”).

(ii) MEMBERSHIP.—The Committee shall consist of five members appointed by the Secretary, in consultation with the Advisory Council on Historic Preservation, as follows:

(I) One member, who shall serve as the Chairman of the Committee, shall be appointed from among individuals recommended by the Governor of the State of Maine.

(II) One member shall be the State Historic Preservation Officer of the State of Maine, with the consent of that official, or a designee of that official.

(III) One member shall be appointed from among individuals recommended by State and local organizations in the State of Maine that are concerned with lighthouse preservation or maritime heritage matters.

(IV) One member shall be appointed from among individuals recommended by officials of local governments of the municipalities in which the lighthouses are located.

(V) One member shall be appointed from among individuals recommended by the Secretary of the Interior.

(iii) *APPOINTMENT DEADLINE.*—The Secretary shall appoint the members of the Committee not later than 90 days after the date of the enactment of this Act.

(iv) *MEMBERSHIP TERM.*—

(I) Members of the Committee shall serve for such terms not longer than 2 years as the Secretary shall provide. The Secretary may stagger the terms of initial members of the Committee in order to ensure continuous activity by the Committee.

(II) Any member of the Committee may serve after the expiration of the term of the member until a successor to the member is appointed. A vacancy in the Committee shall be filled in the same manner in which the original appointment was made.

(v) *VOTING.*—The Committee shall act by an affirmative vote of a majority of the members of the Committee.

(B) *RESPONSIBILITIES.*—

(i) *IN GENERAL.*—The Committee shall—

(I) review the entities identified by the Institute under paragraph (2) as entities eligible for the conveyance of a lighthouse; and

(II) approve one such entity, or disapprove all such entities, as entities to which the Secretary may make the conveyance of the lighthouse under this subsection.

(ii) *APPROVAL.*—If the Committee approves an entity for the conveyance of a lighthouse, the Committee shall notify the Institute of such approval. The Institute shall forward such recommendations to the Secretary.

(iii) *DISAPPROVAL.*—If the Committee disapproves of the entities, the Committee shall notify the Institute and the Institute shall identify other entities eligible for the conveyance of the lighthouse under paragraph (2). The Committee shall review and approve or disapprove entities identified pursuant to the preceding sentence in accordance with this subparagraph and the criteria set forth in subsection (b).

(C) *EXEMPTION FROM FACAs.*—The Federal Advisory Committee Act (5 App. U.S.C.) shall not apply to the Committee, however, all meetings of the Committee shall be open to the public and preceded by appropriate public notice.

(D) *TERMINATION.*—The Committee shall terminate 2 years from the date of the enactment of this Act.

(E) *FUNDING.*—Nothing in this section shall imply a commitment or obligation of any department or agency of the Federal Government to fund the expenses of the Committee.

(4) *CONVEYANCE.*—Upon notification under paragraph (3)(B)(ii) of the approval of an identified entity for conveyance of a lighthouse under this subsection, the Secretary shall, with the consent of the entity, convey the lighthouse to the entity.

(5) *RESPONSIBILITIES OF CONVEYEEES.*—Each entity to which the Secretary conveys a lighthouse under this subsection, or any successor or assign of such entity in perpetuity, shall—

(A) use and maintain the lighthouse in accordance with subsection (b) and have such terms and conditions recorded with the deed of title to the lighthouse and any real property conveyed therewith; and

(B) permit the inspections referred to in subsection (c).

(e) *DESCRIPTION OF PROPERTY.*—The legal description of any lighthouse, and any real property and improvements associated therewith, conveyed under subsection (a) shall be determined by the Secretary. The Secretary shall retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the lighthouses conveyed under this subsection, whether located at the lighthouse or elsewhere. The Secretary shall identify any equipment, system, or object covered by this paragraph.

**SEC. 1003. TRANSFER OF COAST GUARD PROPERTY IN GOSNOLD, MASSACHUSETTS.**

(a) *CONVEYANCE REQUIREMENT.*—The Secretary of Transportation may convey to the town of Gosnold, Massachusetts, without reimbursement and by no later than 120 days after the date of enactment of this Act, all right, title, and interest of the United States in and to the property known as the “United States Coast Guard Cuttyhunk Boathouse and Wharf”, as described in subsection (c).

(b) *CONDITIONS.*—Any conveyance of property under subsection (a) shall be subject to the condition that the Coast Guard shall retain in perpetuity and at no cost—

(1) the right of access to, over, and through the boathouse, wharf, and land comprising the property at all times for the purpose of berthing vessels, including vessels belonging to members of the Coast Guard Auxiliary; and

(2) the right of ingress to and egress from the property for purposes of access to Coast Guard facilities and performance of Coast Guard functions.

(c) *PROPERTY DESCRIBED.*—The property referred to in subsection (a) is real property located in the town of Gosnold, Massachusetts (including all buildings, structures, equipment, and other improvements), as determined by the Secretary of Transportation.

**SEC. 1004. CONVEYANCE OF PROPERTY IN KETCHIKAN, ALASKA.**

(a) *AUTHORITY TO CONVEY.*—The Secretary of Transportation or the Administrator of General Services, as appropriate, shall convey to the Ketchikan Indian Corporation in Ketchikan, Alaska, without reimbursement and by no later than 120 days after the date of enactment of this Act, all right, title, and interest of the United States in and to the property known as the “Former Marine Safety Detachment” as identified in Report of Excess Number CG-689 (GSA Control Number 9-U-AK-0747) and described in subsection (b), for use as a health or social services facility.

(b) *IDENTIFICATION OF PROPERTY.*—The Secretary or the Administrator, as appropriate, shall identify, describe, and determine the property to be conveyed pursuant to this section.

(c) *REVERSIONARY INTEREST.*—(1) The conveyance of property described in subsection (b) shall be subject to the conditions that—

(A) the existing buildings on such property shall be demolished and removed by not later than July 3, 1997; and

(B) such property, and all right, title and interest in such property, shall transfer to the City of Ketchikan if, within 24 months of the date of enactment of this Act, the Ketchikan Indian Corporation has not completed design and construction plans for a health and social services facility (including local permitting requirements, but not financing plans) and received approval from the City of Ketchikan for such plans or the written consent of the City to exceed this period.

(2) If the property described in subsection (b) is transferred to the City of Ketchikan under subsection (c), the transfer shall be subject to the condition that all right, title, and interest in and to the property shall immediately revert to the United States if the property ceases to be used by the City of Ketchikan in a health-related or hospital-related capacity.

**SEC. 1005. CONVEYANCE OF PROPERTY IN TRAVERSE CITY, MICHIGAN.**

(a) *AUTHORITY TO CONVEY.*—The Secretary of Transportation (or any other official having control over the property described in subsection (b)) shall expeditiously convey to the Traverse City Area Public School District in Traverse City, Michigan, without consideration, all right, title, and interest of the United States in and to the property identified, described, and determined by the Secretary under subsection (b), subject to all easements and other interests in the property held by any other person.

(b) *IDENTIFICATION OF PROPERTY.*—The Secretary shall identify, describe, and determine the property to be conveyed pursuant to this section.

(c) *REVERSIONARY INTEREST.*—In addition to any term or condition established pursuant to subsection (a) or (d), any conveyance of property described in subsection (b) shall be subject to the condition that all right, title, and interest in and to the property so conveyed shall immediately revert to the United States if the property, or any part thereof, ceases to be used by the Traverse City Area Public School District.

(d) *TERMS OF CONVEYANCE.*—The conveyance of property under this section shall be subject to such conditions as the Secretary considers to be necessary to assure that—

(1) the pump room located on the property shall continue to be operated and maintained by the United States for as long as it is needed for this purpose;

(2) the United States shall have an easement of access to the property for the purpose of operating and maintaining the pump room; and

(3) the United States shall have the right, at any time, to enter the property without notice for the purpose of operating and maintaining the pump room.

**SEC. 1006. TRANSFER OF COAST GUARD PROPERTY IN NEW SHOREHAM, RHODE ISLAND.**

(a) *REQUIREMENT.*—The Secretary of Transportation (or any other official having control over the property described in subsection (b)) may convey to the town of New Shoreham, Rhode Island, without consideration, all right, title, and interest of the United States in and to the property known as the United States Coast Guard Station Block Island, as described in subsection (b), subject to all easements and other interest in the property held by any other person.

(b) *PROPERTY DESCRIBED.*—The property referred to in subsection (a) is real property (including buildings and improvements) located on the west side of Block Island, Rhode Island, at the entrance to the Great Salt Pond and referred to in the books of the Tax Assessor of the town of New Shoreham, Rhode Island, as lots 10 and 12, comprising approximately 10.7 acres.

(c) *REVERSIONARY INTEREST.*—In addition to any term or condition established pursuant to subsection (a), any conveyance of property under subsection (a) shall be subject to the condition that all right, title, and interest in and to the property so conveyed shall immediately revert to the United States if the property, or any part thereof, ceases to be used by the town of New Shoreham, Rhode Island.

**SEC. 1007. CONVEYANCE OF PROPERTY IN SANTA CRUZ, CALIFORNIA.**

(a) *AUTHORITY TO CONVEY.*—

(1) *IN GENERAL.*—The Secretary of Transportation (referred to in this section as the “Secretary”) may convey to the Santa Cruz Port District by an appropriate means of conveyance, all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) *IDENTIFICATION OF PROPERTY.*—The Secretary may identify, describe, and determine the property to be conveyed pursuant to this section.

(b) *CONSIDERATION.*—Any conveyance of property pursuant to this section shall be made without payment of consideration.

(c) *CONDITION.*—The conveyance provided for in subsection (a) may be made contingent upon agreement by the Port District that—

(1) the utility systems, building spaces, and facilities or any alternate, suitable facilities and buildings on the harbor premises would be available for joint use by the Port District and the Coast Guard when deemed necessary by the Coast Guard; and

(2) the Port District would be responsible for paying the cost of maintaining, operating, and replacing (as necessary) the utility systems and any buildings and facilities located on the property as described in subsection (a) or on any alternate, suitable property on the harbor premises set aside for use by the Coast Guard.

(d) *REVERSIONARY INTEREST.*—Any conveyance of property pursuant to this section shall be subject to the condition that all right, title, and interest in Subunit Santa Cruz shall immediately revert to the United States—

(1) if Subunit Santa Cruz ceases to be maintained as a nonprofit center for education, training, administration, and other public service to include use by the Coast Guard; or

(2) at the end of the thirty day period beginning on any date on which the Secretary provides written notice to the Santa Cruz Port District that Subunit Santa Cruz is needed for national security purposes.

(e) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(f) **DEFINITIONS.**—For purposes of this section—

(1) “Subunit Santa Cruz” means the Coast Guard property and improvements located at Santa Cruz, California;

(2) “Secretary” means the Secretary of the department in which the Coast Guard is operating; and

(3) “Port District” means the Santa Cruz Port District, or any successor or assign.

**SEC. 1008. CONVEYANCE OF VESSEL S/S RED OAK VICTORY.**

(a) **IN GENERAL.**—Notwithstanding any other law, the Secretary of Transportation (referred to in this section as the “Secretary”) may convey the right, title, and interest of the United States Government in and to the vessel S/S RED OAK VICTORY (Victory Ship VCS-AP2; United States Navy Hull No. AK235) to the City of Richmond Museum Association, Inc., located in Richmond, California (in this section referred to as “the recipient”), if—

(1) the recipient agrees to use the vessel for the purposes of a monument to the wartime accomplishments of the City of Richmond;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government if the Secretary requires use of the vessel by the Government for war or a national emergency;

(4) the recipient agrees to hold the Government harmless for any claims arising from exposure to hazardous materials, including asbestos and PCB’s, after conveyance of the vessel, except for claims arising from use by the Government under paragraph (3);

(5) the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least \$100,000; and

(6) the recipient agrees to any other conditions the Secretary considers appropriate.

(b) **DELIVERY OF VESSEL.**—If a conveyance is made under this section, the Secretary shall deliver the vessel at the place where the vessel is located on the date of enactment of this Act, in its present condition, without cost to the Government.

(c) **OTHER UNNEEDED EQUIPMENT.**—The Secretary may convey to the recipient any unneeded equipment from other vessels in the National Defense Reserve Fleet for use to restore the S/S RED OAK VICTORY to museum quality.

(d) **RETENTION OF VESSEL IN NDRF.**—The Secretary shall retain in the National Defense Reserve Fleet the vessel authorized to be conveyed under subsection (a), until the earlier of—

(1) 2 years after the date of the enactment of this Act; or

(2) the date of conveyance of the vessel under subsection (a).

**SEC. 1009. CONVEYANCE OF EQUIPMENT.**

*The Secretary of Transportation may convey any unneeded equipment from other vessels in the National Defense Reserve Fleet to the JOHN W. BROWN and other qualified United States memorial ships in order to maintain their operating condition.*

**SEC. 1010. PROPERTY EXCHANGE.**

(a) *PROPERTY ACQUISITION.*—*The Secretary may, by means of an exchange of property, acceptance as a gift, or other means that does not require the use of appropriated funds, acquire all right, title, and interest in and to a parcel or parcels of real property and any improvements thereto located within the limits of the City and Borough of Juneau, Alaska.*

(b) *ACQUISITION THROUGH EXCHANGE.*—*For the purposes of acquiring property under subsection (a) by means of an exchange, the Secretary may convey all right, title, and interest of the United States in and to a parcel or parcels of real property and any improvements thereto located within the limits of the City and Borough of Juneau, Alaska and in the control of the Coast Guard if the Secretary determines that the exchange is in the best interest of the Coast Guard.*

(c) *TERMS AND CONDITIONS.*—*The Secretary may require such terms and conditions under this section as the Secretary considers appropriate to protect the interests of the United States.*

**SEC. 1011. AUTHORITY TO CONVEY WHITEFISH POINT LIGHT STATION LAND.**

(a) *AUTHORITY TO CONVEY.*—

(1) *IN GENERAL.*—*Except as otherwise provided in this section, the Secretary of the Interior (in this section referred to as the “Secretary”) may convey, by an appropriate means of conveyance, all right, title, and interest of the United States in 1 of the 3 parcels comprising the land on which the United States Coast Guard Whitefish Point Light Station is situated (in this section referred to as the “Property”), to each of the Great Lakes Shipwreck Historical Society, located in Sault Ste. Marie, Michigan, the United States Fish and Wildlife Service, and the Michigan Audubon Society (each of which is referred to in this section as a “recipient”), subject to all easements, conditions, reservations, exceptions, and restrictions contained in prior conveyances of record.*

(2) *LIMITATION.*—*Notwithstanding paragraph (1), the Secretary shall retain for the United States all right, title, and interest in—*

(A) *any historical artifact, including any lens or lantern, and*

(B) *the light, antennas, sound signal, towers, associated lighthouse equipment, and any electronic navigation equipment, which are active aids to navigation,*

*which is located on the Property, or which relates to the Property.*

(3) *IDENTIFICATION OF THE PROPERTY.*—*The Secretary may identify, describe, and determine the parcels to be conveyed pursuant to this section.*

(4) *RIGHTS OF ACCESS.*—If necessary to ensure access to a public roadway for a parcel conveyed under this section, the Secretary shall convey with the parcel an appropriate appurtenant easement over another parcel conveyed under this section.

(5) *EASEMENT FOR PUBLIC ALONG SHORELINE.*—In each conveyance under this section of property located on the shoreline of Lake Superior, the Secretary shall retain for the public, for public walkway purposes, a right-of-way along the shoreline that extends 30 feet inland from the mean high water line.

(b) *TERMS AND CONDITIONS.*—

(1) *IN GENERAL.*—Any conveyance pursuant to subsection (a) shall be made—

(A) without payment of consideration; and

(B) subject to such terms and conditions as the Secretary considers appropriate.

(2) *MAINTENANCE OF NAVIGATION FUNCTIONS.*—The Secretary shall ensure that any conveyance pursuant to this section is subject to such conditions as the Secretary considers to be necessary to assure that—

(A) the light, antennas, sound signal, towers, and associated lighthouse equipment, and any electronic navigation equipment, which are located on the Property and which are active aids to navigation shall continue to be operated and maintained by the United States for as long as they are needed for this purpose;

(B) the recipients may not interfere or allow interference in any manner with such aids to navigation without express written permission from the United States;

(C) there is reserved to the United States the right to relocate, replace, or add any aids to navigation, or make any changes on any portion of the Property as may be necessary for navigation purposes;

(D) the United States shall have the right, at any time, to enter the Property without notice for the purpose of maintaining aids to navigation;

(E) the United States shall have—

(i) an easement of access to and across the Property for the purpose of maintaining the aids to navigation and associated equipment in use on the Property; and

(ii) an easement for an arc of visibility; and

(F) the United States shall not be responsible for the cost and expense of maintenance, repair, and upkeep of the Property.

(3) *MAINTENANCE OBLIGATION.*—The recipients shall not have any obligation to maintain any active aid to navigation equipment on any parcel conveyed pursuant to this section.

(c) *PROPERTY TO BE MAINTAINED IN ACCORDANCE WITH CERTAIN LAWS.*—Each recipient shall maintain the parcel conveyed to the recipient pursuant to subsection (a) in accordance with the provisions of the National Historic Preservation Act (16 U.S.C. 470 et seq.), and other applicable laws.

(d) *MAINTENANCE STANDARD.*—Each recipient shall maintain the parcel conveyed to the recipient pursuant to subsection (a), at its own cost and expense, in a proper, substantial, and workmanlike manner, including the easements of access, the easement for an arc of visibility, the nuisance easement, and the underground easement.

(e) *SHARED USE AND OCCUPANCY AGREEMENT.*—The Secretary shall require, as a condition of each conveyance of property under this section, that all of the recipients have entered into the same agreement governing the shared use and occupancy of the existing Whitefish Point Light Station facilities. The agreement shall be drafted by the recipients and shall include—

(1) terms governing building occupancy and access of recipient staff and public visitors to public restrooms, the auditorium, and the parking lot; and

(2) terms requiring that each recipient shall be responsible for paying a pro rata share of the costs of operating and maintaining the existing Whitefish Point Light Station facilities, that is based on the level of use and occupancy of the facilities by the recipient.

(f) *LIMITATIONS ON DEVELOPMENT AND IMPAIRING USES.*—It shall be a term of each conveyance under this section that—

(1) no development of new facilities or expansion of existing facilities or infrastructure on property conveyed under this section may occur, except for purposes of implementing the Whitefish Point Comprehensive Plan of October 1992 or for a gift shop, unless—

(A) each of the recipients consents to the development or expansion in writing;

(B) there has been a reasonable opportunity for public comment on the development or expansion, and full consideration has been given to such public comment as is provided; and

(C) the development or expansion is consistent with preservation of the Property in its predominantly natural, scenic, historic, and forested condition; and

(2) any use of the Property or any structure located on the property which may impair or interfere with the conservation values of the Property is expressly prohibited.

(g) *REVISIONARY INTEREST.*—

(1) *IN GENERAL.*—All right, title, and interests in and to property and interests conveyed under this section shall revert to the United States and thereafter be administered by the Secretary of Interior acting through the Director of the United States Fish and Wildlife Service, if—

(A) in the case of such property and interests conveyed to the Great Lakes Shipwreck Historical Society, the property or interests cease to be used for the purpose of historical interpretation;

(B) in the case of such property and interests conveyed to the Michigan Audubon Society, the property or interests cease to be used for the purpose of environmental protection, research, and interpretation; or

(C) in the case any property and interests conveyed to a recipient referred to in subparagraph (A) or (B)—

- (i) there is any violation of any term or condition of the conveyance to that recipient; or
- (ii) the recipient has ceased to exist.

(2) **AUTHORITY TO ENFORCE REVERSIONARY INTEREST.**—The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall have the authority—

- (A) to determine for the United States Government whether any act or omission of a recipient results in a reversion of property and interests under paragraph (1); and
- (B) to initiate a civil action to enforce that reversion, after notifying the recipient of the intent of the Secretary of the Interior to initiate that action.

(3) **MAINTENANCE OF NAVIGATION FUNCTIONS.**—In the event of a reversion of property under this subsection, the Secretary of the Interior shall administer the property subject to any conditions the Secretary of Transportation considers to be necessary to maintain the navigation functions.

**SEC. 1012. CONVEYANCE OF PARRAMORE BEACH COAST GUARD STATION, VIRGINIA.**

(a) **IN GENERAL.**—The Secretary of the department in which the Coast Guard is operating shall convey to the Nature Conservancy (a nonprofit corporation established under the laws of the District of Columbia and holder of ownership interest in Parramore Island, Virginia), by not later than 30 days after the date of the enactment of this Act and without consideration, all right, title, and interest of the United States in and to all real property comprising the Parramore Beach Coast Guard Station, located on Parramore's Island near the town of Wachapreague in Accomack County, Virginia.

(b) **COMPLETION OF ENVIRONMENTAL REVIEWS, ASSESSMENTS, AND CLEANUP.**—

(1) **AUTHORITY TO CONVEY BEFORE COMPLETION.**—Notwithstanding any other provision of law that would require completion of an environmental review, assessment, or cleanup with respect to the Parramore Beach Coast Guard Station before the conveyance under subsection (a), the Secretary may make that conveyance before the completion of that review, assessment, or cleanup, as applicable.

(2) **TIME FOR COMPLETION.**—Any environmental review, assessment, or cleanup with respect to the Parramore Beach Coast Guard Station shall be completed by as soon as practicable after the date of the enactment of this Act.

**SEC. 1013. CONVEYANCE OF JEREMIAH O'BRIEN.**

(a) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary of Transportation (in this section referred to as the "Secretary") may convey, subject to the conditions set forth in subsection (b), the right, title, and interest of the United States Government in the vessel **JEREMIAH O'BRIEN** (United States official number 243622; in this section referred to as the "Vessel"), to a nonprofit corporation (in this section referred to as the "Recipient") for use as a merchant marine memorial museum, if on the date of enactment of this Act the Recipient has at least 10 consecutive years

*experience in restoring and operating a Liberty Ship as a merchant marine memorial museum.*

(b) *CONDITIONS.—The conveyance of the Vessel under subsection (a) shall be subject to the following conditions:*

(1) *The Recipient agrees—*

(A) *to use the Vessel as a nonprofit merchant marine memorial museum;*

(B) *not to use the Vessel for commercial transportation purposes;*

(C) *to make the Vessel available to the Government without cost if and when the Secretary requires use of the Vessel by the Government;*

(D) *in the event the Recipient no longer requires the Vessel for use as a merchant marine memorial museum, to—*

(i) *reconvey, at the discretion of the Secretary, the Vessel to the Government in as good condition as when it was received from the Government, except for ordinary wear and tear; and*

(ii) *deliver the Vessel to the Government at the place where the Vessel was delivered to the Recipient;*

(E) *to hold the Government harmless for any claims founded on occurrences after conveyance of the Vessel, except for claims against the Government arising from use by the Government under subparagraphs (C) and (D) of this paragraph, which claims shall include any claims resulting from exposure to asbestos and other substances; and*

(F) *to any other conditions the Secretary considers appropriate.*

(2) *If a conveyance is made under this section, the Secretary shall deliver the Vessel to the Recipient at the place where the Vessel is located on the date of enactment of this Act, in its present condition, without cost to the Government.*

(c) *CONVEYANCE OF EQUIPMENT AND MATERIAL.—The Secretary may convey to the Recipient any unneeded equipment and material from other vessels at any time in the National Defense Reserve Fleet in order to assist in placing and maintaining the Vessel in operating condition.*

(d) *EXPIRATION OF AUTHORITY.—The authority of the Secretary to convey the Vessel under this section shall expire 2 years after the date of enactment of this Act.*

## **TITLE XI—MISCELLANEOUS**

### **SEC. 1101. FLORIDA AVENUE BRIDGE.**

*For purposes of the alteration of the Florida Avenue Bridge (located approximately 1.63 miles east of the Mississippi River on the Gulf Intracoastal Waterway in Orleans Parish, Louisiana) ordered by the Secretary of Transportation under the Act of June 21, 1940 (33 U.S.C. 511 et seq.), the Secretary shall treat the drainage siphon that is adjacent to the bridge as an appurtenance of the bridge, including with respect to apportionment and payment of costs for the removal of the drainage siphon in accordance with that Act.*

**SEC. 1102. OIL SPILL RECOVERY INSTITUTE.**

(a) **ADVISORY BOARD AND EXECUTIVE COMMITTEE.**—Section 5001 of the Oil Pollution Act of 1990 (33 U.S.C. 2731) is amended—

(1) by striking “to be administered by the Secretary of Commerce” in subsection (a);

(2) by striking “and located” in subsection (a) and inserting “located”;

(3) by striking “the EXXON VALDEZ oil spill” each place it appears in subsection (b)(2) and inserting “Arctic or Subarctic oil spills”;

(4) by striking “18” in subsection (c)(1) and inserting “16”;

(5) by striking “, Natural Resources, and Commerce and Economic Development” in subsection (c)(1)(A) and inserting a comma and “and Natural Resources”;

(6) by striking subsection (c)(1)(B), (C), and (D);

(7) by redesignating subparagraphs (E) and (F) of subsection (c)(1) as subparagraphs (G) and (H), respectively;

(8) by inserting after subparagraph (A) of subsection (c)(1) the following:

“(B) One representative appointed by each of the Secretaries of Commerce, the Interior, and Transportation, who shall be Federal employees.

