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H. R. 1250

IN THE SENATE OF THE UNITED STATES

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Read twice and referred to the Committee on Commerce, Science, and
Transportation

AN ACT

To amend the coastwise trade laws to clarify their application
to certain passenger vessels.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United States-Flag
5 Passenger Vessel Act of 1993”.

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

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

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

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

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

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

12 “(b) PENALTIES.—

13 “(1) CIVIL PENALTY.—A person operating a
14 vessel in violation of this section is liable to the
15 United States Government for a civil penalty of
16 \$1,000 for each passenger transported in violation of
17 this section.

18 “(2) FORFEITURE.—A vessel operated in know-
19 ing violation of this section, and its equipment, are
20 liable to seizure by and forfeiture to the United
21 States Government.

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

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

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

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

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

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

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

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

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

14 (b) EXCEPTION.—

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

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

24 (B) within one year after the date of the
25 enactment of this Act, the owner files with the

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

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

10 (A) January 1, 2000,

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

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

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

21 (A) each individual employed on the vessel
22 after the one-year period beginning on the date
23 of the enactment of this Act is either a citizen
24 of the United States or an alien lawfully admit-

1 ted to the United States for permanent resi-
2 dence; and

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

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

14 (A) the eligible vessel has a passenger car-
15 rying capacity that is equal to at least 75 per-
16 cent of the passenger carrying capacity of the
17 ineligible vessel, as determined by the Secretary
18 of the Department in which the Coast Guard is
19 operating;

20 (B) the person that is the owner or
21 charterer of the eligible vessel submits to the
22 Secretary of Transportation, by not later than
23 270 days before the date of that entry into
24 service—

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

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

6 (C) any individual employed on the ineli-
7 gible vessel after the one-year period beginning
8 on the date of the enactment of this Act—

9 (i) is not a citizen of the United
10 States; and

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

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

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

24 (6) DEFINITIONS.—In this subsection—

1 (A) the term “eligible vessel” means a ves-
2 sel that is eligible under chapter 121 of title 46,
3 United States Code, for a certificate of docu-
4 mentation authorizing the vessel to engage in
5 coastwise trade;

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

11 (C) the term “major conversion” has the
12 meaning that term has under section 2101 of
13 title 46, United States Code.

14 **SEC. 3. DOCUMENTATION OF VESSELS.**

15 (a) Notwithstanding section 27 of the Merchant Ma-
16 rine Act, 1920 (46 App. U.S.C. 883), the Act of June
17 19, 1886 (46 App. U.S.C. 289), and sections 12106 and
18 12107 of title 46, United States Code, the Secretary of
19 Transportation may issue certificates of documentation
20 with appropriate endorsement for employment in the
21 coastwise trade for the following vessels:

22 (1) Emerald Princess (former United States of-
23 ficial number 530095).

24 (2) Europa Star (former United States official
25 number 588270).

1 (3) Europa Sun (former United States official
2 number 596656).

3 (b) Notwithstanding section 27 of the Merchant Ma-
4 rine Act, 1920 (46 App. U.S.C. 883) and section 12106
5 of title 46, United States Code, the Secretary of Transpor-
6 tation may issue a certificate of documentation with ap-
7 propriate endorsement for employment in the coastwise
8 trade for the vessel M/V Helton Voyager (Spanish reg-
9 istration lista 2A-Folio-592) if—

10 (1) the person documenting the vessel entered
11 a contract before May 21, 1992, to purchase the
12 vessel;

13 (2) the vessel undergoes a major conversion (as
14 defined in section 2101 of title 46, United States
15 Code) in a United States shipyard under a contract
16 signed before January 1, 1994;

17 (3) the cost of the major conversion is more
18 than the value of the vessel before the major conver-
19 sion; and

20 (4) the major conversion is completed and the
21 vessel is documented under chapter 121 of title 46,
22 United States Code, with a coastwise endorsement
23 before January 1, 1995.

24 (c) Notwithstanding section 27 of the Merchant Ma-
25 rine Act, 1920 (46 App. U.S.C. 883) and section 12106

1 of title 46, United States Code, the Secretary of Transpor-
2 tation may issue a certificate of documentation with ap-
3 propriate endorsement for employment in the coastwise
4 trade, for the vessel M/V Twin Drill (Panama official
5 number 8536-PEXT-2) if—

6 (1) the vessel undergoes a major conversion (as
7 defined in section 2101 of title 46, United States
8 Code) in a United States shipyard;

9 (2) the cost of the major conversion is more
10 than 3 times the purchase value of the vessel before
11 the major conversion;

12 (3) the major conversion is completed and the
13 vessel is documented under chapter 121 of title 46,
14 United States Code, with a coastwise endorsement
15 before June 30, 1995; and

16 (4) the person documenting the vessel contracts
17 with a United States shipyard to construct an addi-
18 tional vessel of equal or greater passenger capacity
19 within 12 months of the date of enactment of this
20 Act, for delivery within 36 months of the date of
21 such contract, which vessel shall also be documented
22 under chapter 121 of title 46, United States Code.

23 (d)(1) The vessel Star of Texas (Lloyds register num-
24 ber L5103936) may engage in coastwise trade (as defined
25 in section 8(c)(1)(A) of the Act of June 19, 1886, as

1 amended by this Act) out of the Port of Galveston during
2 the 5-year period beginning on the date of the enactment
3 of this Act, if during the period beginning 30 days after
4 that date of enactment and ending 5 years after that date
5 of enactment—

6 (A) at least 60 employees engaged on the vessel
7 are United States citizens;

8 (B) of the employees engaged on the vessel who
9 are United States citizens, at least 60 are proficient
10 in lifeboat training, firefighting, and vessel evacu-
11 ation under standards certified by the United States
12 Coast Guard;

13 (C) all repairs and alterations to the vessel are
14 done in United States shipyards;

15 (D) the vessel is a United States documented
16 vessel before the end of that period; and

17 (E) all other employees are instructed in basic
18 safety techniques.

19 (2) Notwithstanding section 27 of the Merchant Ma-
20 rine Act, 1920 (46 App. U.S.C. 883) and section 12106
21 of title 46, United States Code, and subject to paragraph
22 (1), the Secretary of Transportation may issue a certifi-
23 cate of documentation with appropriate endorsement for
24 employment in the coastwise trade in the period described
25 in paragraph (1) for a vessel described in that paragraph.

1 **SEC. 4. LIMITATION ON AUTHORITY OF STATES TO REGU-**
2 **LATE GAMBLING DEVICES ON VESSELS.**

3 Section 5(b)(2) of the Act of January 2, 1951 (15
4 U.S.C. 1175(b)(2)), commonly referred to as the “John-
5 son Act”, is amended by adding at the end the following:

6 “(C) EXCLUSION OF CERTAIN VOYAGES
7 AND SEGMENTS.—A voyage or segment of a
8 voyage is not described in subparagraph (B) if
9 it includes or consists of, respectively, a seg-
10 ment—

11 “(i) that begins and ends in the same
12 State or possession of the United States;

13 “(ii) that is part of a voyage to an-
14 other State or possession of the United
15 States or to a foreign country; and

16 “(iii) in which the vessel reaches the
17 other State or possession of the United
18 States or the foreign country within 3 days
19 after leaving the State or possession of the

1 United States in which the segment
2 begins.”.

Passed the House of Representatives November 20,
1993.

Attest: DONNALD K. ANDERSON,
Clerk.

By DALLAS L. DENDY, JR.,
Assistant to the Clerk.