

Calendar No. 88104TH CONGRESS }
1st Session }

SENATE

{ REPORT
104-66 }**CERTIFICATE OF DOCUMENTATION FOR
THE VESSELS "IDUN VIKING", "LIV VI-
KING", AND "FREJA VIKING"**

R E P O R T

OF THE

**COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION**

ON

S. 528

APRIL 18, 1995.—Ordered to be printed

Filed under authority of the order of the Senate of April 6 (legislative
day, April 5), 1995

U.S. GOVERNMENT PRINTING OFFICE

99-010

WASHINGTON : 1995

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

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CERTIFICATE OF DOCUMENTATION FOR THE VESSELS "IDUN VIKING", "LIV VIKING", AND "FREJA VIKING"

APRIL 18, 1995.—Ordered to be printed

Filed under authority of the order of the Senate of April 6 (legislative day,
April 5), 1995

Mr. PRESSLER, from the Committee on Commerce, Science, and
Transportation, submitted the following

REPORT

[To accompany S. 528]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 528) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessels *Idun Viking*, *Liv Viking*, and *Freja Viking*, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

PURPOSE OF THE LEGISLATION

S. 528, as reported, grants coastwise trading privileges to the vessels *Idun Viking*, *Liv Viking*, and *Freja Viking*.

BACKGROUND AND NEEDS

Subject to certain limited exceptions, the law known as the Jones Act (section 27 of the Merchant Marine Act of 1920) and sections 12106 through 12108 of title 46, U.S. Code provide that only those vessels built in the United States, continuously documented under the laws of the United States and continuously owned by U.S. citizens may transport merchandise or passengers in the coastwise trade, or engage in the fisheries, of the United States.

Where the facts applicable to a particular vessel suggest the U.S.-built or U.S.-owned requirements have not been satisfied, the

Coast Guard may not issue a document granting coastwise trading or fisheries privileges for that vessel unless the requirements of the Act are statutorily waived.

The vessels *Idun Viking* (Danish Registration number A433), *Liv Viking* (Danish Registration number A394), and *Freja Viking* (Danish Registration number A395) are hovercraft that were constructed in Denmark in 1984. They were purchased by Wallace Rinz of Miami, Florida. The vessels' owner intends to use them for passenger service in Florida.

Because the vessels were foreign built and foreign owned, the owner has not been able to obtain coastwise trade privileges for the *Idun Viking*, *Liv Viking*, and *Freja Viking*. Therefore, he is seeking statutory waivers of the Jones Act for the vessels. These waivers are contingent on:

(a) all ship repair and alteration work necessary for these vessels' operation in the U.S. being conducted in U.S. shipyards;

(b) the owner entering into a binding contract within 6 months of the date of enactment with a U.S. shipyard to build replacement vessels; and

(c) the replacement vessels being delivered within 3 years of the date of entering into that contract.

LEGISLATIVE HISTORY

S. 528 was introduced in the Senate on March 9, 1995, by Senator Lott. In open executive session on March 23, 1995, the Committee considered S. 528 and ordered the legislation reported favorably without objection and without amendment.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 30, 1995.

Hon. LARRY PRESSLER,
*Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed the following bills, which were ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 23, 1995:

S. 84, a bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for vessel *Bagger*, and for other purposes;

S. 172, a bill to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *L.R. Beattie*;

S. 212, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shamrock V*;

S. 213, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Endeavour*;

S. 278, a bill to authorize a certificate of documentation for the vessel *Serenity*;

S. 279, a bill to authorize a certificate of documentation for the vessel *Why Knot*;

S. 475, a bill to authorize a certificate of documentation for the vessel *Lady Hawk*;

S. 480, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Gleam*;

S. 482, a bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Emerald Ayes*;

S. 492, a bill to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *Intrepid*;

S. 493, a bill to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *Consortium*;

S. 528, a bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for three vessels;

S. 535, a bill to authorize the Secretary of Transportation to issue a certificates of documentation with appropriate endorsement for employment in coastwise trade for each of two vessels named *Gallant Lady*, subject to certain conditions, and for other purposes; and

S. 561, a bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Isabelle*, and for other purposes.

Enactment of these bills would have no impact on the federal budget or on those of state or local governments. The bills would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Reis.

Sincerely,

JUNE E. O'NEILL, *Director*.

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

Because S. 528 does not create any new programs, the legislation will have no additional regulatory impact, and will result in no additional reporting requirements. The legislation will have no further effect on the number or types of individuals and businesses regulated, the economic impact of such regulation, the personal privacy of affected individuals, or the paperwork required from such individuals and businesses.

SECTION-BY-SECTION ANALYSIS

The bill consists of one section. It provides that, notwithstanding sections 12106 and 12107 of title 46, U.S. Code, 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 vessels *Idun Viking* (Danish Registration number A433), *Liv Viking* (Danish Registration number A394), and *Freja Viking* (Danish Registration number A395) are eligible to engage in the coastwise trade and the Secretary of the department in which the Coast Guard is operating may issue certificates of documentation for such vessels if:

- (a) all ship repair and alteration work necessary for these vessels' operation in the U.S. is conducted in U.S. shipyards;
- (b) the owner enters into a binding contract within 6 months of the date of enactment with a U.S. shipyard to build replacement vessels; and
- (c) the replacement vessels are to be delivered within 3 years of the date of entering into that contract.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states the bill as reported would make no change to existing law.