“(C) Two representatives from the fishing industry appointed by the Governor of the State of Alaska from among residents of communities in Alaska that were affected by the EXXON VALDEZ oil spill, who shall serve terms of 2 years each. Interested organizations from within the fishing industry may submit the names of qualified individuals for consideration by the Governor.

“(D) Two Alaska Natives who represent Native entities affected by the EXXON VALDEZ oil spill, at least one of whom represents an entity located in Prince William Sound, appointed by the Governor of Alaska from a list of 4 qualified individuals submitted by the Alaska Federation of Natives, who shall serve terms of 2 years each.

“(E) Two representatives from the oil and gas industry to be appointed by the Governor of the State of Alaska who shall serve terms of 2 years each. Interested organizations from within the oil and gas industry may submit the names of qualified individuals for consideration by the Governor.

“(F) Two at-large representatives from among residents of communities in Alaska that were affected by the EXXON VALDEZ oil spill who are knowledgeable about the marine environment and wildlife within Prince William Sound, and who shall serve terms of 2 years each, appointed by the remaining members of the Advisory Board. Interested parties may submit the names of qualified individuals for consideration by the Advisory Board.”;

(9) adding at the end of subsection (c) the following:

“(4) **SCIENTIFIC REVIEW.**—The Advisory Board may request a scientific review of the research program every five years by the National Academy of Sciences which shall perform the re-

view, if requested, as part of its responsibilities under section 7001(b)(2).”;

(10) by striking “the EXXON VALDEZ oil spill” in subsection (d)(2) and inserting “Arctic or Subarctic oil spills”;

(11) by striking “Secretary of Commerce” in subsection (e) and inserting “Advisory Board”;

(12) by striking “, the Advisory Board,” in the second sentence of subsection (e);

(13) by striking “Secretary’s” in subsection (e) and inserting “Advisory Board’s”;

(14) by inserting “authorization in section 5006(b) providing funding for the” in subsection (i) after “The”;

(15) by striking “this Act” in subsection (i) and inserting “the Coast Guard Authorization Act of 1996”;

(16) by striking the first sentence of subsection (j); and

(17) by inserting “The Advisory Board may compensate its Federal representatives for their reasonable travel costs.” in subsection (j) after “Institute.”.

(b) FUNDING.—Section 5006 of the Oil Pollution Act of 1990 (33 U.S.C. 2736) is amended by—

(1) striking subsection (a) and redesignating subsection (b) as subsection (a);

(2) striking “5003” in the caption of subsection (a), as redesignated, and inserting “5001, 5003.”;

(3) inserting “to carry out section 5001 in the amount as determined in section 5006(b), and” after “limitation,” in the text of subsection (a), as redesignated; and

(4) adding at the end thereof the following:

“(b) USE OF INTEREST ONLY.—The amount of funding to be made available annually to carry out section 5001 shall be the interest produced by the Fund’s investment of the \$22,500,000 remaining funding authorized for the Prince William Sound Oil Spill Recovery Institute and currently deposited in the Fund and invested by the Secretary of the Treasury in income producing securities along with other funds comprising the Fund. The National Pollution Funds Center shall transfer all such accrued interest, including the interest earned from the date funds in the Trans-Alaska Liability Pipeline Fund were transferred into the Oil Spill Liability Trust Fund pursuant to section 8102(a)(2)(B)(ii), to the Prince William Sound Oil Spill Recovery Institute annually, beginning 60 days after the date of enactment of the Coast Guard Authorization Act of 1996.

“(c) USE FOR SECTION 1012.—Beginning with the eleventh year following the date of enactment of the Coast Guard Authorization Act of 1996, the funding authorized for the Prince William Sound Oil Spill Recovery Institute and deposited in the Fund shall thereafter be made available for purposes of section 1012 in Alaska.”.

(c) CONFORMING AMENDMENTS.—

(1) Section 6002(b) of the Oil Pollution Act of 1990 (33 U.S.C. 2752(b)) is amended by striking “5006(b)” and inserting “5006”.

(2) Section 7001(c)(9) the Oil Pollution Act of 1990 (33 U.S.C. 2761(c)(9)) is amended by striking the period at the end

thereof and inserting “until the authorization for funding under section 5006(b) expires.”.

**SEC. 1103. LIMITED DOUBLE HULL EXEMPTIONS.**

Section 3703a of title 46, United States Code, is amended—

(1) in subsection (b), by—

(A) striking “or” at the end of paragraph (2);

(B) striking the period at the end of paragraph (3) and inserting a semicolon; and

(C) adding at the end the following new paragraphs:

“(4) a vessel documented under chapter 121 of this title that was equipped with a double hull before August 12, 1992;

“(5) a barge of less than 1,500 gross tons (as measured under chapter 145 of this title) carrying refined petroleum product in bulk as cargo in or adjacent to waters of the Bering Sea, Chukchi Sea, and Arctic Ocean and waters tributary thereto and in the waters of the Aleutian Islands and the Alaskan Peninsula west of 155 degrees west longitude; or

“(6) a vessel in the National Defense Reserve Fleet pursuant to section 11 of the Merchant Ship Sales Act of 1946 (50 App. U.S.C. 1744).”; and

(2) by adding at the end the following new subsection:

“(d) The operation of barges described in subsection (b)(5) outside waters described in that subsection shall be on any conditions as the Secretary may require.”.

**SEC. 1104. OIL SPILL RESPONSE VESSELS.**

(a) DESCRIPTION.—Section 2101 of title 46, United States Code, is amended—

(1) by redesignating paragraph (20a) as paragraph (20b); and

(2) by inserting after paragraph (20) the following new paragraph:

“(20a) ‘oil spill response vessel’ means a vessel that is designated in its certificate of inspection as such a vessel, or that is adapted to respond to a discharge of oil or a hazardous material.”.

(b) EXEMPTION FROM LIQUID BULK CARRIAGE REQUIREMENTS.—Section 3702 of title 46, United States Code, is amended by adding at the end thereof the following:

“(f) This chapter does not apply to an oil spill response vessel if—

“(1) the vessel is used only in response-related activities; or

“(2) the vessel is—

“(A) not more than 500 gross tons as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title;

“(B) designated in its certificate of inspection as an oil spill response vessel; and

“(C) engaged in response-related activities.”.

(c) MANNING.—Section 8104(p) of title 46, United States Code, is amended to read as follows:

“(p) The Secretary may prescribe the watchstanding and work hours requirements for an oil spill response vessel.”.

(d) **MINIMUM NUMBER OF LICENSED INDIVIDUALS.**—Section 8301(e) of title 46, United States Code, is amended to read as follows:

“(e) The Secretary may prescribe the minimum number of licensed individuals for an oil spill response vessel.”.

(e) **MERCHANT MARINER DOCUMENT REQUIREMENTS.**—Section 8701(a) of title 46, United States Code, is amended—

(1) by striking “and” after the semicolon at the end of paragraph (7),

(2) by striking the period at the end of paragraph (8) and inserting a semicolon and “and”; and

(3) by adding at the end thereof the following new paragraph:

“(9) the Secretary may prescribe the individuals required to hold a merchant mariner’s document serving onboard an oil spill response vessel.”.

(f) **EXEMPTION FROM TOWING VESSEL REQUIREMENT.**—Section 8905 of title 46, United States Code, is amended by adding at the end the following new subsection:

“(c) Section 8904 of this title does not apply to an oil spill response vessel while engaged in oil spill response or training activities.”.

(g) **INSPECTION REQUIREMENT.**—Section 3301 of title 46, United States Code, is amended by adding at the end the following new paragraph:

“(14) oil spill response vessels.”.

**SEC. 1105. SERVICE IN CERTAIN SUITS IN ADMIRALTY.**

Section 2 of the Act of March 9, 1920 (popularly known as the Suits in Admiralty Act; 46 App. U.S.C. 742), is amended by striking “The libelant” and all that follows through “and such corporation.”.

**SEC. 1106. AMENDMENTS TO THE JOHNSON ACT.**

(a) **CALIFORNIA CRUISE INDUSTRY REVITALIZATION.**—Section 5(b)(2) of the Act of January 2, 1951 (15 U.S.C. 1175(b)(2)), commonly referred to as the “Johnson Act”, is amended by adding at the end thereof the following:

“(C) **EXCLUSION OF CERTAIN VOYAGES AND SEGMENTS.**—Except for a voyage or segment of a voyage that occurs within the boundaries of the State of Hawaii, a voyage or segment of a voyage is not described in subparagraph (B) if it includes or consists of a segment—

“(i) that begins and ends in the same State;

“(ii) that is part of a voyage to another State or to a foreign country; and

“(iii) in which the vessel reaches the other State or foreign country within 3 days after leaving the State in which it begins.”.

(b) **AUTHORITY OF THE STATE OF INDIANA OVER VESSELS ON VOYAGES IN THE TERRITORIAL JURISDICTION OF THE STATE OF INDIANA.**—Section 5(b)(1) of the Act of January 2, 1951 (15 U.S.C. 1175(b)(1)), commonly known as the “Johnson Act”, is amended—

(1) in subparagraph (A) by striking “or” after the semicolon at the end;

(2) in subparagraph (B) by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following new subparagraph:

“(C) the repair, transport, possession, or use of a gambling device on a vessel on a voyage that begins in the State of Indiana and that does not leave the territorial jurisdiction of that State, including such a voyage on Lake Michigan.”.

(c) **APPLICABILITY TO CERTAIN VOYAGES IN ALASKA.**—Section 5 of the Act of January 2, 1951 (15 U.S.C. 1175), commonly referred to as the “Johnson Act”, is amended by adding at the end the following new subsection:

“(c) **EXCEPTION.**—(1) This section does not prohibit, nor may any State make it a violation of law for there to occur, the repair, transport, possession, or use of any gambling device on board a vessel which provides sleeping accommodations for all of its passengers and that is on a voyage or segment of a voyage described in paragraph (2), except that a State may, within its boundaries—

“(A) prohibit the use of a gambling device on a vessel while it is docked or anchored or while it is operating within 3 nautical miles of a port at which it is scheduled to call; and

“(B) require the gambling devices to remain on board the vessel.

“(2) A voyage referred to in paragraph (1) is a voyage that—

“(A) begins, ends, or otherwise includes a stop in Canada;

“(B) includes stops in at least 2 different ports situated in the State of Alaska;

“(C) does not begin, end, or otherwise include a stop in any other State; and

“(D) is of at least 60 hours duration.”.

**SEC. 1107. LOWER COLUMBIA RIVER MARITIME FIRE AND SAFETY ACTIVITIES.**

The Secretary of Transportation is authorized to expend out of the amounts appropriated for the Coast Guard not more than \$940,000 for lower Columbia River marine, fire, oil, and toxic spill response communications, training, equipment, and program administration activities conducted by the Maritime Fire and Safety Association.

**SEC. 1108. OIL POLLUTION RESEARCH TRAINING.**

Section 7001(c)(2)(D) of the Oil Pollution Act of 1990 (33 U.S.C. 2761(c)(2)(D)) is amended by striking “Texas;” and inserting “Texas, and the Center for Marine Training and Safety in Galveston, Texas;”.

**SEC. 1109. LIMITATION ON RELOCATION OF HOUSTON AND GALVESTON MARINE SAFETY OFFICES.**

The Secretary of Transportation may not relocate the Coast Guard Marine Safety Offices in Galveston, Texas, and Houston, Texas. Nothing in this section prevents the consolidation of management functions of these Coast Guard authorities.

**SEC. 1110. UNINSPECTED FISH TENDER VESSELS.**

Section 3302 of title 46, United States Code, as amended by this Act, is further amended as follows:

(1) Subsection (b) is amended by striking “A fishing vessel,” and inserting “Except as provided in subsection (c)(3) of this section, a fishing vessel”.

(2) Subsection (c)(1) is amended by striking “A fish processing vessel” and inserting “Except as provided in paragraph (3) of this subsection, a fish processing vessel”.

(3) Subsection (c)(2) is amended by striking “A fish tender vessel” and inserting “Except as provided in paragraphs (3) and (4) of this subsection, a fish tender vessel”.

(4) Subsection (c)(3) is amended to read as follows:

“(3)(A) A fishing vessel or fish processing vessel is exempt from section 3301(1), (6), and (7) of this title when transporting cargo (including fisheries-related cargo) to or from a place in Alaska if—

“(i) that place does not receive weekly common carrier service by water from a place in the United States;

“(ii) that place receives such common carrier service and the cargo is of a type not accepted by that common carrier service; or

“(iii) the cargo is proprietary cargo owned by the owner of the vessel or any affiliated entity or subsidiary.

“(B) A fish tender vessel of not more than 500 gross tons as measured under section 14502 of this title, or an alternate tonnage measured under section 14302 of this title as prescribed by the Secretary under section 14104 of this title, which is qualified to engage in the Aleutian trade is exempt from section 3301(1), (6), and (7) of this title when transporting cargo (including fisheries-related cargo) to or from a place in Alaska outside the Aleutian trade geographic area if—

“(i) that place does not receive weekly common carrier service by water from a place in the United States;

“(ii) that place receives such common carrier service and the cargo is of a type not accepted by that common carrier service; or

“(iii) the cargo is proprietary cargo owned by the owner of the vessel or any affiliated entity or subsidiary.

“(C) In this paragraph, the term ‘proprietary cargo’ means cargo that—

“(i) is used by the owner of the vessel or any affiliated entity or subsidiary in activities directly related to fishing or the processing of fish;

“(ii) is consumed by employees of the owner of the vessel or any affiliated entity or subsidiary who are engaged in fishing or in the processing of fish; or

“(iii) consists of fish or fish products harvested or processed by the owner of the vessel or any affiliated entity or subsidiary.

“(D) Notwithstanding the restrictions in subparagraph (B) of this paragraph, vessels qualifying under subparagraph (B) may transport cargo (including fishery-related products) from a place in Alaska receiving weekly common carrier service by water to a final destination in Alaska not receiving weekly service by water from common carriers.”.

**SEC. 1111. FOREIGN PASSENGER VESSEL USER FEES.**

Section 3303 of title 46, United States Code, is amended—

(1) by striking “(a)” in subsection (a); and

(2) by striking subsection (b).

**SEC. 1112. COAST GUARD USER FEES.**

(a) **LIMITS ON USER FEES.**—Section 10401(g) of the Omnibus Budget Reconciliation Act of 1990 (46 U.S.C. 2110(a)(2)) is amended by adding after “annually.” the following: “The Secretary may not establish a fee or charge under paragraph (1) for inspection or examination of a small passenger vessel under this title that is more than \$300 annually for such vessels under 65 feet in length, or more than \$600 annually for such vessels 65 feet in length and greater.”.

(b) **FERRY EXEMPTION.**—Such section is further amended by adding at the end the following: “The Secretary may not establish a fee or charge under paragraph (1) for inspection or examination under this title for any publicly-owned ferry.”.

**SEC. 1113. VESSEL FINANCING.**

(a) **ELIMINATION OF MORTGAGEE RESTRICTIONS.**—Section 31322(a) of title 46, United States Code, is amended to read as follows:

“(a) A preferred mortgage is a mortgage, whenever made, that—  
 “(1) includes the whole of the vessel;  
 “(2) is filed in substantial compliance with section 31321 of this title; and  
 “(3)(A) covers a documented vessel; or  
 “(B) covers a vessel for which an application for documentation is filed that is in substantial compliance with the requirements of chapter 121 of this title and the regulations prescribed under that chapter.”.

(b) **ELIMINATION OF TRUSTEE RESTRICTIONS.**—

(1) **REPEAL.**—Section 31328 of title 46, United States Code, is repealed.

(2) **CONFORMING AMENDMENTS.**—Section 31330(b) of title 46, United States Code, is amended in paragraphs (1), (2), and (3) by striking “31328 or” each place it appears.

(3) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 313 of title 46, United States Code, is amended by striking the item relating to section 31328.

(c) **REMOVAL OF MORTGAGE RESTRICTIONS.**—Section 9 of the Shipping Act, 1916 (46 App. U.S.C. 808), is amended—

(1) in subsection (c)—

(A) by striking “31328” and inserting “12106(e)”; and

(B) in paragraph (1) by striking “mortgage,” each place it appears; and

(2) in subsection (d)—

(A) in paragraph (1) by striking “transfer, or mortgage” and inserting “or transfer”;

(B) in paragraph (2) by striking “transfers, or mortgages” and inserting “or transfers”;

(C) in paragraph (3)(B) by striking “transfers, or mortgages” and inserting “or transfers”; and

(D) in paragraph (4) by striking “transfers, or mortgages” and inserting “or transfers”.

(d) **LEASING.**—Section 12106 of title 46, United States Code, is amended by adding at the end the following:

“(e)(1) A certificate of documentation for a vessel may be endorsed with a coastwise endorsement if—

“(A) the vessel is eligible for documentation;

“(B) the person that owns the vessel, a parent entity of that person, or a subsidiary of a parent entity of that person, is primarily engaged in leasing or other financing transactions;

“(C) the vessel is under a demise charter to a person that certifies to the Secretary that the person is a citizen of the United States for engaging in the coastwise trade under section 2 of the Shipping Act, 1916;

“(D) the demise charter is for a period of at least 3 years or a shorter period as may be prescribed by the Secretary; and

“(E) the vessel is otherwise eligible for documentation under section 12102.

“(2) The demise charter and any amendments to that charter shall be filed with the certificate required by this subsection, or within 10 days following the filing of an amendment to the charter, and such charter and amendments shall be made available to the public.

“(3) Upon termination by a demise charterer required under paragraph (1)(C), the coastwise endorsement of the vessel may, in the sole discretion of the Secretary, be continued after the termination for default of the demise charter for a period not to exceed 6 months on such terms and conditions as the Secretary may prescribe.

“(4) For purposes of section 2 of the Shipping Act, 1916, and section 12102(a) of this title, a vessel meeting the criteria of this subsection is deemed to be owned exclusively by citizens of the United States.”

(e) **CONFORMING AMENDMENT.**—Section 9(c) of the Shipping Act, 1916, as amended (46 App. U.S.C. 808(c)) is amended by striking “sections 31322(a)(1)(D)” and inserting “sections 12106(e), 31322(a)(1)(D).”

(f) **STUDY AND REPORT.**—

(1) **STUDY.**—The Secretary of Transportation shall conduct a study of the methods for leasing, demise chartering, and financing of vessels operating in the coastal trades of other countries and whether the laws of other countries provide reciprocity for United States banks, leasing companies, or other financial institutions with respect to the rights granted under the amendment made by subsection (d). The study shall develop recommendations whether additional laws requiring reciprocity should be considered for non-United States banks, leasing companies, or other financial institutions.

(2) **REPORT.**—The Secretary shall submit to the Congress a report 1 year after the date of enactment of this Act of the results of the study required under paragraph (1), including recommendations developed in the study.

**SEC. 1114. MANNING AND WATCH REQUIREMENTS ON TOWING VESSELS ON THE GREAT LAKES.**

(a) Section 8104(c) of title 46, United States Code, is amended—  
(1) by striking “or permitted”; and

(2) by inserting after “day” the following: “or permitted to work more than 15 hours in any 24-hour period, or more than 36 hours in any 72-hour period”.

(b) Section 8104(e) of title 46, United States Code, is amended by striking “subsections (c) and (d)” and inserting “subsection (d)”.

(c) Section 8104(g) of title 46, United States Code, is amended by striking “(except a vessel to which subsection (c) of this section applies)”.

**SEC. 1115. REPEAL OF GREAT LAKES ENDORSEMENTS.**

(a) **REPEAL.**—Section 12107 of title 46, United States Code, is repealed.

(b) **CONFORMING AMENDMENTS.**—

(1) The analysis at the beginning of chapter 121 of title 46, United States Code, is amended by striking the item relating to section 12107.

(2) Section 12101(b)(3) of title 46, United States Code, is repealed.

(3) Section 4370(a) of the Revised Statutes of the United States (46 App. U.S.C. 316(a)) is amended by striking “or 12107”.

(4) Section 2793 of the Revised Statutes of the United States (46 App. U.S.C. 111, 123) is amended—

(A) by striking “coastwise, Great Lakes endorsement” and all that follows through “foreign ports,” and inserting “registry endorsement, engaged in foreign trade on the Great Lakes or their tributary or connecting waters in trade with Canada,”; and

(B) by striking “, as if from or to foreign ports”.

(5) Section 9302(a)(1) of title 46, United States Code, is amended by striking “subsections (d) and (e)” and inserting “subsections (d), (e) and (f)”.

(6) Section 9302(e) of title 46, United States Code, is amended by striking “subsections (a) and (b)” and inserting “subsection (a)”.

(7) Section 9302 of title 46, United States Code, is amended by adding at the end the following new subsection:

“(f) A documented vessel regularly operating on the Great Lakes or between ports on the Great Lakes and the St. Lawrence River is exempt from the requirements of subsection (a) of this section.”.

**SEC. 1116. RELIEF FROM UNITED STATES DOCUMENTATION REQUIREMENTS.**

(a) **IN GENERAL.**—Notwithstanding any other law or any agreement with the United States Government, a vessel described in subsection (b) may be transferred to or placed under a foreign registry or sold to a person that is not a citizen of the United States and transferred to or placed under a foreign registry.

(b) **VESSELS DESCRIBED.**—The vessels referred to in subsection (a) are the following:

(1) *MV PLATTE* (United States official number number 653210).

(2) *SOUTHERN* (United States official number 591902).

(3) *ARZEW* (United States official number 598727).

(4) LAKE CHARLES (United States official number 619531).

(5) LOUISIANA (United States official number 619532).

(6) GAMMA (United States official number 598730).

(7) BAY RIDGE (United States official number 600128).

(8) COASTAL GOLDEN (United States official number 598731).

**SEC. 1117. USE OF FOREIGN REGISTRY OIL SPILL RESPONSE VESSELS.**

Notwithstanding any other provision of law, an oil spill response vessel documented under the laws of a foreign country may operate in waters of the United States on an emergency and temporary basis, for the purpose of recovering, transporting, and unloading in a United States port oil discharged as a result of an oil spill in or near those waters, if—

(1) an adequate number and type of oil spill response vessels documented under the laws of the United States cannot be engaged to recover oil from an oil spill in or near those waters in a timely manner, as determined by the Federal On-Scene Coordinator for a discharge or threat of a discharge of oil; and

(2) that foreign country has by its laws accorded to vessels of the United States the same privileges accorded to vessels of that foreign country under this section.

**SEC. 1118. JUDICIAL SALE OF CERTAIN DOCUMENTED VESSELS TO ALIENS.**

Section 31329 of title 46, United States Code, is amended by adding at the end the following new subsection:

“(f) This section does not apply to a documented vessel that has been operated only for pleasure.”.

**SEC. 1119. IMPROVED AUTHORITY TO SELL RECYCLABLE MATERIAL.**

Section 641(c)(2) of title 14, United States Code, is amended by inserting before the period the following: “, except that the Commandant may conduct sales of materials for which the proceeds of sale will not exceed \$5,000 under regulations prescribed by the Commandant”.

**SEC. 1120. DOCUMENTATION OF CERTAIN VESSELS.**

(a) GENERAL CERTIFICATES.—Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, section 8 of the Act of June 19, 1886 (24 Stat. 81; chapter 421; 46 App. U.S.C. 289), and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the following vessels:

(1) ABORIGINAL (United States official number 942118).

(2) ALPHA TANGO (United States official number 945782).

(3) ANNAPOLIS (United States official number 999008).

(4) ARK (United States official number 912726).

(5) AURA (United States official number 1027807).

(6) BABS (United States official number 1030028).

(7) BAGGER (State of Hawaii registration number HA1809E).

(8) BAREFOOT'N (United States official number 619766).

- (9) *BARGE 76 (United States official number 1030612).*
- (10) *BARGE 77 (United States official number 1030613).*
- (11) *BARGE 78 (United States official number 1030614).*
- (12) *BARGE 100 (United States official number 1030615).*
- (13) *BEACON (United States official number 501539).*
- (14) *BEAR (United States official number 695002).*
- (15) *BEULA LEE (United States official number 928211).*
- (16) *BEWILDERED (United States official number 902354).*
- (17) *BIG DAD (United States official number 565022).*
- (18) *BILLY BUCK (United States official number 939064).*
- (19) *BROKEN PROMISE (United States official number 904435).*
- (20) *CAPTAIN DARYL (United States official number 580125).*
- (21) *CAROLYN (State of Tennessee registration number TN1765C).*
- (22) *CHARLOTTE (State of Maryland certification number MN1397AM).*
- (23) *CHESAPEAKE (United States official number 999010).*
- (24) *CHRISSEY (State of Marine registration certification number ME4778B).*
- (25) *COLT INTERNATIONAL (United States official number 913637).*
- (26) *CONSORT (United States official number 999005).*
- (27) *CONSORTIUM (British registration number 303328).*
- (28) *COURIER SERVICE (Vanuatu registration number 688).*
- (29) *CURTIS BAY (United States official number 999007).*
- (30) *DAMN YANKEE (United States official number 263611).*
- (31) *DANTE (United States official number 556188).*
- (32) *DELTA KING (United States official number 225874).*
- (33) *DORDY III (United States official number 286553).*
- (34) *DRAGONESSA (United States official number 646512).*
- (35) *EAGLE MAR (United States official number 575349).*
- (36) *EMERALD AYES (United States official number 986099).*
- (37) *EMMA (United States official number 946449).*
- (38) *EMPRESS (United States official number 975018).*
- (39) *ENDEAVOUR (United States official number 947869).*
- (40) *EVENING STAR (State of Hawaii registration number HA8337D).*
- (41) *EXPLORER (United States official number 918080).*
- (42) *EXTREME (United States official number 1022278).*
- (43) *EXUBERANCE (United States official number 698516).*
- (44) *FIFTY ONE (United States official number 1020419).*
- (45) *FINESSE (State of Florida registration number 7148).*
- (46) *FOCUS (United States official number 909293).*
- (47) *FREJA VIKING (Danish registration number A395).*

- (48) 3 barges owned by the Harbor Maine Corporation (a corporation organized under the laws of the State of Rhode Island) and referred to by that company as Harbor 221, Harbor 223, and Gene Elizabeth
- (49) GIBRALTAR (United States official number 668634).
- (50) GLEAM (United States official number 921594).
- (51) GOD'S GRACE II (State of Alaska registration number AK5916B).
- (52) HALCYON (United States official number 690219).
- (53) HAMPTON ROADS (United States official number 999009).
- (54) HERCO TYME (United States official number 911599).
- (55) HER WEIGH (United States official number 919074).
- (56) HIGH HOPES (United States official number 935174).
- (57) HIGH HOPES II (United States official number 959439).
- (58) HOPTOAD (Hull Identification number 528162 NET 12).
- (59) HOT WATER (United States official number 965985).
- (60) IDUN VIKING (Danish registration number A433).
- (61) INTREPID (United States official number 508185).
- (62) ISABELLE (United States official number 600655).
- (63) ISLAND STAR (United States official number 673537).
- (64) JAJO (Hull ID number R1Z200207H280).
- (65) JAMESTOWN (United States official number 999006).
- (66) JIVE DEVIL (United States official number 685348).
- (67) JOAN MARIE (State of North Carolina registration number NC2319AV).
- (68) KALYPSO (United States official number 566349).
- (69) KARMA (United States official number 661709).
- (70) LADY HAWK (United States official number 961095).
- (71) LIBERTY (United States official number 375248).
- (72) LIV VIKING (Danish registration number A394).
- (73) M/V MARION C II (United States official number 570892).
- (74) MAGIC CARPET (United States official number 278971).
- (75) MAGIC MOMENTS (United States official number 653689).
- (76) MADRINE (United States official number 663842).
- (77) MARALINDA (State of Florida registration number C023203-97).
- (78) MARANTHA (United States official number 638787).
- (79) MARSH GRASS II (Hull ID number AUKEV51139K690).
- (80) MEMORY MAKER (Hull No 3151059, State of Maryland registration number MD8867AW).
- (81) MOONRAKER (United States official number 645981).
- (82) MORGAN (State of Ohio registration number OH-0358-EA).
- (83) MOVIN ON (United States official number 585100).

- (84) *MY LITTLE SHIP* (State of Washington registration number WN9979MF5).
- (85) *NAMASTE* (United States official number 594472).
- (86) *OLD HAT* (United States official number 508299).
- (87) *ONRUST* (United States official number 515058).
- (88) *PAUL JOHANSEN* (United States official number 1033607).
- (89) *PHOENIX* (United States official number 940997).
- (90) *PLAY HARD* (State of North Carolina registration number NC1083CE).
- (91) *POLICY MAKER III* (United States official number 569223).
- (92) *PRIME TIME* (United States official number 660944).
- (93) *QUIET SQUAW* (United States official number 998717).
- (94) *QUIETLY* (United States official number 658315).
- (95) *QUINTESSENCE* (United States official number 934393).
- (96) *RAFFLES LIGHT* (United States official number 501584).
- (97) *RAINBOW'S END* (United States official number 1026899; Hull ID number MY13708C787).
- (98) *RATTLESNAKE* (Canadian registration number 802702).
- (99) *REEL TOY* (United States official number 698383).
- (100) *RELENTLESS* (United States official number 287008).
- (101) 2 barges owned by Roen Salvage (a corporation organized under the laws of the State of Wisconsin) and numbered by that company as barge 103 and barge 203.
- (102) *ROYAL AFFAIRE* (United States official number 649292).
- (103) *SALLIE D* (State of Maryland registration number MD2655A).
- (104) *SARAH-CHRISTEN* (United States official number 342195).
- (105) *SEA MISTRESS* (United States official number 696806).
- (106) *SEA SISTER* (United States official number 951817).
- (107) *SERENITY* (United States official number 1021393).
- (108) *SHAKA MARU* (United States official number 983176).
- (109) *SHAMROCK V* (United States official number 900936).
- (110) *SHOGUN* (United States official number 577839).
- (111) *SISU* (United States official number 293648).
- (112) *SMALLEY* (6808 Amphibious Dredge: State of Florida registration number FL1855FF).
- (113) *SNOW HAWK* (United States official number 955-637).
- (114) *SOUTHERN CRUZ* (United States official number 556797).
- (115) *SUNDOWN* (United States official number 293434).
- (116) *SUNRISE* (United States official number 950381).

- (117) *TECUMSEH* (United States official number 668633).  
 (118) *THE SUMMER WIND* (United States official number 905819).  
 (119) *TIVOLI* (United States official number 582516).  
 (120) *TOO MUCH FUN* (United States official number 936565).  
 (121) *TOP GUN* (United States official number 623642).  
 (122) *TRIAD* (United States official number 988602).  
 (123) *TWO CAN* (United States official number 932361).  
 (124) *VICTORIA CLIPPER II* (United States official number 725338).  
 (125) *WATERFRONT PROPERTY* (United States official number 987686).  
 (126) *WESTFJORD* (Hull ID number X-53-109).  
 (127) *WESTERN ATLANTIC* (Panamanian registration number 10484-80-CEO).  
 (128) *WHITE WING* (United States official number 283818).  
 (129) *WHY KNOT* (United States official number 688570).  
 (130) *WOLF GANG II* (United States official number 984934).  
 (131) *YES DEAR* (United States official number 578550).  
 (132) Former United States military vessels, as follows:

- (A) LACV-30 hovercraft hulls numbered 1 through 26.  
 (B) AP-188 hovercraft hulls numbered 8701 and 8901.

For the purposes of chapter 121 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the engine twin packs, the thrust and lift engines, and all spare parts, appurtenances, and accessories transferred by the United States with the vessels referred to in this paragraph are deemed to have been built in the United States.

(b) *M/V TWIN DRILL*.—Section 601(d) of the Coast Guard Authorization Act of 1993 (Public Law 103-206) is amended—

(1) in paragraph (3) by striking “June 30, 1995” and inserting “June 30, 1998”; and

(2) in paragraph (4)—

(A) by striking “12 months” and inserting “36 months”;

and

(B) by inserting “or convert under the same terms and conditions as provided in paragraphs (1) and (2)” after “construct”; and

(3) in paragraph (5) by striking “constructed” and inserting “delivered”.

(c) *CERTIFICATES OF DOCUMENTATION FOR GALLANT LADY*.—

(1) *IN GENERAL*.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 App. U.S.C. 289), and section 12106 of title 46, United States Code, and subject to paragraph (2), the Secretary of Transportation may issue a certificate of documentation with an appropriate endorsement for employment in coastwise trade for each of the following vessels:

(A) *GALLANT LADY* (Feadship hull number 645, approximately 130 feet in length).

(B) *GALLANT LADY* (Feadship hull number 651, approximately 172 feet in length).

(2) *LIMITATION ON OPERATION*.—Coastwise trade authorized under a certificate of documentation issued for a vessel under this section shall be limited to the carriage of passengers in association with contributions to charitable organizations no portion of which is received, directly or indirectly, by the owner of the vessel.

(3) *CONDITION*.—The Secretary may not issue a certificate of documentation for a vessel under paragraph (1) unless, not later than 90 days after the date of enactment of this Act, the owner of the vessel referred to in paragraph (1)(B) submits to the Secretary a letter expressing the intent of the owner to, before April 1, 1998, enter into a contract for the construction in the United States of a passenger vessel of at least 130 feet in length.

(4) *EFFECTIVE DATE OF CERTIFICATES*.—A certificate of documentation issued under paragraph (1) shall take effect—

(A) for the vessel referred to in paragraph (1)(A), on the date of the issuance of the certificate; and

(B) for the vessel referred to in paragraph (1)(B), on the date of delivery of the vessel to the owner.

(5) *TERMINATION OF EFFECTIVENESS OF CERTIFICATES*.—A certificate of documentation issued for a vessel under paragraph (1) shall expire—

(A) on the date of the sale of the vessel by the owner;

(B) on April 1, 1998, if the owner of the vessel referred to in paragraph (1)(B) has not entered into a contract for construction of a vessel in accordance with the letter of intent submitted to the Secretary under paragraph (3); or

(C) on such date as a contract referred to in paragraph (2) is breached, rescinded, or terminated (other than for completion of performance of the contract) by the owner of the vessel referred to in paragraph (1)(B).

(d) *CERTIFICATES OF DOCUMENTATION FOR ENCHANTED ISLE AND ENCHANTED SEAS*.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Act of June 19, 1886 (46 App. U.S.C. 289), section 12106 of title 46, United States Code, section 506 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1156), and any agreement with the United States Government, the Secretary of Transportation may issue certificates of documentation with a coastwise endorsement for the vessels *ENCHANTED ISLE* (Panamanian official number 14087–84B) and *ENCHANTED SEAS* (Panamanian official number 14064–84D), except that the vessels may not operate between or among islands in the State of Hawaii.

(e) *EXCEPTION TO CHAIN OF TITLE RESTRICTION*.—Section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883) is amended in the first proviso after “no vessel” by inserting “of more than 200 gross tons (as measured under chapter 143 of title 46, United States Code)”.

(f) *CERTIFICATE OF DOCUMENTATION FOR A LIQUIFIED GAS TANKER*.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 12106 of title 46, United States

Code, section 506 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1156) and any agreement with the United States Government, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for a vessel to transport liquified natural gas or liquified petroleum gas to the Commonwealth of Puerto Rico from other ports in the United States, if the vessel—

(1) is a foreign built vessel that was built prior to the date of enactment of this Act; or

(2) is documented under chapter 121 of title 46, United States Code, before the date of enactment of this Act, even if the vessel is placed under a foreign registry and subsequently re-documented under that chapter for operation under this section.

(g) **VESSELS DEEMED CONSTRUCTED IN UNITED STATES.**—Notwithstanding any other provision of law, the coastwise qualified vessels COASTAL SEA (United States official number 666754), COASTAL NOMAD (United States official number 686157), and COASTAL MERCHANT (United States official number 1038382) are deemed to have been constructed in the United States as of the date of their original delivery.

(h) **LIMITED WAIVER FOR THE TUG MV JANIS GUZZLE.**—Notwithstanding any other law or any agreement with the United States Government, the tug MV JANIS GUZZLE (ex-G.R. MOIR; United States official number 608018) may be permanently operated in the domestic trade of the United States upon the repayment of \$1,140,619 to the Secretary of Transportation.

(i) **REGENT RAINBOW.**—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (46 App. U.S.C. 289), section 12106 of title 46, United States Code, section 506 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1156), and any agreement with the United States Government, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel REGENT RAINBOW (Bahamas official number 715557), after the completion of the sale of the REGENT RAINBOW to an operator of another passenger vessel measuring more than 20,000 gross tons that on the day before the date of the enactment of this Act is in operation with a coastwise endorsement.

(j) **MILITARY HOVERCRAFT.**—Notwithstanding any other provision of law, the Administrator of General Services shall waive all conditions and restrictions relating to transfer or use of the property described in subsection (a)(132) (including the engine twin paks, the thrust and lift engines, and all spare parts, appurtenances, and accessories referred to in that subsection) and shall transfer unconditional and unrestricted title to all such property to the recipient eligible donee.

**SEC. 1121. VESSEL DEEMED TO BE A RECREATIONAL VESSEL.**

(a) **IN GENERAL.**—The vessel described in subsection (b) is deemed for all purposes, including title 46, United States Code, and all regulations thereunder, to be a recreational vessel of less than 300 gross tons, if—

(1) it does not carry cargo or passengers for hire; and

(2) it does not engage in commercial fisheries or oceanographic research.

(b) *VESSEL DESCRIBED.*—The vessel referred to in subsection (a) is an approximately 96 meter twin screw motor yacht, the construction of which commenced in October, 1993, and that has been assigned the builder's number 13583 (to be named the *LIMITLESS*).

**SEC. 1122. SMALL PASSENGER VESSEL PILOT INSPECTION PROGRAM WITH THE STATE OF MINNESOTA.**

(a) *IN GENERAL.*—The Secretary may enter into an agreement with the State under which the State may inspect small passenger vessels operating in waters of that State designated by the Secretary, if—

(1) the State plan for the inspection of small passenger vessels meets such requirements as the Secretary may require to ensure the safety and operation of such vessels in accordance with the standards that would apply if the Coast Guard were inspecting such vessels; and

(2) the State will provide such information obtained through the inspection program to the Secretary annually in such form and in such detail as the Secretary may require.

(b) *FEES.*—The Secretary may adjust or waive the user fee imposed under section 3317 of title 46, United States Code, for the inspection of small passenger vessels inspected under the State program.

(c) *TERMINATION.*—The authority provided by subsection (a) terminates on December 31, 1999.

(d) *DEFINITIONS.*—For purposes of this section—

(1) *SECRETARY.*—The term “Secretary” means the Secretary of the department in which the Coast Guard is operating.

(2) *STATE.*—The term “State” means the State of Minnesota.

(3) *SMALL PASSENGER VESSEL.*—The term “small passenger vessel” means a small passenger vessel (as defined in section 2101(35) of title 46, United States Code) of not more than 40 feet overall in length.

**SEC. 1123. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS FISHING.**

Section 8103(i)(1) of title 46, United States Code, is amended—

(1) by striking “or” in subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting a semicolon and “or”; and

(3) by adding at the end thereof the following:

“(D) an alien allowed to be employed under the immigration laws of the Commonwealth of the Northern Mariana Islands if the vessel is permanently stationed at a port within the Commonwealth and the vessel is engaged in the fisheries within the exclusive economic zone surrounding the Commonwealth or another United States territory or possession.”.

**SEC. 1124. AVAILABILITY OF EXTRAJUDICIAL REMEDIES FOR DEFAULT ON PREFERRED MORTGAGE LIENS ON VESSELS.**

(a) *AVAILABILITY OF EXTRAJUDICIAL REMEDIES.*—Section 31325(b) of title 46, United States Code, is amended—

(1) in the matter preceding paragraph (1) by striking “mortgage may” and inserting “mortgagee may”;

(2) in paragraph (1) by—

(A) striking “perferred” and inserting “preferred”; and

(B) striking “; and” and inserting a semicolon; and

(3) by adding at the end the following:

“(3) enforce the preferred mortgage lien or a claim for the outstanding indebtedness secured by the mortgaged vessel, or both, by exercising any other remedy (including an extrajudicial remedy) against a documented vessel, a vessel for which an application for documentation is filed under chapter 121 of this title, a foreign vessel, or a mortgagor, maker, comaker, or guarantor for the amount of the outstanding indebtedness or any deficiency in full payment of that indebtedness, if—

“(A) the remedy is allowed under applicable law; and

“(B) the exercise of the remedy will not result in a violation of section 9 or 37 of the Shipping Act, 1916 (46 App. U.S.C. 808, 835).”.

(b) NOTICE.—Section 31325 of title 46, United States Code, is further amended by adding at the end the following:

“(f)(1) Before title to the documented vessel or vessel for which an application for documentation is filed under chapter 121 is transferred by an extrajudicial remedy, the person exercising the remedy shall give notice of the proposed transfer to the Secretary, to the mortgagee of any mortgage on the vessel filed in substantial compliance with section 31321 of this title before notice of the proposed transfer is given to the Secretary, and to any person that recorded a notice of a claim of an undischarged lien on the vessel under section 31343(a) or (d) of this title before notice of the proposed transfer is given to the Secretary.

“(2) Failure to give notice as required by this subsection shall not affect the transfer of title to a vessel. However, the rights of any holder of a maritime lien or a preferred mortgage on the vessel shall not be affected by a transfer of title by an extrajudicial remedy exercised under this section, regardless of whether notice is required by this subsection or given.

“(3) The Secretary shall prescribe regulations establishing the time and manner for providing notice under this subsection.”.

(c) RULE OF CONSTRUCTION.—The amendments made by subsections (a) and (b) may not be construed to imply that remedies other than judicial remedies were not available before the date of enactment of this section to enforce claims for outstanding indebtedness secured by mortgaged vessels.

**SEC. 1125. OFFSHORE FACILITY FINANCIAL RESPONSIBILITY REQUIREMENTS.**

(a) AMOUNT OF FINANCIAL RESPONSIBILITY.—Section 1016 of the Oil Pollution Act of 1990 (33 U.S.C. 2716) is amended—

(1) by amending subsection (c)(1) to read as follows:

“(1) IN GENERAL.—

“(A) EVIDENCE OF FINANCIAL RESPONSIBILITY REQUIRED.—Except as provided in paragraph (2), a responsible party with respect to an offshore facility that—

“(i) is located seaward of the line of ordinary low water along that portion of the coast that is in direct contact with the open sea and the line marking the seaward limit of inland waters; or

“(ii) is located in coastal inland waters, such as bays or estuaries, seaward of the line of ordinary low

water along that portion of the coast that is not in direct contact with the open sea;

“(ii) is used for exploring for, drilling for, producing, or transporting oil from facilities engaged in oil exploration, drilling, or production; and

“(iii) has a worst-case oil spill discharge potential of more than 1,000 barrels of oil (or a lesser amount if the President determines that the risks posed by such facility justify it),

shall establish and maintain evidence of financial responsibility in the amount required under subparagraph (B) or (C), as applicable.

“(B) AMOUNT REQUIRED GENERALLY.—Except as provided in subparagraph (C), the amount of financial responsibility for offshore facilities that meet the criteria of subparagraph (A) is—

“(i) \$35,000,000 for an offshore facility located seaward of the seaward boundary of a State; or

“(ii) \$10,000,000 for an offshore facility located landward of the seaward boundary of a State.

“(C) GREATER AMOUNT.—If the President determines that an amount of financial responsibility for a responsible party greater than the amount required by subparagraph (B) is justified based on the relative operational, environmental, human health, and other risks posed by the quantity or quality of oil that is explored for, drilled for, produced, or transported by the responsible party, the evidence of financial responsibility required shall be for an amount determined by the President not exceeding \$150,000,000.

“(D) MULTIPLE FACILITIES.—In a case in which a person is a responsible party for more than one facility subject to this subsection, evidence of financial responsibility need be established only to meet the amount applicable to the facility having the greatest financial responsibility requirement under this subsection.

“(E) DEFINITION.—For the purpose of this paragraph, the seaward boundary of a State shall be determined in accordance with section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b)).”;

(2) by amending subsection (f) to read as follows:

“(f) CLAIMS AGAINST GUARANTOR.—

“(1) IN GENERAL.—Subject to paragraph (2), a claim for which liability may be established under section 1002 may be asserted directly against any guarantor providing evidence of financial responsibility for a responsible party liable under that section for removal costs and damages to which the claim pertains. In defending against such a claim, the guarantor may invoke—

“(A) all rights and defenses which would be available to the responsible party under this Act;

“(B) any defense authorized under subsection (e); and

“(C) the defense that the incident was caused by the willful misconduct of the responsible party.

*The guarantor may not invoke any other defense that might be available in proceedings brought by the responsible party against the guarantor.*

*“(2) FURTHER REQUIREMENT.—A claim may be asserted pursuant to paragraph (1) directly against a guarantor providing evidence of financial responsibility under subsection (c)(1) with respect to an offshore facility only if—*

*“(A) the responsible party for whom evidence of financial responsibility has been provided has denied or failed to pay a claim under this Act on the basis of being insolvent, as defined under section 101(32) of title 11, United States Code, and applying generally accepted accounting principles;*

*“(B) the responsible party for whom evidence of financial responsibility has been provided has filed a petition for bankruptcy under title 11, United States Code; or*

*“(C) the claim is asserted by the United States for removal costs and damages or for compensation paid by the Fund under this Act, including costs incurred by the Fund for processing compensation claims.*

*“(3) RULEMAKING AUTHORITY.—Not later than 1 year after the date of enactment of this paragraph, the President shall promulgate regulations to establish a process for implementing paragraph (2) in a manner that will allow for the orderly and expeditious presentation and resolution of claims and effectuate the purposes of this Act.”; and*

*(3) by amending subsection (g) to read as follows:*

*“(g) LIMITATION ON GUARANTOR’S LIABILITY.—Nothing in this Act shall impose liability with respect to an incident on any guarantor for damages or removal costs which exceed, in the aggregate, the amount of financial responsibility which that guarantor has provided for a responsible party pursuant to this section. The total liability of the guarantor on direct action for claims brought under this Act with respect to an incident shall be limited to that amount.”*

*(b) LIMITATION ON APPLICATION.—The amendment made by subsection (a)(2) shall not apply to any final rule issued before the date of enactment of this section.*

**SEC. 1126. DEAUTHORIZATION OF NAVIGATION PROJECT, COHASSET HARBOR, MASSACHUSETTS.**

*The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized by section 2 of the Act entitled “An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes”, approved March 2, 1945 (59 Stat. 12), or carried out pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), are deauthorized: A 7-foot deep anchorage and a 6-foot deep anchorage; beginning at site 1, starting at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 min-*

utes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to point of origin; then site 2, starting at a point, N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point, N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to point of origin; and site 3, starting at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to point of origin.

**SEC. 1127. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.**

(a) **PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.**—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) **NOTICE TO RECIPIENTS OF ASSISTANCE.**—In providing financial assistance under this Act, the official responsible for providing the assistance, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

**SEC. 1128. REQUIREMENT FOR PROCUREMENT OF BUOY CHAIN.**

(a) **REQUIREMENT.**—Chapter 5 of title 14, United States Code, as amended by section 311 of this Act, is further amended by adding at the end the following:

**“§97. Procurement of buoy chain**

“(a) Except as provided in subsection (b), the Coast Guard may not procure buoy chain—

“(1) that is not manufactured in the United States; or

“(2) substantially all of the components of which are not produced or manufactured in the United States.

“(b) The Coast Guard may procure buoy chain that is not manufactured in the United States if the Secretary determines that—

“(1) the price of buoy chain manufactured in the United States is unreasonable; or

“(2) emergency circumstances exist.”.

(b) **CLERICAL AMENDMENT.**—The table of sections for chapter 5 of title 14, United States Code, as amended by section 311 of this Act, is further amended by adding at the end the following:

“97. Procurement of buoy chain.”.

**SEC. 1129. CRUISE SHIP LIABILITY.**

(a) **APPLICABILITY OF STATUTORY LIMITATIONS.**—Section 4283 of the Revised Statutes (46 App. U.S.C. 183) is amended by adding at the end the following new subsection:

“(g) In a suit by any person in which the operator or owner of a vessel or employer of a crewmember is claimed to have vicarious liability for medical malpractice with regard to a crewmember occurring at a shoreside facility, and to the extent the damages resulted from the conduct of any shoreside doctor, hospital, medical facility, or other health care provider, such operator, owner, or employer shall be entitled to rely upon any and all statutory limitations of liability applicable to the doctor, hospital, medical facility, or other health care provider in the State of the United States in which the shoreside medical care was provided.”

(b) **CONTRACT LIMITATIONS ALLOWED.**—Section 4283b of the Revised Statutes of the United States (46 App. U.S.C. 183c) is amended by redesignating the existing text as subsection (a) and by adding at the end the following new subsection:

“(b)(1) Subsection (a) shall not prohibit provisions or limitations in contracts, agreements, or ticket conditions of carriage with passengers which relieve a crewmember, manager, agent, master, owner, or operator of a vessel from liability for infliction of emotional distress, mental suffering, or psychological injury so long as such provisions or limitations do not limit such liability if the emotional distress, mental suffering, or psychological injury was—

“(A) the result of physical injury to the claimant caused by the negligence or fault of a crewmember or the manager, agent, master, owner, or operator;

“(B) the result of the claimant having been at actual risk of physical injury, and such risk was caused by the negligence or fault of a crewmember or the manager, agent, master, owner, or operator; or

“(C) intentionally inflicted by a crewmember or the manager, agent, master, owner, or operator.

“(2) Nothing in this subsection is intended to limit the liability of a crewmember or the manager, agent, master, owner, or operator of a vessel in a case involving sexual harassment, sexual assault, or rape.”

**SEC. 1130. SENSE OF CONGRESS ON THE IMPLEMENTATION OF REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.**

(a) **SENSE OF CONGRESS.**—It is the sense of Congress that, in an effort to reduce unnecessary regulatory burdens, a regulation issued or enforced and an interpretation or guideline established pursuant to Public Law 104–55 should in any manner possible recognize and provide for the differences in the physical, chemical, biological, and other properties, and in the environmental effects, of the classes of fats, oils, and greases described under that law.

(b) **REPORT.**—Within 60 days after the date of enactment of this section and on January 1 of each year thereafter, the Secretary of Transportation shall submit a report to Congress on the extent to which the implementation by the United States Coast Guard of regulations issued or enforced, or interpretations or guidelines established, pursuant to public Law 104–55, carry out the intent of Con-

gress and recognize and provide for the differences in the physical, chemical, biological, and other properties, and in the environmental effects, of the classes of fats, oils, and greases described under that law.

**SEC. 1131. TERM OF DIRECTOR OF THE BUREAU OF TRANSPORTATION STATISTICS.**

Section 111(b)(4) of title 49, United States Code, is amended by adding at the end the following sentence: "The Director may continue to serve after the expiration of the term until a successor is appointed and confirmed."

**SEC. 1132. WAIVER OF CERTAIN REQUIREMENTS FOR HISTORIC FORMER PRESIDENTIAL YACHT SEQUOIA.**

The vessel M/V SEQUOIA (United States official number 225115) is deemed to be less than 100 gross tons, and the Secretary of Transportation may exempt that vessel from certain requirements of section 3306 of title 46, United States Code, and the regulations thereunder. The Secretary may impose special operating restrictions on that vessel as to route, service, manning, and equipment, necessary for the safe operation of that vessel.

**SEC. 1133. VESSEL REQUIREMENTS.**

Section 3503(a) of title 46, United States Code, is amended by striking the last sentence and inserting in lieu thereof the following: "Before November 1, 2008, this section does not apply to any vessel in operation before January 1, 1968, and operating only within the Boundary Line."

**SEC. 1134. EXISTING TANK VESSEL RESEARCH.**

(a) *FUNDING.*—The Secretary of Transportation shall take steps to allocate funds appropriated for research, development, testing, and evaluation, including the combination of funds from any source available and authorized for this purpose, to ensure that any Government-sponsored project intended to evaluate double hull alternatives that provide equal or greater protection to the marine environment, or interim solutions to remediate potential environmental damage resulting from oil spills from existing tank vessels, commenced prior to the date of enactment of this section, is fully funded for completion by the end of fiscal year 1997. Any vessel construction or repair necessary to carry out the purpose of this section must be performed in a shipyard located in the United States.

(b) *USE OF PUBLIC VESSELS.*—The Secretary may provide vessels owned by, or demise chartered to, and operated by the Government and not engaged in commercial service, without reimbursement, for use in and the support of projects sponsored by the Government for research, development, testing, evaluation, and demonstration of new or improved technologies that are effective in preventing or mitigating oil discharges and protecting the environment.

**SEC 1135. PLAN FOR THE ENGINEERING, DESIGN, AND RETROFITTING OF THE ICEBREAKER MACKINAW.**

(a) *IN GENERAL.*—Not later than May 1, 1997, the Secretary of the department in which the Coast Guard is operating shall submit to the Committees a plan and cost estimate for the engineering, design, and retrofitting of the icebreaker MACKINAW (WAGB-83) to equip the vessel with new engines, command and control features, habitability improvements, and other features needed to allow oper-

ation of the vessel by a significantly reduced crew, including 24-hour continuous operation when necessary.

(b) *COMMITTEES DEFINED.*—In subsection (a), the term “Committees” means the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

**SEC. 1136. CROSS-BORDER FINANCING.**

(a) *DOCUMENTATION OF VESSELS OWNED BY TRUSTS.*—Section 12102 of title 46, United States Code, is amended by adding at the end the following new subsection:

“(d)(1) For the issuance of a certificate of documentation with only a registry endorsement, subsection (a)(2)(A) of this section does not apply to a beneficiary of a trust that is qualified under paragraph (2) of this subsection if the vessel is subject to a charter to a citizen of the United States.

“(2)(A) Subject to subparagraph (B) of this paragraph, a trust is qualified under this paragraph with respect to a vessel only if—

“(i) each of the trustees is a citizen of the United States; and

“(ii) the application for documentation of the vessel includes the affidavit of each trustee stating that the trustee is not aware of any reason involving a beneficiary of the trust that is not a citizen of the United States, or involving any other person that is not a citizen of the United States, as a result of which the beneficiary or other person would hold more than 25 percent of the aggregate power to influence or limit the exercise of the authority of the trustee with respect to matters involving any ownership or operation of the vessel that may adversely affect the interests of the United States.

“(B) If any person that is not a citizen of the United States has authority to direct or participate in directing a trustee for a trust in matters involving any ownership or operation of the vessel that may adversely affect the interests of the United States or in removing a trustee for a trust without cause, either directly or indirectly through the control of another person, the trust is not qualified under this paragraph unless the trust instrument provides that persons who are not citizens of the United States may not hold more than 25 percent of the aggregate authority to so direct or remove a trustee.

“(3) Paragraph (2) of this subsection shall not be considered to prohibit a person who is not a citizen of the United States from holding more than 25 percent of the beneficial interest in a trust.

“(4) If a person chartering a vessel from a trust that is qualified under paragraph (2) of this subsection is a citizen of the United States under section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802), then the vessel is deemed to be owned by a citizen of the United States for purposes of that section and related laws, except for subtitle B of title VI of the Merchant Marine Act, 1936.”

(b) *APPROVAL OF CERTAIN VESSEL TRANSACTIONS BEFORE DOCUMENTATION OF THE VESSEL.*—Section 9 of the Shipping Act, 1916 (46 App. U.S.C. 808) is amended by adding at the end the following new subsection:

“(e) To promote financing with respect to a vessel to be documented under chapter 121 of title 46, United States Code, the Sec-

retary may grant approval under subsection (c) before the date the vessel is documented.”.

(c) *TRUST CHARTERERS*—Notwithstanding section 12102(d)(4) of title 46, United States Code, as amended by this section, for purposes of subtitle B of title VI of the Merchant Marine Act, 1936 a vessel is deemed to be owned and operated by a citizen of the United States (as that term is used in that subtitle) if—

(1) the person chartering the vessel from a trust under section 12102(d)(2) of that title is a citizen of the United States under section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802); and

(2)(A) the vessel—

(i) is delivered by a shipbuilder, following completion of construction, on or after May 1, 1995 and before January 31, 1996; or

(ii) is owned by a citizen of the United States under section 2 of the Shipping Act, 1916 on September 1, 1996, or is a replacement for such a vessel; or

(B) payments have been made with respect to the vessel under subtitle B of title VI of the Merchant Marine Act, 1936 for at least 1 year.

(d) *INDIRECT VESSEL OWNERS*—Notwithstanding any other provision of law, for purposes of subtitle B of title VI of the Merchant Marine Act, 1936 the following vessels are deemed to be owned and operated by a citizen of the United States (as that term is used in that subtitle) if the vessels are owned, directly or indirectly, by a person that is a citizen of the United States under section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802):

(1) Any vessel constructed under a shipbuilding contract signed on December 21, 1995, and having hull number 3077, 3078, 3079, or 3080.

(2) Any vessel delivered by a shipbuilder, following completion of construction, on or after May 1, 1995, and before January 31, 1996.

(3) Any vessel owned on September 1, 1996, by a person that is a citizen of the United States under section 2 of the Shipping Act, 1916, or a replacement for such a vessel.

(4) Any vessel with respect to which payments have been made under subtitle B of title VI of the Merchant Marine Act, 1936 for at least 1 year.

#### **SEC. 1137. VESSEL STANDARDS.**

(a) *CERTIFICATE OF INSPECTION*.—A vessel used to provide transportation service as a common carrier which the Secretary of Transportation determines meets the criteria of section 651(b) of the Merchant Marine Act, 1936, but which on the date of enactment of this Act is not a documented vessel (as that term is defined in section 2101 of title 46, United States Code), shall be eligible for a certificate of inspection if the Secretary determines that—

(1) the vessel is classed by and designed in accordance with the rules of the American Bureau of Shipping or another classification society accepted by the Secretary;

(2) the vessel complies with applicable international agreements and associated guidelines, as determined by the country

*in which the vessel was documented immediately before becoming a documented vessel (as defined in that section); and*

*(3) that country has not been identified by the Secretary as inadequately enforcing international vessel regulations as to that vessel.*

*(b) CONTINUED ELIGIBILITY FOR CERTIFICATE.—Subsection (a) does not apply to a vessel after any date on which the vessel fails to comply with the applicable international agreements and associated guidelines referred to in subsection (a)(2).*

*(c) RELIANCE ON CLASSIFICATION SOCIETY.—*

*(1) IN GENERAL.—The Secretary may rely on a certification from the American Bureau of Shipping or, subject to paragraph (2), another classification society accepted by the Secretary to establish that a vessel is in compliance with the requirements of subsections (a) and (b).*

*(2) FOREIGN CLASSIFICATION SOCIETY.—The Secretary may accept certification from a foreign classification society under paragraph (1) only—*

*(A) to the extent that the government of the foreign country in which the society is headquartered provides access on a reciprocal basis to the American Bureau of Shipping; and*

*(B) if the foreign classification society has offices and maintains records in the United States.*

**SEC. 1138. VESSELS SUBJECT TO THE JURISDICTION OF THE UNITED STATES.**

*(a) IN GENERAL.—Section 3 of the Maritime Drug Law Enforcement Act (46 App. U.S.C. 1903) is amended—*

*(1) in subsection (c)(2) by striking “and” after the semicolon in subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “; and”, and by adding at the end the following new subparagraph:*

*“(C) a vessel aboard which the master or person in charge makes a claim of registry and the claimed nation of registry does not affirmatively and unequivocally assert that the vessel is of its nationality.”;*

*(2) in subsection (c)(1) by striking “and may be” and inserting “and is conclusively”;*

*(3) in subsection (c)(2) by striking “nation may be” and inserting “nation is conclusively”;*

*(4) in subsection (d) by inserting before the first sentence the following: “Any person charged with a violation of this section shall not have standing to raise the claim of failure to comply with international law as a basis for a defense.”; and*

*(5) by adding at the end of subsection (f) the following: “Jurisdiction of the United States with respect to vessels subject to this chapter is not an element of any offense. All jurisdictional issues arising under this chapter are preliminary questions of law to be determined solely by the trial judge.”.*

*(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by inserting “or (C)” after “under subparagraph (A)”.*

**SEC. 1139. REACTIVATION OF CLOSED SHIPYARDS.**

(a) *IN GENERAL.*—The Secretary may issue a guarantee or a commitment to guarantee obligations under title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), upon such terms as the Secretary may prescribe, to assist in the reactivation and modernization of any shipyard in the United States that is closed on the date of the enactment of this Act, if the Secretary finds that—

(1) the closed shipyard historically built military vessels and responsible entities now seek to reopen it as an internationally competitive commercial shipyard;

(2)(A) the closed shipyard has been designated by the President as a public-private partnership project; or

(B) has a reuse plan approved by the Navy in which commercial shipbuilding and repair are primary activities and has a revolving economic conversion fund approved by the Department of Defense; and

(3) the State in which the shipyard is located, and each other involved State, or a State-chartered agency, is making a significant financial investment in the overall cost of reactivation and modernization as its contribution to the reactivation and modernization project, in addition to the funds required by subsection (d)(2) of this section.

(b) *WAIVERS.*—Notwithstanding any other provision of title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), the Secretary shall not apply the requirements of section 1104A(d) of that Act when issuing a guarantee or a commitment to guarantee an obligation under this section.

(c) *CONDITIONS.*—The Secretary shall impose such conditions on the issuance of a guarantee or a commitment to guarantee under this section as are necessary to protect the interests of the United States from the risk of a default. The Secretary shall consider the interdependency of such shipyard modernization and reactivation projects and related vessel loan guarantee requests pending under title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) before issuing a guarantee or a commitment to guarantee under this section.

(d) *FUNDING PROVISIONS.*—

(1) The Secretary may not guarantee or commit to guarantee obligations under this section that exceed \$100,000,000 in the aggregate.

(2) The amount of appropriated funds required by the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.) in advance of the Secretary's issuance of a guarantee or a commitment to guarantee under this section shall be provided by the State in which the shipyard is located, and other involved States, or by a State-chartered agency, and deposited by the Secretary in the financing account established under the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.) for loan guarantees issued by the Secretary under title XI of the Merchant Marine Act of 1936 (46 App. U.S.C. 1271 et seq.). No federally appropriated funds shall be available for this purpose. The funds deposited into that financing account shall be held and applied by the Secretary in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et

seq.), except that, unless the Secretary shall have earlier paid an obligee or been required to pay an obligee pursuant to the terms of a loan guarantee, the funds deposited in that financing account shall be returned, upon the expiration of the Secretary's loan guarantee, to the State, States, or State-chartered agency which originally provided the funds to the Secretary.

(3) Notwithstanding the provisions of any other law or regulation, the cost (as that term is defined by the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.)) of a guarantee or commitment to guarantee issued under this section—

(A) may only be determined with reference to the merits of the specific closed shipyard reactivation project which is the subject of that guarantee or commitment to guarantee, without reference to any other project, type of project, or averaged risk; and

(B) may not be used in determining the cost of any other project, type of project, or averaged risk applicable to guarantees or commitments to guarantee issued under title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.).

(e) **SUNSET.**—No commitment to guarantee obligations under this section shall be issued by the Secretary after one year after the date of enactment of this section.

(f) **DEFINITION.**—As used in this section, the term “Secretary” means the Secretary of Transportation.

**SEC. 1140. SAKONNET POINT LIGHT.**

Notwithstanding any other provision of law, any action in admiralty brought against a private nonprofit organization (including any officer, director, employee, or agent of such organization) for damages or injuries resulting from an incident occurring after the date of enactment of this Act, and arising from the operation, maintenance, or malfunctioning of an aid to navigation operated by the Coast Guard on or within property or a structure owned by such nonprofit organization at Sakonnet Point, Little Compton, Rhode Island, shall be determined exclusively according to the law of the State in which such property or structure is located.

**SEC. 1141. DREDGING OF RHODE ISLAND WATERWAYS.**

The Chief of Engineers of the Army Corps of Engineers, in conjunction with the Secretary of Transportation and other relevant agencies, shall—

(1) review the report of the commission convened by the Governor of Rhode Island on dredging Rhode Island waterways; and

(2) not later than 120 days after the date of enactment of this section, submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives any recommendations that the Chief of Engineers may have concerning the feasibility and environmental effects of the dredging.

**SEC. 1142. INTERIM PAYMENTS.**

(a) **DAMAGES FOR LOSS OF PROFITS OR IMPAIRMENT OF EARNING CAPACITY.**—Section 1005 of the Oil Pollution Act of 1990 (33 U.S.C. 2705) is amended by—

(1) in the title inserting “; **PARTIAL PAYMENT OF CLAIMS**” before the period; and

(2) adding at the end of subsection (a) the following: “The responsible party shall establish a procedure for the payment or settlement of claims for interim, short-term damages. Payment or settlement of a claim for interim, short-term damages representing less than the full amount of damages to which the claimant ultimately may be entitled shall not preclude recovery by the claimant for damages not reflected in the paid or settled partial claim.”

(b) **CLARIFICATION OF CLAIMS PROCEDURE.**—Section 1013(d) of the Oil Pollution Act of 1990 (33 U.S.C. 2713(d)) is amended by striking “section” and inserting the following: “section, including a claim for interim, short-term damages representing less than the full amount of damages to which the claimant ultimately may be entitled.”

(c) **ADVERTISEMENT.**—Section 1014(b) of the Oil Pollution Act of 1990 (33 U.S.C. 2714(b)) is amended—

(1) by inserting “(1)” before “If”; and

(2) by adding at the end the following new paragraph:

“(2) An advertisement under paragraph (1) shall state that a claimant may present a claim for interim, short-term damages representing less than the full amount of damages to which the claimant ultimately may be entitled and that payment of such a claim shall not preclude recovery for damages not reflected in the paid or settled partial claim.”

(d) **CLARIFICATION OF SUBROGATION.**—Section 1015(a) of the Oil Pollution Act of 1990 (33 U.S.C. 2715(a)) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

“(b) **INTERIM DAMAGES.**—

“(1) **IN GENERAL.**—If a responsible party, a guarantor, or the Fund has made payment to a claimant for interim, short-term damages representing less than the full amount of damages to which the claimant ultimately may be entitled, subrogation under subsection (a) shall apply only with respect to the portion of the claim reflected in the paid interim claim.

“(2) **FINAL DAMAGES.**—Payment of such a claim shall not foreclose a claimant’s right to recovery of all damages to which the claimant otherwise is entitled under this Act or under any other law.”

**SEC. 1143. OIL SPILL INFORMATION.**

Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended—

(1) in subsection (j)(2)(A) by inserting after “paragraph (4),” the following: “and of information regarding previous spills, including data from universities, research institutions, State governments, and other nations, as appropriate, which shall be disseminated as appropriate to response groups and area committees, and”; and

(2) in subsection (j)(4)(c)(v) by inserting before “describe” the following: “compile a list of local scientists, both inside and outside Federal Government service, with expertise in the environmental effects of spills of the types of oil typically trans-

ported in the area, who may be contacted to provide information or, where appropriate, participate in meetings of the scientific support team convened in response to a spill”, and”.

**SEC. 1144. COMPLIANCE WITH OIL SPILL RESPONSE PLANS.**

Section 311(c)(3)(B) of the Federal Water Pollution Control Act (33 U.S.C. 1321(c)(3)(B)) is amended by striking “President” and inserting “President, except that the owner or operator may deviate from the applicable response plan if the President or the Federal On-Scene Coordinator determines that deviation from the response plan would provide for a more expeditious or effective response to the spill or mitigation of its environmental effects”.

**SEC. 1145. BRIDGE DEEMED TO UNREASONABLY OBSTRUCT NAVIGATION.**

The Sooline & Milwaukee Road Swing Bridge, located in Oshkosh, Wisconsin, is deemed to unreasonably obstruct navigation for purposes of the Act of June 21, 1940 (popularly known as the Hobbs Bridge Act; 33 U.S.C. 511 et seq.).

**SEC. 1146. FISHING VESSEL EXEMPTION.**

(a) *IN GENERAL.*—Chapter 81 of title 46, United States Code, is amended by adding at the end the following new section:

**“§8105. Fishing vessel exemption**

“Notwithstanding any other provision of law, neither the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, nor any amendment to such convention, shall apply to a fishing vessel, including a fishing vessel used as a fish tender vessel.”.

(b) *CLERICAL AMENDMENT.*—The table of sections for chapter 81 of title 46, United States Code, is amended by adding at the end the following:

“8105. Fishing vessel exemption.”.

And the House agree to the same.

From the Committee on Transportation and Infrastructure, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

BUD SHUSTER,  
DON YOUNG,  
HOWARD COBLE,  
TILLIE K. FOWLER,  
BILL BAKER,  
JAMES L. OBERSTAR,  
BOB CLEMENT,  
GLENN POSHARD,

From the Committee on the Judiciary, for consideration of sec. 901 of the Senate bill, and sec. 430 of the House amendment, and modifications committed to conference:

HENRY HYDE,  
BILL MCCOLLUM,

*Managers on the Part of the House.*

From the Committee on Commerce, Science, and Transportation:

LARRY PRESSLER,  
TED STEVENS,  
SLADE GORTON,  
TRENT LOTT,  
KAY BAILEY HUTCHISON,  
OLYMPIA SNOWE,  
JOHN ASHCROFT,  
SPENCER ABRAHAM,  
FRITZ HOLLINGS,  
DANIEL INOUE,  
JOHN F. KERRY,  
JOHN BREAU,  
BYRON L. DORGAN,  
RON WYDEN,

From the Committee on Environment and Public Works:

JOHN H. CHAFEE,  
JOHN WARNER,  
BOB SMITH,  
LAUCH FAIRCLOTH,  
JIM INHOFE,  
MAX BAUCUS,  
FRANK R. LAUTENBERG,  
JOE LIEBERMAN,

*Managers on the Part of the Senate.*

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF  
CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1004) to authorize appropriations for the United States Coast Guard, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference and noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

SECTION 1. SHORT TITLE

Section 1 of the Senate bill states that the Act may be cited as the "Coast Guard Authorization Act of 1996." This section of the House amendment states that the Act may be cited as the "Coast Guard Authorization Act for Fiscal Year 1996."

The Conference substitute cites the Act as the "Coast Guard Authorization Act of 1996."

SECTION 2. TABLE OF CONTENTS

Section 2 of the Senate bill, the House amendment, and the conference substitute provide a table of contents for the bill.

TITLE I—AUTHORIZATIONS

SECTION 101. AUTHORIZATION OF APPROPRIATIONS

Section 101 of the Senate bill authorizes Coast Guard appropriations for Fiscal Year (FY) 1996, at the following levels:

	<i>Fiscal year 1996</i>
Operating Expenses .....	\$2,618,316,000
AC&I .....	428,200,000
R&D .....	22,500,000
Retired Pay .....	582,022,000
Alteration of Bridges .....	16,200,000
Environmental Compliance .....	25,000,000

This bill also authorizes the transfer of funds from the discretionary bridge program of the Federal Highway Administration to

the Coast Guard for alteration of highway bridges that are determined to be obstructions to navigation.

Section 101 of the House amendment contains identical authorization levels, but does not contain the funding change for alteration of highway bridges that are determined to be obstructions to navigation.

The Conference substitute adopts the Senate provision with an amendment to authorize Coast Guard appropriations for fiscal year 1997 at the following levels:

	<i>Fiscal year 1997</i>
Operating Expenses .....	\$2,637,800,000
AC&I .....	411,600,000
R&D .....	20,300,000
Retired Pay .....	608,100,000
Alteration of Bridges .....	25,100,000
Environmental Compliance .....	25,000,000

The Conference Committee recommends that a study be conducted to look at ways the aviation program could cut its operating and replacement costs. The study should include looking at alternative aircraft to replace some of the aging HC-130's and HU-25's. The Committee believes some surveillance missions could be done by aircraft that are much less costly to operate. Further, the Committee believes there may be creative ways these alternate aircraft may be acquired without major capital expense. The Coast Guard shall report back to the Committee on Transportation and Infrastructure of the House and the Committee on Commerce, Science, and Transportation of the Senate by December 15, 1997.

SECTION 102. AUTHORIZED LEVELS OF MILITARY STRENGTH AND TRAINING

Section 102 of the Senate bill authorizes a Coast Guard end-of-year strength of 38,400 active duty military personnel and military training student loads for fiscal year 1996. These authorized strength levels would not include members of the Coast Guard Ready Reserve called to active duty for special or emergency augmentation of regular Coast Guard forces for period of 180 days or less.

Section 102 of House amendment has the identical strength numbers, but does not contain the Coast Guard Ready Reserve provision.

The Conference substitute amends the House provision by authorizing a Coast Guard end-of-year strength of 37,561 by the end of fiscal year 1997 and military training student loads for fiscal year 1997.

SECTION 103. QUARTERLY REPORT ON DRUG INTERDICTION

The Senate bill contains no comparable provision.

Section 103 of the House amendment requires the Secretary of Transportation to submit to the Committee on Transportation and Infrastructure in the House of Representatives and Committee on Commerce, Science, and Transportation in the Senate quarterly reports on Coast Guard drug interdiction expenditures. The requirement for quarterly reports will allow the Committees to closely monitor the expenditures for Cost Guard drug interdiction, and to

ensure that critical drug interdiction resources are not diverted to other Coast Guard missions.

The Conference substitute adopts the House provision.

SECTION 104. SENSE OF THE CONGRESS REGARDING FUNDING FOR THE  
COAST GUARD

The Senate bill contains no comparable provision.

Section 422 of the House amendment states that it is the sense of Congress that Congress should appropriate for the Coast Guard adequate funds to enable it to carry out all extraordinary functions and duties the Coast Guard is required to undertake in addition to its normal functions established by law.

The Conference substitute adopts the House amendment.

TITLE II—PERSONNEL MANAGEMENT IMPROVEMENT

SECTION 201. PROVISION OF CHILD DEVELOPMENT SERVICES

Section 201 of the Senate bill adds a new section 515 to title 14, United States Code, authorizing the Coast Guard to establish a program to provide child development services for members of the armed forces and Federal civilian employees. Subsection (a) of new section 515 provides authority for the Commandant to expend appropriated funds to make child development services available. Subsection (b) of the new section establishes priorities for the use of parents' fees. Subsection (c) requires regular inspections of Coast Guard child care centers and establishes minimum requirements for training child care center employees. Subsection (d) authorizes the use of Coast Guard operating expenses in an amount not to exceed annual child care receipts to support child care center operation. Subsection (e) authorizes the use of appropriated funds to provide assistance to home day-care providers. Subsection (f) authorizes the Secretary to charge fees for child development services provided.

Section 203 of the House amendment amends section 93 of title 14, United States Code, to authorize the Coast Guard to establish a program to provide child development services for military members and civilian employees. This program provided in this section is similar in most respects to the existing Department of Defense child care development program.

The Conference substitute adopts the House amendment.

SECTION 202. HURRICANE ANDREW RELIEF

Section 202 of the Senate bill authorizes Coast Guard military personnel assigned to a facility around Homestead Air Force Base, Florida, on or before August 24, 1992, to be compensated if they are unable to sell their homes due to damage from Hurricane Andrew.

Section 201 of the House amendment is identical to the Senate bill.

The Conference substitute adopts the Senate provision.

SECTION 203. DISSEMINATION OF RESULTS OF 0-6 CONTINUATION  
BOARDS

Section 203 of the Senate bill amends section 289 of title 14 United States Code, eliminating the requirement for dissemination to the service at large of the result of boards convened to recommend captains for continuation on active duty.

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

SECTION 204. EXCLUDE CERTAIN RESERVES FROM END-OF-YEAR  
STRENGTH

Section 204 of the Senate bill amends section 712 of title 14, United States Code, to eliminate the requirement to include Coast Guard Reservists ordered to active duty in the calculation of Coast Guard end-of-year personnel strength. This new authority parallels the Secretary of Transportation's existing authority to exceed annual Coast Guard end-of-year strength ceilings in order to respond to national defense emergencies.

Section 202 of the House amendment is similar to the Senate bill.

The Conference substitute adopts the House provision.

## SECTION 205. OFFICER RETENTION UNTIL RETIREMENT ELIGIBLE

Section 205 of the Senate bill amends section 283(b) of title 14, United States Code, to allow Coast Guard officers with at least 18 years of service, and who have been passed over for promotion twice, to continue on active duty until they are eligible for retirement after 20 years of service. A similar provision applies to members of the Coast Guard Reserve and the other branches of the armed forces.

Section 205 of the House amendment is identical to the Senate bill.

The Conference substitute adopts the Senate provision.

## SECTION 206. RECRUITING

Section 207 of the Senate bill expands the Coast Guard's authority to recruit its military work force. Subsection (a) amends the National Defense Authorization Act for Fiscal Year 1995 to extend to the Department of Transportation a provision that denies funds to institutions of higher education that have a policy of denying recruiters from the armed forces access to their campuses or students, or denying access to director information pertaining to students.

Subsection (b) provides specific authority for the Coast Guard to use operating funds for entertainment expenses arising from recruiting activities in the Coast Guard's "centers of influence" program, modeled after the programs of the Navy, Marine Corps, and Air Force.

Subsection (c) expands the Coast Guard's authority to enter into contracts with, and make grants to, public and private organizations and individuals for the purpose of meeting identified personnel resource requirements. Students who successfully qualify for the program would be offered a one-year or two-year scholarship

that would pay for all or part of the tuition and related living expenses while enrolled in a college or university.

Section 407 of the House amendment requires the Coast Guard to submit a report to the Committee on Transportation and Infrastructure in the House of Representatives and the Committee on Commerce, Science, and Transportation in the Senate on efforts to recruit women and minorities, and to make recommendations on the need for future action in this area.

Section 206 of the Conference substitute adopts subsections (a) and (b) of section 207 of the Senate bill. Subsection (a) denies funds to institutions which do not allow Coast Guard recruiters on campus. Subsection (c) allows the Coast Guard to use operating funds to cover advertising and entertainment expenses related to certain recruiting activities. Section 207(c) of the conference substitute includes the study on recruiting women and minorities from section 407 of the House amendment.

SECTION 207. ACCESS TO NATIONAL DRIVER REGISTER INFORMATION  
ON CERTAIN COAST GUARD PERSONNEL

Section 208(a) of the Senate bill amends section 93 of title 14, United States Code, to authorize the Commandant of the Coast Guard to require that Coast Guard military personnel request all information contained in the National Driver Register (NDR) pertaining to the individual and be made available to the Commandant. Current law allows an employer to have access to the NDR records of an individual who is seeking employment or is employed as a driver of a commercial vehicle, an individual who has applied for, or has received an airman's medical certificate, an individual who is seeking employment or is employed as an operator of a locomotive, and a holder of, or applicant for, a merchant mariner's license, certificate of registry, or merchant mariner's document.

Subsection (b) of this section amends section 30305 of title 49, United States Code, to allow Coast Guard military personnel to request the chief licensing official of a State to provide information in the National Driver Register about the individual to the Commandant of the Coast Guard, and to allow the Commandant to receive the information.

Section 204 of the House amendment is identical to the Senate bill.

The Conference substitute adopts the Senate provision.

SECTION 208. COAST GUARD HOUSING AUTHORITIES

Section 209 of the Senate bill establishes a new financing mechanism for the construction of military family housing and unaccompanied housing units on or near Coast Guard installations. It authorizes the Coast Guard to use direct loans, loan guarantees, long-term leases, rental guarantees, barter, direct government investment, and other financial arrangements to encourage private sector participation in the building of military housing.

A Coast Guard Housing Improvement Fund (Fund) is established to provide these new housing projects. In addition to the amounts appropriated to the Fund, the Fund may receive transfers from other U.S. Department of Transportation housing accounts,

receipts from property sales and rents, returns on any capital, and other income operations or transactions connected with the program. The amounts in the Fund are available to acquire housing using the various techniques mentioned above, but the total value of budget authority for all contracts and investments are limited to \$60 million.

The House amendment has no comparable provision.

The Conference substitute amends the Senate provision in several ways. The substitute allows the Coast Guard Housing program to use loan guarantees for developers of military family housing and military unaccompanied housing. The substitute also allows the Secretary of Transportation to enter into limited partnerships with nongovernmental entities for the purpose of carrying out projects for the acquisition or construction of housing units for military housing.

Section 208 of the Conference Substitute ensures that amounts available from the Fund are subject to appropriations. This provision does not allow the acquisition or construction of military housing unless the Committee on Transportation and Infrastructure of the House of Representatives and Committee on Commerce, Science, and Transportation of the Senate have adopted resolutions approving of the plans. The conferees believe the Coast Guard should submit to each committee a prospectus for each project based on OMB Circular A-104, which is used by the General Services Administration for their capital construction and leasing program. Section 208 identifies one housing project on or near Coast Guard Integrated Support Command, Ketchikan, Alaska, to be exempted from the committee approval process.

#### SECTION 209. BOARD FOR CORRECTION OF MILITARY RECORDS DEADLINE

Section 210 of the Senate bill is similar to section 404 of the House amendment, except that it requires those affected by the provision to apply for retroactive relief.

Section 404 of the House amendment clarifies the application of section 212 of the Coast Guard Authorization Act of 1989, (Public Law 101-225, 10 U.S.C. 1552 note). This section required the Secretary of Transportation to amend the regulations governing the Coast Guard's Board for the Correction of Military Records (BCMR) to ensure that appeals are processed expeditiously and that final decisions are made within 10 months of their receipt by the BCMR. Section 212 also required the Secretary to appoint and maintain a permanent staff, and a panel of civilian officers or employees to serve as members of the board, which are adequate to ensure compliance with the 10-month deadline for final action on the application. Section 404 of the House amendment clarifies that the 10-month deadline established under section 212 of the 1989 Coast Guard Authorization Act was intended to be mandatory. Section 404 also clarifies that section 212 was intended to apply to applications pending before the BCMR or the Secretary of Transportation on June 12, 1990, which was six months after the date of enactment of the 1989 Coast Guard Authorization Act.

Under section 404 of the House amendment, and section 212 of the 1989 Coast Guard Authorization Act, extensions of time

granted to applicants by the BCMR do not count toward the 10-month deadline. The purpose of section 212 of the 1989 Coast Guard Authorization Act was to impose a deadline on the Department of Transportation that resulted in timely, meaningful resolution of claims for BCMR applicants. Extensions of the 10-month deadline requested by applicants themselves are not contrary to the purpose of section 212.

Section 209 of the Conference substitute creates a new section 425 of title 46, United States Code, which is similar to the Senate provision. The conferees believe that the lack of prompt resolution of BCMR cases has denied meaningful relief to many BCMR applicants who are found to have been unjustly passed over for promotion. Because the Coast Guard does not convene special selection boards for officers whom the BCMR finds to have been wrongly passed over, it is imperative that the BCMR adhere to the 10-month deadline in each case. Officers who fall behind the regular promotion cycle because of delayed BCMR relief are at a competitive disadvantage when competing for promotion against officers whose careers have progressed at a normal pace.

The conferees direct the BCMR to resolve all cases within the 10-month deadline, eliminating the necessity for Coast Guard special selection boards. The conferees also direct the BCMR to establish a system to monitor the implementation of this section, including a method to easily determine the dates on which applications are filed with the BCMR, and other significant dates related to a BCMR application.

#### SECTION 210. REPEAL TEMPORARY PROMOTION OF WARRANT OFFICERS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute repeals section 277 of title 14, United States Code, which provides that Coast Guard warrant officers may be temporarily promoted to higher warrant officer grades. Section 541 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337) made the Warrant Officer Management Act (WOMA) applicable to the Coast Guard warrant officer corps. There are no temporary warrant officer promotions under WOMA and the repeal of section 277 of title 14, United States Code, is necessary to remove this inconsistent provision.

#### SECTION 211. APPOINTMENT OF TEMPORARY OFFICERS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute permits the Coast Guard to vacate the appointments of a temporary commissioned officer at any point prior to the officer's becoming a permanent commissioned officer and not just during the period of the original appointment. This provides an important means for managing the size of the Coast Guard officer corps in an era of decreasing budgets, while at the same time allowing individuals to continue a Coast Guard career.

SECTION 212. INFORMATION TO BE PROVIDED TO OFFICER SELECTION  
BOARDS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute deletes the requirement for the Coast Guard to identify officers who are in the promotion zone of the group. This will allow officers who have failed to be selected for promotion by an earlier board to compete on an equal basis with officers who are being considered for the first time.

SECTION 213. RESCUE DIVER TRAINING FOR SELECTED COAST GUARD  
PERSONNEL

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute allows the Coast Guard to provide rescue diver training to selected Coast Guard personnel under the helicopter rescue swimming program.

## SECTION 214. SPECIAL AUTHORITIES REGARDING COAST GUARD

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adds two provisions which involve Coast Guard reimbursement of expenses for mess operations and severable services contracts.

Subsection (a) of section 214 allows the Secretary of Transportation, when the Coast Guard is not operating as part of the Navy, to establish rates for meals sold at Coast Guard dining facilities and to reimburse mess expense operations for the cost of those meals. This will allow the Coast Guard to operate its mess facilities more efficiently and effectively, in the same manner as the other armed services, which already have this authority.

Subsection (b) of section 214 allows the Secretary of Transportation to enter into contracts for severable services contracts across fiscal years. Severable services are services funded by annual appropriations that can be subdivided by year for performance, such as services performed for equipment and facility maintenance. This provision gives the Coast Guard the same authority previously granted to other Federal agencies under the Federal Acquisition Streamlining Act of 1994.

## TITLE III—MARINE SAFETY AND WATERWAY SERVICES MANAGEMENT

## SECTION 301. CHANGES TO DOCUMENTATION LAWS

Section 301 of the Senate bill amends section 12122(a) of title 46, United States Code, increasing the maximum civil penalty for violation of documentation laws from \$500 to \$10,000.

Subsection (b) of this section amends section 12122(b) of title 46, United States Code, broadening the seizure and forfeiture authority within the penalty section. This subsection moves three existing authorities currently in section 12110(c) of title 46, United States Code, to section 12122(b). Consolidating these authorities in this section should clarify those violations of U.S. documentation laws for which seizure and forfeiture authority would be exercised.

In addition, this subsection adds a new substantive basis for seizure and forfeiture when a vessel is placed under the command of a person not a citizen of the United States. The term “under the command of” is intended to have the same meaning as in section 12110(d) of title 46, United States Code. Command of a vessel would include, complete authority and control over and responsibility for: all aspects of vessel navigation, stability, cargo loading, and communications; material condition of the vessel; health, welfare, safety, and training of the crews; fishing and fish processing activities; crew hiring, firing, discipline, and pay; maintenance, provisioning, and supplies; and compliance with all applicable U.S. laws and regulations.

Section 301 (c) and (d) makes technical and conforming changes to sections 12122(c) and 12110(d) of title 46, United States Code. Section 301(e) terminates the eligibility for a fisheries endorsement of a vessel purchased by the Secretary of Commerce under a fishing capacity reduction program.

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision with several technical modifications.

#### SECTION 302. NONDISCLOSURE OF PORT SECURITY PLANS

Section 302 of the Senate bill amends section 7 of the Ports and Waterways Safety Act, as amended (33 U.S.C. 1226), to exempt information regarding passenger vessels or terminal security plans established by the Coast Guard from the public disclosure requirements of any law. Currently, airline and security plans developed by the Federal Aviation Administration are exempt from disclosure under the Freedom of Information Act. Section 302 of this bill extends the same degree of protection to Coast Guard security plans for passenger vessels and terminals to ensure that safety and security are not compromised at these facilities.

Section 306 of the House amendment contains a provision identical to the Senate bill.

The Conference substitute adopts the Senate provision.

#### SECTION 303. MARITIME DRUG AND ALCOHOL TESTING PROGRAM CIVIL PENALTY

Section 303 of the Senate bill amends chapter 21 of title 46, United States Code, to provide for a civil penalty of not more than \$1,000 per day for marine employees who violate the Coast Guard’s chemical testing regulations.

Section 307 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 304. RENEWAL OF ADVISORY GROUPS

Section 304 of the Senate bill amends sections 18 and 19 of the Coast Guard Authorization Act of 1991 (Public Law 102–241, 105 Stat. 2208–2235) to extend the termination dates for the Houston-Galveston Navigation Safety Advisory Committee and the Lower Mississippi River Waterway Advisory Committee until September 30, 2000. This section also amends section 5(d) of the Inland Navi-

gational Rules Act of 1980 (33 U.S.C. 2073) and section 4508(e)(1) of title 46, United States Code, to extend the termination dates for the Navigation Safety Advisory Council and the Commercial Fishing Industry Vessel Advisory Committee, respectively, until September 30, 2000. The section further extends the Towing Safety Advisory Committee until September 30, 2000.

Sections 303, 304, 305, and 311 of the House amendment also extend the termination dates for these organizations. The House amendment amends section 5(d) of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2073) to change the name of the Rules of the Road Advisory Council to the Navigational Safety Advisory Council.

The Conference substitute adopts the Senate provision with the House provision related to the Navigation Safety Advisory Council. The substitute also extends the statutory authority for the National Boating Safety Advisory Council until September 30, 2000.

#### SECTION 305. ELECTRONIC FILING OF COMMERCIAL INSTRUMENTS

Section 305 of the Senate bill amends section 31321(a) of title 46, United States Code, to allow the public to file a bill of sale, conveyance, mortgage, assignment, or related instrument with the Coast Guard electronically. Under the amendments made by this section, the original instrument must be provided to the Secretary of Transportation within 10 days after the electronic transfer.

Section 403 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 306. CIVIL PENALTIES

Section 306(a) of the Senate bill amends section 6103(a) of title 46, United States Code, to increase the civil penalty against an owner, charterer, managing operator, agent, master, or individual in charge of a vessel for failure to report a vessel casualty from \$1,000 to not more than \$25,000. Section 306(b) amends section 8906 of title 46, United States Code, to increase the civil penalty against an owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of small vessel operator licensing requirements, from \$1,000 to not more than \$25,000.

Section 309 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 307. AMENDMENT TO REQUIRE EPIRBS ON THE GREAT LAKES

Section 307 of the Senate bill amends paragraph 7 of section 4502(a) of title 46, United States Code, to require uninspected commercial fishing vessels operating beyond three nautical miles from the coastline of the Great Lakes to carry emergency position indicating radio beacons (EPIRBS).

Section 310 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 308. REPORT ON LORAN-C REQUIREMENTS

Section 308 of the Senate bill requires the Secretary of Transportation, in consultation with users of the LORAN-C radio navigation system, to submit a report on the future use of and funding for operations, maintenance, and upgrades of the LORAN-C radio-navigation system as satellite based technology becomes the sole means of safe and efficient navigation.

This section specifically requires the Secretary to address several issues in the report. These include determining an appropriate timetable for transitioning from ground-based radio navigation technology, and the possible need for all agencies in the Department of Transportation, as well as other government beneficiaries, to share in the Federal government's costs related to LORAN-C technology.

Section 415 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision. The LORAN-C radionavigation system has been operated as a cost-effective, proven, reliable system for millions of marine and other users over the years which provides an important enhancement to user safety. In recent years, numerous steps have been taken to emphasize that the Coast Guard and other agencies in the Department of Transportation should take advantage of the compatibility of LORAN with GPS technology so that the substantial investment made by users can continue to be utilized until satellite technology is available as a sole means of navigation. The Conferees have heard from every segment of the LORAN user community, expressing strong support for continued funding and upgrade of the LORAN infrastructure. Therefore, the Conferees have included a provision requiring the Secretary within 180 days to provide a plan for the future funding and upgrade of the Loran system and infrastructure.

## SECTION 309. SMALL BOAT STATIONS

Section 309 in the Senate bill prohibits the Secretary of Transportation from closing any Coast Guard multi-mission small boat station or subunit before October 1, 1996. Section 309 prohibits the Coast Guard from closing any Coast Guard small boat station or subunit after October 1, 1996 unless he certifies that the closure will not result in the degradation of services that would cause a significantly increased threat to life, property, the environment, public safety, or our national security. The Secretary must also notify the public of the intended closure, make available to the public information used in making the determination and assessment under this section, and provide an opportunity for public meetings and written comments about the closure.

Section 104 of the House amendment prohibits the closure of Coast Guard multimission small boat stations unless the Secretary of Transportation determines that maritime safety will not be diminished by the closures.

The Conference substitute also adds a new section 673 to title 14, United States Code, which requires that Coast Guard small

boat stations maintain at least one vessel capable of performing off-shore rescue operations.

The Conference substitute adds a new section 674 to title 14, United States Code, which prevents the Secretary of Transportation closing a Coast Guard multi-mission small boat station unless the Secretary determines that the remaining search and rescue capabilities maintain the safety of the maritime public in the area of the station or subunit. The Secretary must also determine that the regional or local prevailing weather and marine conditions, including water temperature or unusual tide and current conditions, do not require continued operation of the search and rescue station. The Secretary must further determine that the Coast Guard search and rescue standards related to search and rescue response times are met. The Secretary must provide an opportunity for public comment and meetings in regard to any proposed station closure.

SECTION 310. PENALTY FOR ALTERATION OF MARINE SAFETY  
EQUIPMENT

Section 310 of the Senate bill broadens section 3318 of title 46, United States Code, to classify as a felony the knowing alteration of lifesaving, fire fighting, and other marine safety equipment, if the alteration results in equipment that is insufficient to accomplish the purpose for which it is intended.

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate bill with an amendment establishing a criminal penalty applicable commercial alteration or servicing which intentionally renders the equipment unsafe and unfit for the purpose for which it is intended.

SECTION 311. PROHIBITION ON OVERHAUL, REPAIR, AND MAINTENANCE  
OF COAST GUARD VESSELS IN FOREIGN SHIPYARDS

Section 311 of the Senate bill amends chapter 5 of title 14, United States Code, to require that all non-emergency repairs of Coast Guard vessels be conducted in shipyards located in the United States. This provision is similar to the current restrictions on the repair of U.S. Navy vessels.

The House amendment contains no comparable provision.

The Conference substitute amends the Senate provision to exempt voyage repairs and vessels that are home ported outside a U.S. State from this section.

SECTION 312. WITHHOLDING VESSEL CLEARANCE FOR VIOLATION OF  
CERTAIN ACTS

Section 312 of the Senate bill authorizes the Secretary of the Treasury, at the request of the Secretary of Transportation, to refuse or revoke a vessel's clearance, when that vessel is liable, or reasonable cause exists to believe that the vessel is liable, to the United States Government for certain civil or criminal penalties. Under the amendments made by this section, the Secretary of the Treasury may grant a clearance previously refused or revoked only if the owner of the vessel obtains a bond or other surety satisfactory to the Secretary of Transportation to cover the amount of the potential fine or penalty assessment.

Section 312(a) amends section 5122 of title 49, United States Code, to authorize the Secretary of Treasury to refuse or revoke a vessel's clearance for violations of chapter 51 of title 49, United States Code, formerly the Hazardous Materials Transportation Act. Chapter 51 of title 49 applies to all vessels that transport, ship, maintain, or manufacture hazardous materials in waters subject to the jurisdiction of the United States.

Section 312(b) amends section 13(f) of the Ports and Waterways Safety Act (33 U.S.C. 1232(f)) to authorize the Secretary of the Treasury to refuse or revoke a vessel's clearance for violations of that Act. The Ports and Waterways Safety Act promotes port and merchant vessel safety through the establishment of vessel traffic service systems and the requirement to carry certain navigation equipment aboard vessels in waters subject to the jurisdiction of the United States.

Section 312(c) amends section 4(d) of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2072(d)) to authorize the Secretary of the Treasury to refuse or revoke a vessel's clearance for violations of that Act. The Inland Navigational Rules Act governs the "rules of the road" for vessel navigation for the various inland, Great Lakes, and Western Rivers waters.

Section 312(d) amends section 3718(e) of title 46, United States Code, to authorize the Secretary of Treasury to refuse or revoke a vessel's clearance for violations of chapter 37 of title 46, United States Code, governing the carriage of liquid bulk dangerous cargoes in the navigable waters or a port of place subject to the jurisdiction of the United States.

Section 308 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 313. INFORMATION BARRED IN LEGAL PROCEEDINGS

The Senate bill contains no comparable provision.

Section 414 of the House amendment adds a new section to chapter 63 of title 46, United States Code, to limit the use of certain portions of formal and informal marine casualty investigations in civil judicial, administrative, and state criminal proceedings unless the Secretary of Transportation consents to releasing the report. The section would also prohibit any employee of the United States or member of the Coast Guard investigating a marine casualty or assisting in any such investigation being subject to deposition or other discovery, or to otherwise testify or give information in such proceedings relevant to a marine casualty investigation without the consent of the Secretary. New section 6308 also clarifies that the restriction on the use of the portions of investigations is not an admission of liability by the United States or by a person referred to in the investigation.

Although there are certain statutory and discovery provisions that presently protect parts of an investigation from use in civil and state criminal proceedings, there is no statutory prohibition on the use of opinions, recommendations, deliberations, and conclusions contained in marine casualty investigation reports.

The Conference substitute alters the House provision to completely prohibit a report of a Coast Guard marine casualty inves-

tigation from being admissible as evidence or subject to discovery in any civil or administrative proceedings, other than an administrative proceeding initiated by the United States. The substitute also prohibits any employee of the United States or member of the Coast Guard investigating a marine casualty from being subject to deposition or other discovery without the permission and consent of the Secretary of Transportation. The Secretary may not withhold permission for the employee or member to testify on solely factual matters where the information is not available elsewhere.

#### SECTION 314. MARINE CASUALTY REPORTING

Section 503(a) of the Senate bill requires the Coast Guard to submit a plan to Congress to increase the reporting of vessel accidents to appropriate state law enforcement officials.

Section 503(b) amends section 6130(a) of title 46, United States Code, to establish a \$1,000 civil penalty for an owner, charterer, operator, agent, master, or individual in charge of a vessel who has failed to submit a marine casualty report to state authorities as required under existing law.

The House amendment contains no comparable provision.

The Conference adopts the Senate provision.

#### TITLE IV—COAST GUARD AUXILIARY

##### SECTION 401. ADMINISTRATION OF THE COAST GUARD AUXILIARY

Section 401 of the Senate bill amends section 821 of title 14, United States Code, to establish an organizational structure for the Coast Guard Auxiliary and to designate the Auxiliary as an “Instrumentality of the United States” only with respect to acts or omissions committed by Auxiliary members performing a Coast Guard function or operation authorized by the Commandant of the Coast Guard, under section 822 of title 14, United States Code. Instrumentality status will allow the U.S. Government to provide legal representation and indemnification for the Auxiliary in litigation in which the Auxiliary is a defendant.

Instrumentality status will also protect Auxiliary assets and members from liability in the event of alleged tortious conduct committed by members while acting within the scope of their official duties. The liability protection provided to the Auxiliary under this section is for noncontractual civil tort liability.

Section 401 of the Senate bill also authorizes the national board of the Auxiliary, Auxiliary districts, and regions of the Auxiliary to incorporate under state law in accordance with policies established by the Commandant. The ability to incorporate will allow the Auxiliary’s national board to manage its finances more effectively and to hold Auxiliary copyrights, trademarks, and title to property used by the Auxiliary in performing its missions. Regional or district corporations may be formed under this section only for the purpose of holding property for Auxiliary use. Corporations formed under this authority are not considered instrumentalities of the United States.

Section 801 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the House provision.

## SECTION 402. PURPOSE OF THE COAST GUARD AUXILIARY

Section 402 of the Senate bill provides that the purpose of the Coast Guard Auxiliary is to assist the Coast Guard as authorized by the Commandant, in performing any Coast Guard function, power, duty, role, mission, or operation authorized by law. As the functions and operations of the Coast Guard expand in future years, the Auxiliary will have the flexibility to act in support of Coast Guard operations, under the direction of the Commandant. Future uses of the Coast Guard Auxiliary may include the establishment and support of marine safety and security zones; port and harbor patrols; parade and regatta patrols; pollution patrols; transportation of Coast Guard personnel for mission support; training support; and other support missions authorized by the Commandant.

Section 802 of the House amendment is similar to this provision.

The Conference substitute adopts the House provision.

## SECTION 403. MEMBERS OF THE AUXILIARY; STATUS

Section 403 of the Senate bill clarifies the status of individual members of the Coast Guard Auxiliary, and affords an Auxiliarist, while acting within the scope of official duties, the same degree of protection from legal liability as is provided to Coast Guard personnel. Under section 403, Auxiliary members are considered Federal employees for limited purposes, and are protected under the Federal Tort Claims Act (28 U.S.C. 2671 et seq.) from the claims of a third party who is allegedly harmed by the Auxiliary member while the member is acting within the scope of official duties.

Section 803 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 404. ASSIGNMENT AND PERFORMANCE OF DUTIES

Section 404 of the Senate bill deletes the antiquated term "specific duties" from sections 830, 831, and 832 of title 14, United States Code.

Section 804 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the House provision.

## SECTION 405. COOPERATION WITH OTHER AGENCIES, STATES, TERRITORIES, AND POLITICAL SUBDIVISIONS

Section 405 of the Senate bill allows the Commandant to prescribe conditions under which the Coast Guard Auxiliary may assist the States, when requested by proper State authorities. Assistance provided under this section may include supporting and augmenting state safety and security patrols for boat parades, regattas, and other special waterborne events.

Section 805 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the House provision.

## SECTION 406. VESSEL DEEMED PUBLIC VESSEL

Section 406 of the Senate bill clarifies that an Auxiliary vessel, while assigned to authorized Coast Guard duty, is deemed to be a public vessel of the United States and a vessel of the Coast Guard within the meaning of sections 646 and 647 of title 14, United States Code, and other applicable provisions of law, for purposes of resolving third-party claims for damage.

Section 806 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the House provision.

## SECTION 407. AIRCRAFT DEEMED PUBLIC AIRCRAFT

Section 407 of the Senate bill clarifies that an Auxiliary aircraft, while assigned to authorized Coast Guard duty, is deemed to be a Coast Guard aircraft, a public aircraft of the United States, and an aircraft of the Coast Guard for purposes of resolving third-party claims for damage. This section also deems Auxiliary pilots to be Coast Guard pilots while assigned to Coast Guard duty.

Section 807 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the House provision.

## SECTION 408. DISPOSAL OF CERTAIN MATERIAL

Section 408 of the Senate bill allows the Auxiliary to acquire directly obsolete or other material that is not needed by the Coast Guard, in those states where unincorporated associations may do so, or indirectly, through a corporation formed for purposes of acquiring, owning, and disposing of property.

Section 808 of the House bill is similar to the Senate provision. The Conference substitute adopts the House provision.

## TITLE V—DEEPWATER PORT MODERNIZATION

Title V of the Senate bill contains provisions to: (1) ensure funding for state recreational boating safety grants; (2) improve boating access; and (3) establish age requirements for personal flotation devices.

The House amendment contains no comparable provision.

The Conference substitute includes the Deepwater Port Modernization Act with the following provisions:

## SECTION 501. SHORT TITLE

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

Section 501 of the Conference substitute provides that this title shall be cited as “The Deepwater Port Modernization Act”.

## SECTION 502. DECLARATIONS OF PURPOSE AND POLICY

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute states that this provision’s overall purpose is to promote greater construction and use of deepwater ports by improving the statutory and regulatory framework under

which deepwater ports operate. This title streamlines governmental regulation so as to address legitimate public concerns, including safety and minimizing risks to the environment, without subjecting deepwater ports to unduly burdensome, unnecessary or duplicative regulations or licensing provisions.

#### SECTION 503. DEFINITIONS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute amends certain definitions in the Deepwater Ports Act of 1974 (DWPA) (33 U.S.C. 1502 et seq.).

#### SECTION 504. LICENSES

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute restructures the current three-tiered approach of licensing, operations manuals, and regulations into an approach that relies on licenses and operations manuals. However, the provision preserves the use of regulations for basic standards and conditions.

#### SECTION 505. INFORMATIONAL FILINGS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute amends the procedural provisions of the DWPA to authorize the Secretary of Transportation to waive, under certain circumstances, informational filing requirements for applications under the Act.

#### SECTION 506. ANTITRUST REVIEW

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute repeals certain provisions in the DWPA that impose antitrust review requirements that are in addition to existing antitrust laws and requirements.

#### SECTION 507. OPERATION

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute clarifies provisions in the DWPA relating to common carrier status and prohibitions against discriminatory acceptance, transport, or conveyance of oil.

#### SECTION 508. MARINE ENVIRONMENTAL PROTECTION AND NAVIGATIONAL SAFETY

The Senate will contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute amends the regulatory structure under which deepwater ports operate, including the relationships between regulations and operations manuals.

## TITLE VI—COAST GUARD REGULATORY REFORM

## SECTION 601. SHORT TITLE

Section 601 of the Senate bill states that this title may be cited as the “Coast Guard Regulatory Reform Act of 1995”.

Section 501 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 602. SAFETY MANAGEMENT

Section 602 of the Senate bill adds a new chapter 32 to title 46, United States Code, to authorize the Secretary of Transportation to prescribe regulations regarding shipboard and shorebased management of vessels and personnel. This authority would include conducting examinations and requiring the maintenance of records. The purpose of this section is to implement the International Safety Management (ISM) Code. This agreement, which the United States Government has signed, requires owners of vessels engaged in foreign commerce to manage their vessels in a safe manner. The Secretary currently lacks legal authority to require adoption and use of the ISM Code by the owners and operators of U.S.-flag vessels.

Section 502 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 603. USE OF REPORTS, DOCUMENTS, RECORDS, AND EXAMINATIONS OF OTHER PERSONS

Section 603 of the Senate bill adds a new section 3103 to title 46, United States Code. This new section will allow the Secretary to use reports, documents, and certificates issued by persons that the Secretary decides may be relied on to inspect, examine, or survey vessels.

Section 503 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 604. EQUIPMENT APPROVAL

Section 604 of the Senate bill amends section 3306 of title 46, United States Code, concerning vessel inspection regulations and equipment and material approvals. Subsection (b)(1) contains the same language as the current section 3306(b), except that the language has been broadened to specifically include material subject to regulation. This term is added for clarification only.

Section 504 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 605. FREQUENCY OF INSPECTION

Section 605 of the Senate bill amends section 3307(l) of title 46, United States Code, to clarify its purpose and to change the period of validity for certificates of inspection from two to five years. No practical changes will result with respect to inspection and ex-

aminations that are the basis for issuing the certificates of inspection.

Section 505 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 606. CERTIFICATE OF INSPECTION

Section 606 of the Senate bill eliminates the prohibition of a vessel owner from scheduling an inspection for a vessel more than 60 days in advance of the inspection. This change will allow ship-owners to request inspections more than 60 days prior to the expiration of the current certificate of inspection.

Section 506 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 607. DELEGATION OF AUTHORITY OF SECRETARY TO CLASSIFICATION SOCIETIES

Section 607 of the Senate bill amends section 3316 of title 46, United States Code, concerning the use of classification societies to inspect vessels. Currently, section 3316 limits delegations to the American Bureau of Shipping (ABS) “or a similar United States classification society.” Since there is no similar U.S. classification society, there is, in effect, no delegation under this section other than to ABS.

Section 507 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### TITLE VII—TECHNICAL AND CONFORMING AMENDMENTS

##### SECTION 701. AMENDMENT OF INLAND NAVIGATION RULES

Section 701 of the Senate bill adopts the Navigation Safety Advisory Council’s (NAVSAC) recommendations for changing a number of the Inland Navigational Rules (Inland Rules) (33 U.S.C. 2001–2071). These changes to the Inland Rules help clarify ambiguities in the practical application of the Rules, as well as to bring them into closer conformity with the International Regulations of Preventing Collisions at Sea (COLREGS), (33 U.S.C. 1602). The Coast Guard agrees with the recommendations of NAVSAC and has proposed amendments to Inland Rules 9, 15, 23, 24, 26, and 34.

Section 701 of the House amendment is identical.

The Conference substitute adopts the Senate provision.

##### SECTIONS 702–744. ESTABLISHMENT OF ALTERNATE CONVENTION TONNAGE

Section 702–744 of the Senate bill authorize the Secretary of Transportation to establish alternate International Tonnage Convention (ITC) tonnage requirements for the purposes of statutes that contain vessel tonnage thresholds. Tonnage thresholds in existing statutes are based on the regulatory measurement system under chapter 145 of title 46, United States Code, which allows

vessel designers to use tonnage reduction techniques to artificially lower the tonnage of a vessel. Since the ITC measurement system, implemented under chapter 143 of title 46, United States Code, became effective for the United States on July 18, 1984, statutory tonnage limits have not been revised to reflect the higher tonnages that often result when a vessel is measured under the ITC system. The availability of alternate ITC tonnages established by the Secretary will discourage vessel designers and operators from using the regulatory measurement system to comply with existing statutory and regulatory requirements to maintain their competitive viability. Alternate ITC tonnages will give the maritime industry the flexibility to build and operate vessels that do not employ tonnage reduction techniques, resulting in safer and more efficient vessels. Alternate tonnages will also enable U.S. vessel designers and operators to be competitive in the international market.

Sections 702 through 744 authorize the Secretary of Transportation to establish alternate ITC tonnage thresholds for the purposes of each of the statutes amended. Under the amendments made by these sections, vessel owners have the option to measure their vessels under the new ITC tonnage system or the regulatory system. The Committee expects that owners of many existing vessels, and virtually all owners of vessels constructed in the future, will exercise this option, leading ultimately to the demise of the antiquated regulatory measurement system. However, the amendments made by sections 702–744 do not effect the option of an “existing vessel” as defined in section 14101(2) of title 46, United States Code, to retain its regulatory tonnage measurement as provided in section 14301(d) of that title.

Finally, sections 702–744 authorize the Secretary to establish an alternate regulatory tonnage for the purposes of statutes enacted after July 18, 1994, that apply the ITC system. Alternate regulatory tonnages must be established to allow vessels entitled to use the regulatory tonnage measurement system to comply with laws enacted after July 18, 1994.

Sections 702–744 of the House amendment are similar to the Senate provisions.

The Conference substitute adopts the Senate provisions with several amendments.

The Conferees have included a sentence in proposed section 14104(b) of title 46, U.S. Code, that states that the regulations prescribing alternate tonnages would be interpretative regulations. The Conferees consider them to be interpretative in that the action the Coast Guard is required to take under this section is to interpret what the threshold tonnage for application of the current shipping laws to a class of vessels, which is currently based on regulatory tonnage, would be under the International Tonnage Convention (ITC). Because these regulations would be interpretative, under the Administrative Procedure Act (APA) (5 U.S.C. 551 et seq.), the notice of proposed rulemaking and comment requirements and the 30 day effective date delay of section 553 of the APA would not be required. Therefore the Conferees believe that these interpretative regulations should be able to be prescribed expeditiously.

SECTION 745. CONVENTION TONNAGE FOR LICENSES, CERTIFICATES,  
AND DOCUMENTS

Section 745 of the Senate bill amends chapter 75 of title 46, United States Code, by adding a new section 7506 to authorize the Secretary to evaluate the service of an individual applying for a license, certificate of registry, or merchant mariners document based on the size of the vessel on which the individual served as measured under the International Tonnage Convention (chapter 143, title 46, United States Code). Eligibility of individuals for licenses, certificates of registry, and merchant mariners' documents issued by the Secretary is based, in part, on the size of the vessel on which the individual has experience.

Section 747 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

SECTION 746. TECHNICAL CORRECTIONS

Section 746 of the Senate bill is a technical amendment to chapter 121 and corrects two misspelled words in chapter 131 of title 46, United States Code.

Section 745 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision, with an amendment regarding the FMC's authority over cruise ship bonding regulations. Public Law 89-777, 80 Stat 1356 (November 6, 1966) requires the owners or charterers of certain passenger vessels to establish their financial responsibility for death or injury to passengers or for nonperformance of a voyage. Section 2(d) of Pub. L. 89-777 states in part:

The provisions of the Shipping Act, 1916, shall apply with respect to proceedings conducted by the Commission under this section.

Consequently, since 1966, the Federal Maritime Commission has used provisions of the Shipping Act, 1916 ("1916 Act") to administer its responsibilities under Pub. L. 89-777, including enforcement of the bond requirements. However, recent legislative changes to the Interstate Commerce Commission ("ICC") may have inadvertently affected the FMC's ability to continue to employ the 1916 Act to conduct proceedings under Pub. L. 89-777. The Conference substitute corrected this by allowing the 1984 Act authority to be used in lieu of the identical 1916 Act authority.

SECTION 747. TECHNICAL CORRECTIONS TO REFERENCES TO ICC

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute amends section 27 of the Merchant Marine Act, 1920, to replace the reference to the "Interstate Commerce Commission" with its successor, the "Surface Transportation Board."

## TITLE VIII—POLLUTION FROM SHIPS

## SECTION 801. PREVENTION OF POLLUTION FROM SHIPS

Section 801 of the Senate bill amends section 6 of the Act to Prevent Pollution from Ships (APPS) to require that the Secretary of Transportation inspect waste reception facilities prior to issuing a certificate of adequacy, and would provide for automatic expiration of certificates after five years, or sooner if there is a change in operator or if the certificate is suspended or revoked. In addition, this section would encourage public participation by making available a current list of certificates of status at ports and by requiring that ports post placards containing telephone numbers where citizens can call to report inadequate reception facilities.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

## SECTION 802. MARINE PLASTIC POLLUTION RESEARCH AND CONTROL

Section 802(a) of the Senate bill amends section 2201(a) of the Marine Plastic Pollution Research and Control Act of 1987 (MPPRCA) (33 U.S.C. 1902 note) to extend indefinitely the requirement that the Secretary report to Congress biennially on compliance with MARPOL Annex V. This subsection would also require that a list of enforcement actions taken against any domestic or foreign ship pursuant to APPS be published in the Register on an annual basis.

Section 802(b) amends section 2203 of the MPPRCA to: (1) establish a Marine Debris Coordinating Committee; and (2) direct the Environmental Protection Agency and the National Oceanic and Atmospheric Administration to use the marine debris data collected under title V of MPPRCA to assist that Committee in ensuring coordination of research, monitoring, education, and regulatory actions and assist the Coast Guard in assessing the effectiveness of MPPRCA and APPS.

Section 802(c) amends section 2204(a) of MPPRCA, extending indefinitely the authorization for cooperative public outreach and educational programs. This subsection also specifies activities that could be included in outreach programs and would require that such programs provide the public with information on how to report violations of the MPPRCA and APPS. In developing these programs, the Committee directs Federal agencies to consult with state or local agencies that have direct contact with recreational and commercial boaters. Finally, this subsection would authorize the Coast Guard, the National Oceanic and Atmospheric Administration, and the Environmental Protection Agency to award grants and enter into cooperative agreements for implementing public outreach programs.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

## TITLE IX—TOWING VESSEL SAFETY

## SECTION 901. REDUCTION OF OIL SPILLS FROM NON-SELF-PROPELLED TANK VESSELS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.  
The Conference substitute adopts an amendment regarding towing vessels.

SECTION 902. REQUIREMENT FOR FIRE SUPPRESSION DEVICES

The Senate bill contains no comparable provision.  
The House amendment contains no comparable provision.  
The Conference substitute adopts an amendment regarding fire suppression devices.

SECTION 903. STUDIES ADDRESSING VARIOUS SOURCES OF OIL SPILL  
RISK

The Senate bill contains no comparable provision.  
The House amendment contains no comparable provision.  
The Conference substitute adopts an amendment regarding oil spills.

TITLE X—CONVEYANCES

SECTION 1001. CONVEYANCE OF LIGHTHOUSES

Section 1001(a)(3)(A) of the Senate bill authorizes the transfer of the Cape Ann Lighthouse and surrounding Coast Guard property located on Thachers Island, Massachusetts, to the Town of Rockport, Massachusetts. Section 1003 of the Senate bill authorizes the transfer of the property comprising Squirrel Point Light located in Arrowsic, Maine, to Squirrel Point Associates, Incorporated. Section 1004 of this bill authorizes the transfer of the property comprising Montauk Light Station located in Montauk, New York, to the Montauk Historical Association. Finally, Section 1005 of the Senate bill authorizes the transfer of the property comprising Point Arena Light Station located in Mendocino County, California to the Point Arena Lighthouse Keepers, Incorporated. In making these transfers, the United States would convey all right, title and interest, except that the Coast Guard retains ownership of any historic artifact. The conveyance of these properties is subject to the condition that the properties are maintained in a manner that ensures their present and future use for Coast Guard aids to navigation and is consistent with the provisions of the National Historic Preservation Act of 1996. In addition, the Coast Guard continues to have access to the properties for the operation and maintenance of aids to navigation.

Section 424 of the House amendment authorizes the transfer of the Cape Ann Lighthouse and section 423 of the House amendment authorizes the transfer Montauk Light Station. The conditions of transfer from the United States are similar to the Senate provisions.

Section 1001 of the Conference substitute combines all of these House and Senate lighthouse transfers into one section. The Conference substitute also transfers the Presque Isle Light Station, Michigan, to Presque Isle Township, Presque Isle County, Michigan, the Saint Helena Island Light Station to the Great Lakes Lighthouse Keepers Association, and the Cove Point Light Station to Calvert County, Maryland. The conditions for the transfer of the

property from the United States are similar to the conditions of the Senate provision.

SECTION 1002. CONVEYANCE OF CERTAIN LIGHTHOUSES LOCATED IN  
MAINE

Section 1002 of the Senate bill authorizes the transfer of lighthouse properties located in Maine to the Island Institute in Rockland, Maine, and four lighthouse properties located in Maine to the United States Fish and Wildlife Service. In making the transfer of the 31 lighthouse properties to the Island Institute, the United States would convey all right, title and interest, except that the Coast Guard would retain ownership of any historic artifact from any of the 35 lighthouses transferred under this section. The Island Institute is directed to further transfer 29 of the 31 lighthouse properties it receives from the Coast Guard to eligible Federal agencies, Maine state or local government entities, nonprofit corporations, educational agencies, or community development organizations. The further conveyances by the Island Institute would be subject to approval by the Maine Lighthouse Selection Committee the members of which are to be appointed by the Secretary. The conveyance of the 35 lighthouse properties would be subject to the condition that the properties: (1) be used for educational, historic, recreational, cultural, and wildlife conservation programs for the general public and for other uses that the Secretary of Transportation determines are not inconsistent; and (2) are maintained in a manner that ensures their present and future use for Coast Guard aids to navigation and is consistent with the provisions of the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.). In addition, the Coast Guard would continue to have access to the properties for the operation and maintenance of aids to navigation.

The House amendment does not contain a comparable provision.

The Conference substitute amends the Senate proposal to require that the Secretary of Transportation to transfer 30 Maine lighthouses to eligible entities recommended by the Island Institute, and approved by a Selection Committee. The lighthouses must be conveyed within two years of the Act's enactment. The substitute further authorizes the transfer of four lighthouses to the U.S. Fish and Wildlife Service and two lighthouses directly to the Island Institute. The substitute identifies eligible entities for receipt of the 30 lighthouses and establishes a Maine Lighthouse Selection Committee to review and approve the lighthouse transfer recommendations of the Island Institute. The terms of all the lighthouse transfers are similar to the Senate provision's terms of conveyance.

SECTION 1003. TRANSFER OF COAST GUARD PROPERTY IN GOSNOLD,  
MASSACHUSETTS

Section 1001(a)(3)(B) of the Senate bill authorizes the transfer of the Coast Guard Cuttyhunk Boathouse and Wharf property located in Gosnold, Massachusetts, to the Town of Gosnold, Massachusetts. In making this transfer, the United States would convey all right, title and interest, except that the Coast Guard retains

ownership of any historic artifact. The conveyance of this property is subject to the conditions listed in the Senate's section 1001, explained above.

Section 426 of the House amendment also authorizes the transfer of the Coast Guard Cuttyhunk Boathouse and Wharf property to the Town of Gosnold, Massachusetts. This section would condition the conveyance to the Coast Guard retaining the right of access to, over, and through the boathouse, wharf, and land comprising the property at all times for the purpose of berthing vessels. The Coast Guard also retains the right of ingress to and egress from the property for purposes of access to Coast Guard facilities and performance of Coast Guard function.

The Conference substitute adopts the House provision.

#### SECTION 1004. CONVEYANCE OF PROPERTY IN KETCHIKAN, ALASKA

Section 1006 of the Senate bill transfers approximately  $\frac{3}{4}$  of an acre of excess property in Ketchikan, Alaska, from the United States to the Ketchikan Indian Corporation. The property is adjacent to Ketchikan Hospital and will be used by the Ketchikan Indian Corporation as the site for a new health or social services facility. The property shall transfer to the City of Ketchikan if, within 18 months of the Act's enactment, the Ketchikan Indian Corporation has not completed design and construction plans for a health and social services facility and received approval from the City of Ketchikan for such plans or the written consent of the City to exceed this period. The ownership of this property reverts to the United States if the property ceases to be used by the City of Ketchikan.

Section 402 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision with an amendment.

#### SECTION 1005. CONVEYANCE OF PROPERTY IN TRAVERSE CITY, MICHIGAN

Section 1007 of the Senate bill directs the Secretary of Transportation to transfer approximately 27 acres of excess property located in Traverse City, Michigan, from the Coast Guard to the Traverse City Area Public School District. This property will be used by the School District for athletic fields. The ownership of this property reverts to the United States if the Traverse City Area School District ceases to use the property for the statutorily authorized purposes. The United States shall continue to operate and maintain a pump room located on the property for as long as it is needed by the United States.

Section 401 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1006. TRANSFER OF COAST GUARD PROPERTY IN NEW SHOREHAM, RHODE ISLAND

Section 1008 of the Senate bill authorizes the Secretary of Transportation to transfer approximately 10.7 acres of property

known as Coast Guard Station Block Island located on Block Island, Rhode Island, to the Town of New Shoreham, Rhode Island. The ownership of this property reverts to the United States if the property, or any part of the property, ceases to be used by the Town of New Shoreham, Rhode Island.

Section 427 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

SECTION 1007. CONVEYANCE OF PROPERTY IN SANTA CRUZ,  
CALIFORNIA

Section 1009 in the Senate bill authorizes the Secretary to transfer the Coast Guard property located in Santa Cruz, California, to the Santa Cruz Port District. In making this transfer, the United States would convey all right, title and interest. The conveyance of this property would be subject to the conditions that: the property be available for joint use by the Coast Guard and the Port District; the Port District would be responsible for the cost of maintaining, operating, and replacing the utility systems, buildings, and facilities; the site be maintained as a nonprofit center for education, training, administration, and other public service to include use by the Coast Guard; and the site be returned to the Secretary after 30 days notice that it is needed for national security purposes.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

SECTION 1008. CONVEYANCE OF VESSEL S/S RED OAK VICTORY

Section 1010 of the Senate bill authorizes the Secretary to transfer the National Defense Reserve Fleet (NDRF) vessel *S/S Red Oak Victory* (Victory Ship VCS-AP2; U.S. Navy Hull No. AK235) to the City of Richmond Museum Association, Incorporated, located in Richmond, California. In making this transfer, the United States would convey all right, title and interest. The conveyance of this property would be subject to the condition that: (1) the vessel be used for the purposes of a monument to the wartime accomplishments of the City of Richmond; (2) the vessel not be used for commercial transportation purposes; (3) the recipient agrees to make the vessel available to the government if the Secretary requires the vessel for war or national emergency; (4) the recipient agrees to hold the Federal government harmless for any claims arising from exposure to asbestos after transfer of the vessel, except for claims arising from use by the government for war or national emergency; and (5) and the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or written loan commitment, financial resources of at least \$100,000.

The conveyance, if made, would transfer the vessel in its present condition, without any cost to the Federal government, to the recipient. The Secretary also would be authorized to transfer unneeded equipment from other NDRF vessels to restore the vessel to museum quality. Finally, the Secretary would be required to retain the vessel in the NDRF for the earlier of two years from the date of enactment of the reported bill or until the vessel is conveyed, whichever date is earlier.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with an amendment.

SECTION 1009. CONVEYANCE OF EQUIPMENT

Section 1011 of the Senate bill conveys any unneeded equipment from other vessels in the National Defense Reserve Fleet to the John W. Brown and other qualified United States memorial ships in order to maintain their operating condition.

The House amendment does not contain a comparable provision.

The Conference substitute adopts the Senate provision.

SECTION 1010. PROPERTY EXCHANGE

Section 1012 of the Senate bill authorizes the Secretary of Transportation to accept a property exchange within the limits of the City and Borough of Juneau, Alaska, if the Secretary determines that the exchange is in the best interest of the Coast Guard.

The House amendment does not contain a comparable provision.

The Conference substitute adopts the Senate provision.

SECTION 1011. AUTHORITY TO CONVEY WHITEFISH POINT LIGHT STATION LAND

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute authorizes the conveyance of a portion of the land located at the United States Coast Guard Whitefish Point Light Station to the Great Lakes Shipwreck Historical Society. The remainder of the property is split between the U.S. Fish and Wildlife Service and the Michigan Audubon Society. For a description of the property to be transferred, please refer to H.R. 2611, as introduced.

SECTION 1012. CONVEYANCE OF PARRAMORE BEACH COAST GUARD STATION, VIRGINIA

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute conveys the Parramore Beach Coast Guard Station, Virginia, to the Nature Conservancy.

SECTION 1013. CONVEYANCE OF JEREMIAH O'BRIEN

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute authorizes the Secretary of Transportation to convey the obsolete ship *Jeremiah O'Brien* to a non-profit corporation as a merchant marine memorial museum. To assure the success of the museum, the recipient must have an established track record of maintaining a Liberty Ship for the public's benefit.

## TITLE XI—MISCELLANEOUS

## SECTION 1101. FLORIDA AVENUE BRIDGE

Section 1101 of the Senate bill deems the drainage siphon adjacent to the Florida Avenue Bridge in New Orleans, Louisiana, to be an appurtenance of the bridge, pursuant to the Truman-Hobbs Act. In 1992, the Florida Avenue Bridge was declared to be an “unreasonable obstruction to navigation” under the Truman-Hobbs Act. Since that time, funds have been appropriated by Congress to commence planning and engineering for the replacement of the bridge.

The Coast Guard has determined that the drainage siphon, which is connected to the bridge’s southern fender, must be removed to widen the channel sufficiently and restore the necessary navigability for commercial vessels on the Gulf Intracoastal Waterway. By declaring the siphon an appurtenance, its removal qualifies for funding under the Truman-Hobbs Act.

Section 302 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision. As a result of the enactment of this provision, and the appropriation of sufficient funds in the current Coast Guard budget, the conferees expect that the Coast Guard will initiate construction on the replacement Florida Avenue Bridge as soon as possible in FY 97. The hazardous conditions that exist as a result of the current bridge must be rectified without delay in order to ensure the free flow of commerce on the Industrial Canal in the Port of New Orleans.

## SECTION 1102. OIL SPILL RECOVERY INSTITUTE

Section 1102 of the Senate bill authorizes the Prince William Sound Oil Spill Recovery Institute (OSRI), which is authorized under section 5001 of the Oil Pollution Act of 1990, to fund research using the interest earned on the \$22.5 million it is authorized to spend from the Oil Spill Liability Trust Fund, which was transferred from the Trans-Alaska Pipeline Fund in December of 1994.

This section also scales back the size of the OSRI Advisory Board from 18 members to 16 members.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with amendments.

## SECTION 1103. LIMITED DOUBLE-HULL EXEMPTIONS

Section 1103 of the Senate bill amends section 3703a of title 46, United States Code, to exempt certain vessels from the double-hull construction requirements of the Oil Pollution Act of 1990. This section exempts those double-hulled U.S.-flag vessels delivered before August 12, 1992, from the OPA 90 double-hull requirements. This section also exempts barges of less than 1,500 gross tons that are primarily used to carry deck cargo and bulk fuel to Alaska Native villages from the OPA 90 double-hull requirements. The section also exempts vessels in the National Defense Reserve Fleet from the double-hull requirements.

Section 416 of the House amendment differs from the Senate provision by exempting all vessels, not just U.S.-flag vessels, equipped with a double-hull before August 12, 1992, from the OPA 90 double-hull requirements. The House bill also exempts Alaskan barges of less than 2,000 gross tons, rather than 1,500 gross tons, from the OPA 90 double-hull requirements.

The Conference substitute adopts the Senate provision with several amendments.

#### SECTION 1104. OIL SPILL RESPONSE VESSELS

Section 1104(a) of the Senate bill amends section 2101 of title 46, United States Code, to define an "oil spill response vessel" (OSRV) as a vessel that is designated in its certificate of inspection as such a vessel, or that is adapted to respond to a discharge of oil or a hazardous material. Under the amendments made by this section, the Coast Guard is required to establish a new regulatory system for OSRVs.

Section 1104(b) adds a new subsection (f) to section 3702 of title 46, United States Code, to exempt OSRVs from the tank vessel requirements of chapter 37 of title 46, United States Code. Section 1104(b) also divides OSRVs into two distinct categories. The first category addresses dedicated response vessels which are used only in spill response related activities. These vessels are not certified for any other type of service other than response. This category includes barges which are not used for carriage of oil in bulk as cargo and in some cases will never contain oil. There is no tonnage limit in this category. The second category recognizes that some vessels are dual-certified. This category exempts vessels from tank vessel requirements only when designated in the certificate for inspection as a response vessel and only when actually engaged in spill response related activities. This category is limited to 500 gross tons.

Section 1104(c) and 1104(d) amend sections 8104 and 8301 of title 46, United States Code, to authorize the Secretary of Transportation to prescribe watch standing and licensing requirements for OSRVs.

Section 1104(e) amends the requirements for Merchant Mariner's Documents (MMDs) under section 8701 of title 46, United States Code, by providing the Secretary with the flexibility to prescribe which, if any, individuals onboard an OSRV should be required to hold an MMD.

Section 1104(f) amends section 8905 of title 46, United States Code, to clarify that a person licensed to operate towing vessels should not be required to operate vessels engaged in oil spill response or training activities. Currently, section 8904 of title 46, United States Code, requires that a towing vessel that is at least 26 feet in length be operated by a licensed individual. These provisions are not intended to apply to vessels towing in an emergency or on an intermittent basis during oil spill response or training.

Section 1104(g) amends section 3301 of title 46, United States Code, to establish a new vessel inspection category for OSRVs.

Section 417 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

## SECTION 1105. SERVICE IN CERTAIN SUITS IN ADMIRALTY

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute corrects the service of process provisions contained in the Suits in Admiralty Act, (46 App. U.S.C. § 742). Those provisions are different from the service provision in Rule 4 of the Federal Rules of Civil Procedure. Under the proposed amendments, the general service of process procedures in Civil Rule 4 would apply to all civil cases, including admiralty and non-admiralty cases.

Section 742 was enacted before the Federal Rules of Civil Procedure were adopted, and there is no apparent remaining reason to treat suits in admiralty differently than other civil actions. Rule 4(i) of the Federal Rules of Civil Procedure currently governs service upon the United States in all other civil cases.

The Conference substitute deletes the service of process provisions contained in the Suits in Admiralty Act, which are different from the service provisions in Rule 4 of the Federal Rules of Civil Procedure. The general service of process procedures in Civil Rule 4 would apply to all civil cases, including admiralty and non-admiralty cases.

## SECTION 1106. AMENDMENTS TO THE JOHNSON ACT

Section 1106 of the Senate bill resolves a conflict between certain Federal and state laws involving authorized gambling aboard cruise vessels. Section 1106 amends section 5(b)(2) of the Act of January 2, 1951 (15 U.S.C. 1175(B)(2)), commonly referred to as the "Johnson Act", to prohibit a state from regulating gambling in international waters during the intrastate segment of a voyage that begins or ends in the same state or U.S. possession and is part of a voyage to another state or country. States may still regulate gambling in state waters, on "voyages to nowhere," and on other state voyages. The section does not apply to a voyage within the boundaries of the State of Hawaii.

Section 408 of the House amendment is identical to the Senate section 1106. In addition, section 425 of the House amendment amends the Johnson Act to allow the State of Indiana to permit gambling aboard vessels that begin voyages within the territorial waters of Indiana and that do not leave the territorial jurisdiction of that state.

The Conference substitute adopts the House provision, with an amendment that allows gambling on vessels which provide sleeping accommodations for all of its passengers if the vessel is on a voyage (or the segment of a voyage) that is of at least 60 hours and that includes a stop in Canada or in a State other than the State of Alaska and also includes stops in at least 2 different ports in Alaska. The amendment only applies to traditional cruises, not so called "cruises to nowhere".

SECTION 1107. LOWER COLUMBIA RIVER MARITIME FIRE AND SAFETY  
ACTIVITIES

Section 1107 of the Senate bill authorizes the Secretary to expend out of amounts appropriated for the Coast Guard for fiscal

year 1996 not more than \$491,000 for lower Columbia River marine, fire, oil, and toxic spill response communications, training, equipment, and program administration activities conducted by the Maritime Fire and Safety Association.

The House amendment contains no comparable provision.

The Conference substitute authorizes \$940,000 to complete the activities of the Maritime Fire and Safety Association.

#### SECTION 1108. OIL POLLUTION RESEARCH TRAINING

Section 1108 of the Senate bill amends section 7001(c)(2)(D) of the Oil Pollution Act of 1990 to allow research and training to be conducted at the Center for Marine Training and Safety in Galveston, Texas, which is a Texas A&M University facility. Currently, OPA 90 authorizes oil pollution research and training on innovative oil pollution technology to be conducted using, as appropriate, the National Spill Control School in Corpus Christi, Texas, another Texas A&M University facility.

The House amendment contains no comparable provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1109. LIMITATION ON RELOCATION OF HOUSTON AND GALVESTON MARINE SAFETY OFFICES

Section 1109 of the Senate bill prohibits the Secretary of Transportation from relocating the Coast Guard Marine Safety Offices in Galveston, Texas, and Houston, Texas. Nothing in this section prevents the consolidation of management functions of these Coast Guard authorities.

Section 421 of the House amendment prohibits the consolidation and relocation of the Coast Guard Marine Safety Offices in Galveston, Texas, and Houston, Texas.

The Conference substitute adopts the Senate provision.

#### SECTION 1110. UNINSPECTED FISH TENDER VESSELS

Section 1110 of the Senate bill clarifies section 3302 of title 46, United States Code, relating to the carriage of cargo in uninspected fish-tender vessels providing service outside the Aleutian trade geographic region. Section 3302(c)(3) of title 46, United States Code, permits uninspected fish-tender vessels of not more than 500 gross tons to carry: (1) cargo to or from a place in Alaska that does not receive weekly common carrier service by water from a place in the United States; or (2) cargo which is of the type not accepted by that common carrier service. The Coast Guard has interpreted this weekly common carrier test to apply only to general cargo. Section 1110 applies the weekly common carrier service test to all cargo which is of the type accepted by common carriers. Such cargo includes frozen fish products, canning components, cardboard, salt, and other materials directly related to fishing or the preparation of fish.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision with several amendments. The Conferees have sought to clarify the law governing the carriage of cargo for hire by uninspected fish tender vessels to ports in Alaska outside of the Aleutian trade geographic

region. The Conferees agree that such uninspected vessels are to be limited to the carriage of proprietary cargo and any cargo of a type not accepted by common carriers to communities being served weekly by common carriers, and a definition of "proprietary cargo" has been provided in the statute. The Conferees understand that there is at least one company in Alaska which owns both uninspected tender vessels and a number of marine supply stores. These vessels are currently being used to carry retail marine supplies for the affiliated marine supply stores. The bill language is drafted to permit the proprietary carriage of the retail inventory for these affiliated marine supply stores by the uninspected tender vessels.

#### SECTION 1111. FOREIGN PASSENGER VESSEL USER FEES

Section 1111 of the Senate bill authorizes the Coast Guard to collect user fees for the full cost of inspecting foreign passenger vessels. Section 3303(b) of title 46, United States Code, currently requires the Secretary of Transportation to collect the same fees for the inspection of foreign passenger vessels that a foreign country charges U.S. vessels at the ports of that country. Because the United States currently has no passenger vessels that call at foreign ports, the Coast Guard is prohibited from charging foreign passenger vessels fees to recover the costs of examining those vessels in U.S. ports. Section 1111 of this bill strikes subsection (b) of section 3303, title 46, United States Code, to allow the Coast Guard to collect user fees for examining foreign passenger vessels.

Section 301 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1112. COAST GUARD USER FEES

Section 1112 of the Senate bill sets upper limits on user fees of \$300 annually for small passenger vessels under 65 feet in length and \$600 annually for passenger vessels 65 feet or longer. In addition, section 1112 exempts publicly-owned ferries these fees.

Section 431 of the House amendment prohibits the Secretary of Transportation from assessing or collecting a fee or charge from any ferry vessel.

The Conference substitute adopts the Senate provision with a technical amendment.

#### SECTION 1113. VESSEL FINANCING

Section 1113(a) of the Senate bill amends section 31322 of title 46, United States Code, to broaden the categories of persons eligible to be mortgagees for U.S.-flag vessels without the approval of the Secretary.

Section 1113(b) of the Senate bill amends section 31328 of title 46, United States Code, to broaden the categories of persons eligible to act as trustees for ship mortgage purposes to include persons eligible to own a documented vessel under chapter 121 of the title.

Section 1113(c) of the Senate bill differs from section 409(d) of the House amendment in several important ways. The Senate section eliminates the citizenship requirement for leasing companies

only when the leasing company is primarily engaged in leasing or other financing transactions. Section 1113(c) further differs from the House amendment by not allowing vessels with coastwise fishery endorsements from using a foreign leasing agent.

Section 409(a) of the House amendment amends section 31322 of title 46, United States Code, to eliminate all restrictions on persons that may be a mortgagee for a U.S.-flag vessel. This amendment is intended to promote vessel financing.

Section 409(b) of the House amendment repeals section 31328 of title 46, United States Code, which provided for the establishment of Westhampton Trusts. This section is no longer needed since all restrictions on mortgagees have been eliminated.

Section 409(c) of the House amendment makes conforming changes to section 9(c) of the Shipping Act, 1916, (46 App. U.S.C. 808) to eliminate the need to obtain permission from the Secretary before using a foreign mortgagees.

Section 409(d) of the House amendment amends section 12106 of title 46, United States Code, to promote lease financing for vessels engaged in the coastwise trade by eliminating citizenship requirements for leasing companies. Currently, there are no citizenship requirements on leasing companies that finance vessels that have Great Lakes or Registry endorsements. Section 409(d) will also allow these companies to finance vessels that have coastwise endorsements.

Section 409(d) amends section 12106 of title 46, United States Code, to authorize the Secretary to issue coastwise endorsements for vessels owned by any leasing company that is eligible to own a documented vessel. However, if the leasing company is not a U.S. citizen under section 2 of the Shipping Act, 1916, the vessel may only be operated in the coastwise trade if the vessel is operated under a demise charter to a section 2 citizen for a period of at least three years. It is expected that most of the charters will be long-term charters. However, once the initial long-term charter has expired, the leasing company may find it necessary to enter into short-term charters until another long-term charter is obtained. The lease agreement need not remain in effect for the full three years if there is a default by the lessee or a casualty or other event where the lease might be terminated by the vessel owner or lessee prior to the expiration of that period.

The Secretary of Transportation may also authorize leases for a period shorter than three years under appropriate circumstances such as when a vessel's remaining useful life would not support a lease of three years or to preserve the use or possession of the vessel. The section also provides that on termination of a demise charter, the coastwise endorsement may be continued for a period not to exceed six months on any terms and conditions that the Secretary may prescribe. This will allow the leasing company to move the vessel, maintain it, have it repaired, or layed-up, but does not allow the vessel to be used in the coastwise trade since it is not under a charter to a section 2 citizen.

The Conference substitute adopts the House amendment with several amendments. The provision also requires the Department of Transportation to conduct a study on the methods for leasing and financing of vessels operating in the coastal trades of other

countries and whether the laws of other countries provide reciprocity for U.S. banks, leasing companies or other financial institutions with respect to the new leasing provisions in this section.

In 1988, Congress began easing the restrictions on persons that can be mortgagees for U.S.-flag vessels by eliminating all restrictions on mortgagees for recreational vessels and fishing industry vessels. Additionally, the Secretary of Transportation was authorized to approve any other person to be a mortgagee for vessels with coastwise and registry endorsements.

Section 1113(a) of the Conference substitute amends section 31322 of title 46, United States Code, to eliminate all restrictions on persons that may be a mortgagee for a U.S.-flag vessel. This amendment is intended to promote vessel financing. U.S. vessel owners should be able to obtain the cheapest financing available anywhere in the world in the same manner as their foreign competition without having to get approval from the Secretary. In the past, U.S. operators could obtain this financing by setting up a trust in a U.S. bank. These trusts, called "Westhampton Trusts," resulted in additional costs to the U.S. vessel owners without giving any real protection to the Government to control the vessel.

Section 1113(b) repeals section 31328 of title 46, United States Code, which provided for the establishment of Westhampton Trusts. This section is no longer needed since all restrictions on mortgagees have been eliminated.

Section 1113(c) makes conforming changes to section 9(c) of the Shipping Act, 1916 (46 App. U.S.C. 808) to eliminate the need to obtain permission from the Secretary before using a foreign mortgagee.

Section 1113(d) of the Conference substitute amends section 12106 of title 46, United States Code, to promote lease financing for vessels engaged in the coastwise trade by eliminating citizenship requirements for leasing companies. Lease financing has become a very common way to finance capital assets in many industries, including the maritime industry. Many vessel operators choose to acquire or build vessels through lease financing instead of traditional mortgage financing. Currently, there are no citizenship requirements on leasing companies that finance vessels that have registry endorsements. Section 1113(d) will also allow these companies to finance vessels that have coastwise endorsements.

The overall purpose of section 1113(d) of the Conference substitute is to eliminate technical impediments to using various techniques for financing vessels operating in the domestic trades. At the same time, the Conferees do not intend to undermine a basic principle of U.S. maritime law that vessels operated in domestic trades must be built in a shipyard in the United States and be operated and controlled by American citizens, which is vital to United States military and economic security.

Ownership of vessels endorsed with a coastwise endorsement must reside either with a person who qualifies as an American citizen under section 2 of the Shipping Act, 1916 (46 App. U.S.C. section 802), or with a person otherwise qualified under 46 U.S.C. § 12106. Current law permits oil spill response vessels to be owned by non-profit entities which may not meet the technical requirements for U.S. citizenship. 46 U.S.C. § 12106(d).

Section 1113(d) of the Conference substitute adds a new subsection (e) to section 12106 which would permit a coastwise endorsement for non-U.S. citizen vessel ownership where (1) ownership is primarily a financial investment in the vessel without the ability and intent to control the vessel's operations by a person not primarily engaged in the direct operation or management of vessels and (2) where the owner has transferred to a qualified American citizen full possession, control and command of the U.S. built vessel in a demise charter and the demise charterer is considered the owner pro hac vice during the charter term. It is intended that banks, leasing companies or other financial institutions qualify as owners of U.S.-flag vessels under this section even if they have a vessel owning and operating affiliate so long as the majority of the aggregate revenues of any such group are not derived from the operation or management of vessels by group members. Groups primarily engaged in the operation or management of commercial foreign-flag vessels used for the carriage of cargo for unrelated third parties will not qualify under this section.

Section 1113(d) of the Conference substitute amends section 12106 of title 46, United States Code, to authorize the Secretary to issue coastwise endorsements for vessels owned by any leasing company that is eligible to own a documented vessel. However, if the leasing company is not a U.S. citizen under section 2 of the Shipping Act, 1916, the vessel may only be operated in the coast trade if the vessel is operated under a demise charter to a section 2 citizen for a period of at least three years. It is expected that most of the charters will be long-term charters until another long-term charter is obtained. The lease agreement need not remain in effect for the full three years if there is a default by the lessee or a casualty or other event where the lease might be terminated by the vessel owner or lessee prior to the expiration of that period.

The Secretary may also authorize leases for a period shorter than three years under appropriate circumstances such as when a vessel's remaining useful life would not support a lease of three years or to preserve the use of possession of the vessel. The section also provides that on termination of a demise charter, the coastwise endorsement may be continued for a period not to exceed six months on any terms and conditions that the Secretary may prescribe. This will allow the leasing company to move the vessel, maintain it, have it repaired, or layed-up, but does not allow the vessel to be used in the coastwise trade since it is not under a charter to a section 2 citizen.

The Secretary shall establish as part of the vessel documentation procedures administered by the Coast Guard, or its successor, the necessary regulations to administer new subsection (e) and the filing of demise charter, and any amendments thereto, for vessels issued a coastwise endorsement under this provision. Provision shall also be made so that proprietary information contained in a demise charter shall not be disclosed to the public under this new subsection (e). The Coast Guard is directed to develop regulations governing the filing of false certifications under (e)(12)(C) with an application for documentation for a coastwise endorsement of a U.S. built vessel. The Coast Guard is also directed to conduct a study regarding reciprocity of foreign leasing laws.

SECTION 1114. MANNING AND WATCH REQUIREMENTS ON TOWING  
VESSELS ON THE GREAT LAKES

Section 1114 of the Senate bill amends section 8104 of title 46, United States Code, to conform the manning requirements for Great Lakes towing vessels to the requirements for towing vessels operating in other parts of the country. Section 1114(a) of this section amends section 8104(c) of title 46 to permit licensed individuals and seamen aboard Great Lakes towing vessels to work no more than 15 hours in any 24-hour period, or more than 36 hours in any 72-hour period. Section 1114 also amends section 8104(e) of title 46 to allow crewmen to work in both the deck and engine departments of a towing vessel operating on the Great Lakes. Finally, the section amends section 8104(g) of title 46, United States Code, to allow the licensed individuals and crewmembers aboard Great Lakes towing vessels to be divided in two watches, rather than the current three watch requirement.

Section 419 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

SECTION 1115. REPEAL OF GREAT LAKES ENDORSEMENTS

Section 1115 of the Senate bill corrects an error in the Coast Guard Authorization Act of 1989 (Public Law 101-225) which made technical changes to the Coast Guard vessel documentation scheme. These changes reflect the conversion from a system of separate and distinct types of documents based on the use of the vessel to a system of multiple endorsements for a particular trade or use. These changes unintentionally added all of the requirements of the U.S. coastwise trade (Jones Act) to all vessels operating on the Great Lakes, even those only trading between the United States and Canada. This section permits U.S.-flag vessels to trade between the United States and Canada with a certificate of documentation with a registry endorsement. However, a vessel engaged in the coastwise trade or fisheries on the Great Lakes must meet all the requirements necessary to obtain coastwise or fisheries endorsements.

Section 746 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision with an amendment.

SECTION 1116. RELIEF FROM UNITED STATES DOCUMENTATION  
REQUIREMENTS

Section 1116 of the Senate bill would authorize nine specific vessels to be sold to a person that is not a citizen of the United States and to be transferred or placed under foreign registry, notwithstanding the Construction-Differential Subsidy requirements. Currently, U.S.-flag vessels built with the assistance of a Construction-Differential Subsidy are required to be owned by United States citizens and documented under the laws of the United States for a period of 25 years.

Section 609 of the House amendment allows the vessel *MV Platte* to be sold to a non U.S. citizen.

The Conference substitute amends the Senate provision by deleting the vessels *Rainbow Hope*, *Iowa Trader*, and *Kansas Trader*, and adding the vessels *Bay Ridge* and *Coastal Golden*.

SECTION 1117. USE OF FOREIGN REGISTRY OIL SPILL RESPONSE AND RECOVERY VESSELS

Section 1117 of the Senate bill allows oil spill response and recovery vessels of Canadian registry to operate in waters of the United States adjacent to the border between Canada and the State of Maine, on an emergency basis, in the event of an oil spill. These vessels could only be used if there were not enough U.S.-flag recovery vessels available during an oil spill.

The House amendment does not contain a comparable provision.

The Conference substitute expands the Senate provision to the use of any foreign registered oil spill response vessel throughout the United States.

SECTION 1118. JUDICIAL SALE OF CERTAIN DOCUMENTED VESSELS TO ALIENS

Section 1118 of the Senate bill amends section 31329 of title 46, United States Code, to allow for the sale, by order of a District Court, of recreational vessels to non-U.S. citizens. This would conform the conditions for the judicial sale of these vessels to the conditions for their private sale under section 9(c) of the Shipping Act of 1916 (46 App. U.S.C. 808(c)). In the past, the provisions of section 31329 of title 46 have unreasonably restricted the foreign sales of recreational vessels and the ability of subsequent U.S. owners to document the vessels.

Section 405 of the House amendment is similar to the Senate provision, but also allows the sale, by an order of a court, of documented fishing industry vessels.

The Conference substitute adopts the House amendment with several technical amendments.

SECTION 1119. IMPROVED AUTHORITY TO SELL RECYCLABLE MATERIAL

Section 1119 of the Senate bill amends section 641(c)(2) of title 14, United States Code, to exempt sales by the Coast Guard of recyclable materials for which the proceeds of sale will not exceed \$5,000 from current excess property disposal requirements for the sale of recyclable materials. This section also authorizes the Coast Guard to make these small sales under regulations prescribed by the Commandant.

Section 406 of the House amendment is identical.

The Conference substitute adopts the Senate provision.

SECTION 1120. DOCUMENTATION OF CERTAIN VESSELS

Section 1120 of the Senate bill waives certain U.S. coastwise trade laws for 65 individually listed vessels.

Section 601 of the House amendment authorizes the Secretary of Transportation to issue a certificate of documentation with a coastwise endorsement for a vessel that is less than 200 gross tons, is eligible for documentation, was built in the United States, and

was sold foreign or placed in a foreign registry. Section 602 of the amendment provides a limited U.S. coastwise trade waiver for the *Gallant Lady*. Section 603 extends the deadline under section 601(d) of the Coast Guard Authorization Act of 1993 for the major conversion of the vessel *M/V Twin Drill* from June 30, 1995, to June 30, 1996. Section 604 grants a U.S. coastwise trade waiver to the vessel *Rainbow's End*. Section 605 of the House amendment grants a U.S. coastwise trade waiver to the vessel *Gleam*. Section 606 of the House amendment grants a U.S. coastwise trade waiver to 25 individually listed vessels. Section 607 grants a U.S. coastwise trade waiver to four barges owned by McLean Contracting Company.

The Conference substitute adopts all the House and Senate provisions. The substitute also allows an additional number of individually listed vessels to engage in the U.S. coastwise trade. Subsection (f) entitles any vessel that either is foreign built prior to the date of enactment of this Act and documented under the U.S. registry or is documented under the U.S.-flag before the date of enactment, placed under foreign registry and subsequently redocumented under U.S. registry, to transport liquefied natural gas or liquefied petroleum gas to Puerto Rico. Subsection (g) deems the coastwise qualified vessels *Coastal Sea* and *Coastal Merchant* to have been constructed in the United States.

Section 608 grants a U.S. coastwise trade waiver for the *Enchanted Isle* and the *Enchanted Seas*. The Conferees applaud the efforts to reinvigorate the U.S. coastwise cruise vessel market with the re-entry of these U.S.-built vessels. The Conferees are hopeful that these vessels will prove the economic viability of U.S.-built, U.S.-documented vessels in the U.S. coastwise trade and will serve as the foundation for the re-emergence of a U.S.-built, U.S.-flag cruise vessel industry.

The Conferees believe strongly, however, that the re-entry into the U.S. coastwise trade of older vessels, albeit vessels originally constructed in the United States, is merely an interim step in the promotion of a U.S.-flag cruise vessel industry. Further vessels obtaining eligibility to operate in the U.S. coastwise trade should not only be U.S.-built vessels, but also vessels new built in the United States.

The United States is strongly encouraging construction of commercial vessels in U.S. shipyards. U.S. Navy shipbuilding orders over the next few years are not projected to be sufficient to sustain the U.S. shipyard defense mobilization base this country needs in the event of a national emergency. Other means of maintaining that mobilization base must also be employed.

Fortunately, U.S. shipyards are showing renewed vigor with regard to their international commercial competitiveness. U.S. shipyards are winning orders for the export of a number of commercial vessels. And the conferees understand that U.S. shipyards are developing designs for highly marketable cruise vessels that can be constructed by such yards and offered at prices competitive with European shipyards, the leaders in cruise vessel construction. U.S. government programs, including the National Defense Features Program, Maritech, and MARAD Title XI should be helpful

in assisting U.S. shipyards in offering competitive prices for cruise vessels.

The Conferees, therefore, intend the coastwise re-flagging permissions contained in this provision to be strictly limited. Moreover, the Conferees strongly encourage persons affected by this section to replace their vessels as soon as practicable with newly constructed U.S.-built cruise vessels and to take advantage of U.S. Navy and other government incentives in such new construction.

Section 1120(g) of the Conference substitute simply deems three forfeiture vessels to be considered to be "constructed in the United States" for the limited purpose of the Merchant Marine Act of 1936, as amended.

Section 1120(h) of the Conference substitute inserts a new section in the Coast Guard Authorization Act for Fiscal Year 1996 which authorizes the repayment to the Secretary of Transportation of the remaining unamortized construction-differential subsidy on the tug *M/V Janis Guzzle*. The repayment of the unamortized portion of the construction-differential subsidy for the vessel will permanently release it from the domestic trading restrictions.

#### SECTION 1121. VESSEL DEEMED TO BE A RECREATIONAL VESSEL

Section 1121 of the Senate bill deems an approximately 96 meter twin screw motor yacht, to be named the *Limitless*, to be a recreational vessel under chapter 43 of title 46, United States Code, as along as the vessel does not carry passengers for hire or engage in commercial fishing.

Section 428 of the House amendment is similar to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1122. SMALL PASSENGER VESSEL PILOT INSPECTION PROGRAM WITH THE STATE OF MINNESOTA

Section 1122 of the Senate bill allows the Secretary of Transportation to enter into an agreement with the State of Minnesota under which the state may inspect small passenger vessels operating in the waters of Minnesota under certain conditions.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision. As a matter of Constitutional law, the Federal Government has responsibility for requirements pertaining to vessel structure, design, equipment, and operation. (See *Ray v. Atlantic Richfield Co.*, 435 U.S. 151 (1978) and *Kelly v. Washington*, 302 U.S. 1 (1937)). Authority to make such regulations are vested in the Secretary of Transportation under sections 3306 and 3307 of title 46, United States Code. Federal uniformity in these matters is critical to maintain interstate and international commerce, and because the absence of uniformity hinders the United States' ability to seek increased international vessel standards to better protect the environment.

However, the Coast Guard is allowed to delegate its' authority to non-Federal entities and has delegated its' authority to inspect vessels to private classification societies such as the American Bureau of Shipping. This section establishes a new type of delegation—to a State. However, the State must enter into an agreement

that will ensure that the State will apply the Federal standards to the inspection of these vessels. This will guarantee that there will continue to be uniformity in the application of the law to all vessels subject to Federal jurisdiction in Minnesota.

SECTION 1123. COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS  
FISHING

Section 1123 of the Senate bill allows an alien employed under the immigration laws of the Commonwealth of the Northern Mariana Islands (CNMI) to be employed on a fishing vessel in the CNMI if the vessel is permanently stationed at a port within the Commonwealth.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

SECTION 1124. AVAILABILITY OF EXTRAJUDICIAL REMEDIES UPON  
DEFAULT OF PREFERRED MORTGAGE LIENS ON VESSELS

Section 1124 of the Senate bill establishes a nonjudicial alternative for lenders to take possession of a vessel after a default.

Under current law, marine lenders seeking to foreclose loans secured by mortgaged vessels must pursue their rights in the courts to clearly preserve their right to recover a deficiency after the sale of the vessel.

Section 31325 of title 46, United States Code, provides for the foreclosure of a preferred mortgage on a documented vessel by an in rem arrest action against the vessel within the district court's admiralty jurisdiction. This remedy establishes the priority for the mortgage lien as against any maritime lien or land-based lien on the vessel and permits the vessel to be sold free and clear of liens.

Under the Uniform Commercial Code in effect in almost every state, a secured creditor may take possession of the collateral security for the loan upon a default and sell it in foreclosure of the creditor's lien. For many years, lender's holding preferred mortgages on documented vessels regularly exercised this type of "self-help" remedy to sell mortgaged vessels upon a loan default. Particularly for smaller loans secured by recreational vessels, when the debtor raised no opposition to repossession and there was little likelihood of an adverse maritime lien claim against the vessel, there was no reason to go through the time-consuming, expensive procedures of an action in court.

In 1985, the decision in *Bank of America National Trust and Savings Association v. Fogle*, 637 F. Supp. 305, 1986 AMC 205 (N.D. Cal. 1985) was rendered. In *Fogle*, the court held that in providing for an in rem admiralty remedy in law, Congress must have intended to preclude a "self-help" remedy under state law. The *Fogle* decision has forced lenders seeking to foreclose defaulted loans secured by documented vessels to use a court action, even when no controversy requiring judicial action is necessary.

Section 1124(a) of the Senate bill adds a new paragraph (3) to section 31325(b) of title 46, United States Code, to clarify that the remedies currently available under section 31325(b) do not preclude the exercise of other lawful rights and remedies available to mortgagees, including extrajudicial, "self-help" remedies. New paragraph 31325(b)(3) also supports the international recognition

of vessel mortgage foreclosures under principles of comity and permits a preferred mortgage on a U.S.-flag vessel to be foreclosed in a foreign court having jurisdiction over the vessel.

Consistent with existing law, the rights of any maritime lien claimant or holder of a preferred mortgage are expressly preserved under the amendments made by this section, notwithstanding the use of a self-help remedy under state law.

The amendment will also not affect the remedies available under state law to the holder of a security interest which is deemed to be a preferred mortgage pursuant to section 31322(d) of title 46, United States Code, when the Vessel Identification System established under chapter 125 of title 46 is effective.

Section 1124(b) of this bill requires the person exercising the extrajudicial remedy to give notice of the remedy to the Coast Guard, to any other mortgage whose mortgage is recorded, and to any maritime claimant who has recorded a notice of a claim of a lien with the Coast Guard.

Section 412 of the House amendment is identical to the Senate provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1125. OFFSHORE FACILITY FINANCIAL RESPONSIBILITY REQUIREMENTS

The Senate bill contains a provision regarding offshore oil spill evidence of financial responsibility.

The House amendment also contains a provision.

The Conference substitute contains a compromise amendment.

#### SECTION 1126. DEAUTHORIZATION OF NAVIGATION PROJECT, COHASSET HARBOR, MASSACHUSETTS

Section 1126 of the Senate bill deauthorizes a portion of the navigation project in Cohasset Harbor, Massachusetts.

The House amendment has no comparable provision.

The Conference substitute adopts the Senate provision.

#### SECTION 1127. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE

The Senate bill contains no comparable provision.

Section 410 of the House amendment expresses the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased by the Coast Guard should be American-made.

The Conference substitute adopts the House provision.

#### SECTION 1128. REQUIREMENT FOR PROCUREMENT OF BUOY CHAIN

The Senate bill does not contain a comparable provision.

Section 429 of the House amendment requires that the Coast Guard purchase buoy chain manufactured in the United States.

The Conference substitute adopts the House provision with an amendment.

#### SECTION 1129. CRUISE SHIP LIABILITY

The Senate bill contains no comparable provision.

Section 430 of the House amendment makes three changes in current maritime law: The first allows foreign ship owners to provide that foreign crew members must bring lawsuits for damages involving injury or death in appropriate foreign courts. The second provision allows a shipowner to invoke a state's cap on medical malpractice damages when the shipowner is held vicariously liable for a doctor's medical malpractice. The third provision prohibits cruise vessel passengers from recovering damages for psychological injuries that are not accompanied by physical injury or actual risk of physical injury.

The Conference substitute adopts two subsections of the House amendment, with amendments. Section 1129(a) of the conference substitute provides that in a civil action by any person in which the operator or owner of a vessel is claimed to have vicarious liability for medical malpractice involving a crewmember that occurs to a shoreside facility, to the extent the damages resulted from the conduct of any shoreside doctor, hospital, medical facility, or other health care provider, the owner or operator of the vessel is entitled to rely upon statutory limitations applicable to the doctor or other health care provider in the state in which the shoreside medical care was provided. Section 1129(b) allows an owner or operator of a vessel to be relieved from liability for infliction of emotional distress under certain conditions. This relief does not apply if the emotional distress was the result of physical injury to the claimant caused by negligence of the owner, the result of the claimant having been at actual risk of physical injury, or intentionally inflicted by a crewmember or the owner or operator of the vessel (or his manager, agent, or master). Nothing in the Conference substitute limits the liability of a crewmember or the manager, agent, master, owner or operator of a vessel in a case involving sexual harassment, sexual assault, or rape.

SECTION 1130. SENSE OF CONGRESS ON THE IMPLEMENTATION OF REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

In enacting the Edible Oil Regulatory Reform Act, Public Law 104-55, the Congress intended that the agencies recognize the differences between animal fats and vegetable oils from other oils and provide regulatory relief from the burdens of various environmental statutes, such as the Oil Pollution Act of 1990 and the Federal Water Pollution Control Act. Those statutes were enacted to regulate petroleum oil and other toxic oils and hazardous substances. Because of the over broad definition of oil, those statutes applied to animal fats and vegetable oils as well. This provision expresses the sense of Congress that agencies responsible for the regulation of animal fats and vegetable oils under those laws should consider and recognize the differences in these oils and structure different regulatory requirements based on those differences. This provision also requires the submission of an annual report to Congress on the implementation of this policy.

The Conference substitute expresses the sense of Congress that agencies responsible for the regulation of animal fats and vegetable oils should consider and recognize the differences between these

oils and petroleum-based oils and implement regulatory requirements reflective of those differences. This provision also requires the submission of an annual report to Congress on the implementation of this policy.

SECTION 1131. TERM OF DIRECTOR OF THE BUREAU OF  
TRANSPORTATION STATISTICS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute provides that when the term of the Director of the Bureau of Transportation Statistics (BTS) expires, the Director may continue to serve until his or her successor is appointed and confirmed. It is important to provide for continuity in the leadership of BTS, due to the important work that BTS performs.

SECTION 1132. WAIVER OF CERTAIN REQUIREMENTS FOR HISTORIC  
FORMER PRESIDENTIAL YACHT SEQUOIA

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The SEQUOIA was originally constructed in 1925 and served as a presidential yacht for over half a century. It is a national treasure listed on the Register of the National Trust for Historic Preservation. The vessel has been completely refurbished and restored in a manner in which its historic value has been preserved and the vessel has recently been brought up to date. The Conferees intend for the Coast Guard to work with the vessel's owners to allow the SEQUOIA to carry passengers for hire without imposing requirements that compromise the historic integrity of the restoration of the vessel or the safety of its passengers.

SECTION 1133. VESSEL REQUIREMENTS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute (1) extends the original expiration date by ten years from 1998 to 2008; (2) expands the term "a vessel"; and (3) modestly expands the permissible area of operation beyond inland rivers to include that narrow band shoreward of the boundary Line.

The Conferees urge the Coast Guard to work with the owners of the *Delta King* to assist them in meeting the inspection standards in the most cost effective manner possible.

SECTION 1134. EXISTING TANK VESSEL RESEARCH

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute requires the Secretary of Transportation to fully fund certain research projects intended to evaluate double-hull alternatives by the end of Fiscal Year 1997. The substitute also permits the Secretary to use public vessels for research in oil pollution technologies which prevent or mitigate oil discharges and protect the environment. This public vessel use is restricted to projects sponsored by the U.S. government so that the

status of the vessel as a public vessel will not be lost, and so that no additional cost will be added to the project.

SECTION 1135. PLAN FOR THE ENGINEERING, DESIGN, AND  
RETROFITTING OF THE ICEBREAKER MACKINAW

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute requires the Coast Guard to submit by May 1, 1997, a plan and cost estimate for the engineering, design, and retrofitting of the icebreaker *Mackinaw*.

SECTION 1136. CROSS BORDER FINANCING

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

Currently U.S. companies wanting to purchase vessels and then place those vessels under United States registry cannot take full advantage of modern financing methods available to their foreign competition and other domestic transportation sectors. For example, the U.S. airline industry frequently acquires aircraft by chartering them from ownership trusts that have non-citizen beneficiaries. Many investors view ownership trusts as more secure than debt instruments (such as mortgages) and trusts sometimes receive favorable treatment under foreign tax codes. Furthermore, there is no reason why these trusts cannot be structured in a way that preserves U.S. citizen control of vessels.

Under current U.S. law, a vessel owned by a trust is eligible for documentation only if all its "members" are U.S. citizens and it is capable of holding title to a vessel under the Laws of the United States or a State. The U.S. Coast Guard has interpreted this requirement to mean that a trust arrangement is a citizen if each of its trustees and each beneficiary with an enforceable interest in the trust is a citizen. In contrast, a corporation is a documentation citizen if it was established under U.S. law and the CEO, Chairman of its board and a sufficient number of board members sufficient to establish a quorum are all U.S. citizens. There is no requirement that the stock of the corporation be owned by citizens, because the purpose of the law is satisfied so long as the vessel is controlled by U.S. citizens. Unfortunately, the ambiguity of the law with respect to passive beneficiaries of trusts is impeding the revitalization of our fleet.

Under present law, the Secretary of Transportation may grant the right to sell or transfer a vessel foreign generally only after it is documented under the U.S. flag. Investors will not participate in financing vessels using these trusts unless they can first be assured that a particular trust instrument will meet the documentation test and they have the option to sell or transfer the vessel world-wide if the vessel charterer subsequently defaults or the charter terminates. It is not realistic to expect much enthusiasm from investors unless they have reasonable option to protect their assets.

Section 1136(a) of the Conference substitute amends section 12102 of Title 46 to permit documentation of vessels subject to ownership trusts under which not all of the beneficiaries are U.S. citizens, provided that the trust document permits not more than

25% of the authority to direct or remove a trustee is held by non-citizens, and the trustee(s) gives certain assurances. The conferees intend this section to be implemented in the same manner as similar cross border leasing transactions as for aircraft administered by the FAA. New section 12102(d)(4) provides that a vessel chartered by the trust to a citizen of the United States under section 2 of the Shipping Act, 1916 is deemed to be a citizen of the United States for purposes of that section and related laws such as the Capital Construction Fund Program. However, the charterer is not considered a section 2 citizen for purposes of new subtitle B of title VI of the Merchant Marine Act, 1936 which is dealt with separately in this section. The purpose of this section is to allow greater flexibility for section 2 citizens to use widely used international financing practices to decrease the acquisition cost of new vessels.

Section 1136(b) amends Section 9 of the Shipping Act, 1916 to permit the Secretary of Transportation to grant, prior to the documentation of a vessel, approval for prospective sale or transfer foreign of a vessel owned by these trusts. This amendment codifies current practices of the Secretary.

Section 1136(c) provides that for purposes of determining whether a vessel is owned and operated by a citizen of the United States for participation in the program established under subtitle B of title VI of the Merchant Marine Act, 1936, a vessel chartered by a trust under section 12102(d)(2) of title 46, United States Code (as enacted by subsection (a) of this section) is a citizen of the United States under section 2 of the Shipping Act, 1916 if: (1) the vessel is delivered by a shipbuilder on or after May 1, 1995 and before January 31, 1996; (2) the vessel is owned by a section 2 citizen on September 1, 1996 or is a replacement for such a vessel; or (3) payments have been made with respect to the vessel under subtitle B of title VI of that Act for at least one year.

Section 1136(d) provides that, for purposes of determining whether a vessel is owned and operated by a citizen of the United States for participation in the program established under subtitle B of title VI of the Merchant Marine Act, 1936, a vessel is deemed to be owned and operated by a section 2 citizen if the vessel is owned "directly or indirectly" by a section 2 citizen and the vessel was: (1) built under a shipbuilding contract signed on December 21, 1995 and having hull number 3077, 3078, 3079, or 3080; (2) delivered by a shipbuilder on or after May 1, 1995 and before January 31, 1996; owned by a section 2 citizen on September 1, 1996 or is a replacement for such a vessel; or (4) the beneficiary of under subtitle B of title VI of the Merchant Marine Act, 1936 for at least 1 year.

Nothing in the amendments made by this section diminishes the authority of the Secretary to impose reasonable conditions, such as requisition of the vessel in time of emergency under Section 902 of the Merchant Marine Act, 1936, on the foreign transfer of a vessel.

#### SECTION 1137. VESSEL STANDARDS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute provides for Certification of Inspection provisions, and for reliance on non-governmental classification societies. Subsection (b) applies only for the period of time that the vessel fails to comply with the applicable standards.

SECTION 1138. VESSELS SUBJECT TO THE JURISDICTION OF THE UNITED STATES

The Senate bill contains a provision enhancing law enforcement authorities related to vessels and aircraft.

The House amendment contains no comparable provision.

The Conference substitute establishes new law enforcement provisions which expand the Government's prosecutorial effectiveness in drug smuggling cases. Claims of foreign registry must be "affirmatively and unequivocally" verified by the nation of registry to be valid. People arrested in these international situations would not be able to use as a defense that the U.S. was acting in violation of international law regarding recognition of registry at the time of the arrest. The Secretary of State's certification as to the content of discussions with foreign nations about matters of registry would be considered "fact", irrespective of the statements or certifications of the foreign nation at a later time. Jurisdictional issues would always be issues of law to be decided by the trial judge, not issues of fact to be decided by the jury.

SECTION 1139. REACTIVATION OF CLOSED SHIPYARDS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute establishes the basis for the Secretary of Transportation to assist certain closed shipyards by supporting projects for the reactivation and modernization of those yards and the construction of ships at those yards. Subsection (a) authorizes the Secretary to provide loan guarantees under the shipping laws to assist in the reactivation and modernization of a currently closed shipyard that (1) historically built vessels and intends to compete in international commercial shipbuilding; (2) is either a designated public-private partnership project or has an approved reuse plan and revolving economic conversion fund; and (3) involves a State or State-chartered agency that makes a significant investment in the project.

Subsection (b) waives the application of certain factors designed to apply to existing yards but subsection (c) directs the Secretary to impose appropriate standards for a reactivation and modernization project to protect the United States from the risk of default. Included in subsection (c) is a provision regarding shipyard and shipbuilding project interdependency. This provision was added to give the Maritime Administration guidance when considering whether to issue a guarantee or a commitment to guarantee obligations for the construction of vessels in connection with and as an integral part of the reactivation or modernization of closed shipyards. It recognizes that vessels integral to the reactivation of a closed shipyard may request approval of a loan guarantee at the same time the closed shipyard is requesting approval of a loan guarantee and that due consideration and weight should be afforded the vessel's application. This interdependency language is

intended to facilitate the Maritime Administration's review and approval of closed shipyard and vessel loan guarantee applications simultaneously as part of the total shipyard reactivation and modernization project. This is not intended, however, to be a limiting provision allowing the Maritime Administration to precondition the issuance of a guarantee or commitment to guarantee for a closed shipyard on the approval of related vessel loan guarantees.

Subsection (d) limits the aggregate guarantees for shipyards only under this section to \$100 million, requires a State or State-agency to provide to the Secretary the amount of funds needed to cover the risk factor cost under the Federal Credit Reform Act for the Secretary to deposit into a financing account in the Treasury, and provides for the reversion of the deposited amount to the State or State-agency if, on the expiration of the guarantee, no obligation is to be paid from the deposited funds under the terms of the guarantee. Other factors related to the cost of a guarantee are established in this section.

Subsection (e) sets an expiration date of one year after the date of enactment and subsection (f) contains a definition.

#### SECTION 1140. SAKONNET POINT LIGHT

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute states that an action for damage or injury arising from the operation, maintenance, or malfunctioning of an aid to navigation, at Sakonnet Point, Little Compton, Rhode Island shall be determined by State law.

#### SECTION 1141. DREDGING OF RHODE ISLAND WATERWAYS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adopts an amendment regarding Rhode Island dredging.

#### SECTION 1142. INTERIM PAYMENTS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adopts an amendment regarding interim payments.

#### SECTION 1143. OIL SPILL INFORMATION

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adopts an amendment regarding oil spill information.

#### SECTION 1144. COMPLIANCE WITH OIL SPILL RESPONSE PLANS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adopts an amendment regarding oil spill response plans.

## SECTION 1145. CLARIFICATION OF TANK VESSEL REQUIREMENTS

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference substitute adopts an amendment regarding tank vessel requirements.

## SECTION 1146. FISHING VESSEL EXEMPTION

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

Section 1146 clarifies that the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW) does not apply to fishing vessels, including fishing vessels when they are operating as fish tender vessels. The STCW sets qualifications for masters, officers, and watchkeeping personnel on seagoing merchant ships, including the approximately 350 large U.S. merchant ships, and is not appropriate for fishing vessels or traditional fish tender operations.

## SECTION 1147. BRIDGE DEEMED TO UNREASONABLY OBSTRUCT NAVIGATION

The Senate bill contains no comparable provision.

The House amendment contains no comparable provision.

The Conference Substitute deems the Sooline & Milwaukee Road Swing Bridge in Oshkosh, Wisconsin as an "unreasonable obstruction to navigation". This makes the vessel eligible for funding under the Truman-Hobbs Act, a program to fund the removal of these types of bridges that pose a threat to safe navigation of vessels.

From the Committee on Transportation and Infrastructure, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

BUD SHUSTER,  
DON YOUNG,  
HOWARD COBLE,  
TILLIE K. FOWLER,  
BILL BAKER,  
JAMES L. OBERSTAR,  
BOB CLEMENT,  
GLENN POSHARD,

From the Committee on the Judiciary, for consideration of sec. 901 of the Senate bill, and sec. 430 of the House amendment, and modifications committed to conference:

HENRY HYDE,  
BILL MCCOLLUM,

*Managers on the Part of the House.*

From the Committee on Commerce, Science, and Transportation:

LARRY PRESSLER,  
TED STEVENS,  
SLADE GORTON,  
TRENT LOTT,  
KAY BAILEY HUTCHISON,  
OLYMPIA SNOWE,  
JOHN ASHCROFT,  
SPENCER ABRAHAM,  
FRITZ HOLLINGS,  
DANIEL INOUYE,  
JOHN F. KERRY,  
JOHN BREAUX,  
BYRON L. DORGAN,  
RON WYDEN,

From the Committee on Environment and Public Works:

JOHN H. CHAFEE,  
JOHN WARNER,  
BOB SMITH,  
LAUCH FAIRCLOTH,  
JIM INHOFE,  
MAX BAUCUS,  
FRANK R. LAUTENBERG,  
JOE LIEBERMAN,

*Managers on the Part of the Senate.*

