

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1432

To amend the Merchant Marine Act, 1936, to establish a National Commission to Ensure a Strong and Competitive United States Maritime Industry.

---

## IN THE SENATE OF THE UNITED STATES

AUGUST 6 (legislative day, JUNE 30), 1993

Mr. HOLLINGS (for himself, Mr. BREAUX, Mr. KERRY, Mr. ROBB, and Ms. MIKULSKI) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

---

## A BILL

To amend the Merchant Marine Act, 1936, to establish a National Commission to Ensure a Strong and Competitive United States Maritime Industry.

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 “Maritime Competitive-  
5 ness Act of 1993”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

1           (1) Since early in our Nation's history, it has  
2           been the policy of the United States to maintain a  
3           strong United States maritime industry that—

4                   (A) includes an operating fleet of modern  
5           United States-flag vessels that is sufficient to  
6           carry the domestic waterborne commerce of the  
7           United States and a substantial portion of the  
8           waterborne export and import foreign commerce  
9           of the United States, and to provide shipping  
10          service essential for maintaining the flow of  
11          such domestic and foreign waterborne com-  
12          merce at all times;

13                  (B) includes a fleet of vessels under United  
14          States registry that is adequate to serve as a  
15          naval auxiliary in time of war or national emer-  
16          gency;

17                  (C) has a labor force composed of highly  
18          trained and efficient United States citizens; and

19                  (D) includes a United States shipbuilding  
20          industry with the most modern and efficient fa-  
21          cilities.

22           (2) The United States maritime industry has  
23           declined to the point that this longstanding national  
24           policy is imperiled.

1           (3) There is a growing sentiment in favor of re-  
2 forming the maritime laws and governmental prac-  
3 tices in order to revitalize the industry.

4           (4) Without such reform, it is foreseeable that  
5 the remaining United States-flag carriers will shift  
6 their operations to foreign-flag vessels and the Na-  
7 tion's shipbuilding industry and other sectors of the  
8 maritime industry will continue to decline.

9           (5) A focused review of the United States mari-  
10 time industry and impediments to its success should  
11 be undertaken in order to lay a solid foundation for  
12 reform.

13 **SEC. 3. AMENDMENT TO MERCHANT MARINE ACT, 1936.**

14       The Merchant Marine Act, 1936 (46 App. U.S.C.  
15 1101 et seq.), is amended by adding at the end the follow-  
16 ing new title:

17 **"TITLE XIV—NATIONAL COMMISSION ON MARITIME INDUS-**  
18 **TRY COMPETITIVENESS**

19 **"SEC. 1401. ESTABLISHMENT.**

20       "There is established a commission to be known as  
21 the 'National Committee to Ensure a Strong and Competi-  
22 tive United States Maritime Industry' (hereinafter re-  
23 ferred to as the 'Commission').

1 **“SEC. 1402. FUNCTIONS.**

2 “(a) INVESTIGATION AND STUDY.—The Commission  
3 shall make a complete investigation and study of the con-  
4 dition of the United States maritime industry, and impedi-  
5 ments to a strong and competitive United States maritime  
6 industry.

7 “(b) POLICY RECOMMENDATIONS.—Based on the re-  
8 sults of the investigation and study to be conducted under  
9 subsection (a), the Commission shall recommend to the  
10 President and Congress those policies which should be  
11 adopted to—

12 “(1) achieve the national goal of a strong and  
13 competitive United States maritime industry which  
14 will help to provide for the national defense and eco-  
15 nomic security;

16 “(2) revitalize the fleet of United States-flag  
17 vessels and maintain that fleet at a level sufficient  
18 to contribute to the national defense and the eco-  
19 nomic security of the Nation;

20 “(3) foster a viable United States shipbuilding  
21 industry to provide an industrial base for meeting  
22 present and future military and civilian shipbuilding  
23 needs; and

24 “(4) reduce the loss of seafaring and shipbuild-  
25 ing jobs for United States citizens so as to ensure  
26 the existence of a reliable maritime labor force.

1 **“SEC. 1403. SPECIFIC MATTERS TO BE ADDRESSED.**

2 “The Commission shall specifically investigate and  
3 study under section 1402(a) the following:

4 “(1) CURRENT CONDITION OF UNITED STATES  
5 MARITIME INDUSTRY.—The current condition of the  
6 United States maritime industry, including how the  
7 condition of the industry is likely to change over the  
8 next ten years.

9 “(2) NATIONAL DEFENSE.—The adequacy of  
10 the United States maritime industry to ensure the  
11 national defense.

12 “(3) MARITIME LABOR.—Whether there is an  
13 adequate number of skilled mariners and shipyard  
14 workers, the level of training of United States mari-  
15 ners at training facilities in the United States, and  
16 the effect of wage rates on the global competitive-  
17 ness of the United States maritime industry.

18 “(4) IMPEDIMENTS TO A STRONG AND COM-  
19 PETITIVE MARITIME INDUSTRY.—Whether the Fed-  
20 eral Government should take any legislative or ad-  
21 ministrative actions to improve the condition of the  
22 United States maritime industry, including whether  
23 any changes are needed in the legal and administra-  
24 tive policies which govern—

25 “(A) support for United States-flag vessel  
26 operations;

1           “(B) the taxes and user fees imposed on  
2           United States maritime enterprises;

3           “(C) the regulatory requirements imposed  
4           on United States-flag vessels and their opera-  
5           tors, including environmental, vessel construc-  
6           tion, and safety standards; and

7           “(D) incentives to encourage investment in  
8           United States-flag vessel operations and United  
9           States shipbuilding.

10          “(4) INTERNATIONAL MARITIME POLICY.—  
11          Whether the policies and strategies followed by the  
12          United States in international maritime policy are  
13          promoting the ability of the United States maritime  
14          industry to achieve long-term competitive success in  
15          international markets, including—

16                 “(A) the Government’s general negotiating  
17                 policy;

18                 “(B) the desirability of multilateral rather  
19                 than bilateral negotiations;

20                 “(C) the rights granted foreign investors to  
21                 invest in United States-flag shipping and Unit-  
22                 ed States shipbuilding; and

23                 “(D) the effect of subsidies and other fi-  
24                 nancial assistance by foreign governments to  
25                 their vessel operators and shipbuilders.

1 **“SEC. 1404. MEMBERSHIP; ADMINISTRATIVE MATTERS.**

2 “(a) APPOINTMENT.—The Commission shall be com-  
3 posed of 15 voting members and 11 nonvoting members  
4 as follows:

5 “(1) 5 voting members and 1 nonvoting mem-  
6 ber appointed by the President.

7 “(2) 3 voting members and 3 nonvoting mem-  
8 bers appointed by the majority leader of the Senate.

9 “(3) 2 voting members and 2 nonvoting mem-  
10 bers appointed by the minority leader of the Senate.

11 “(4) 3 voting members and 3 nonvoting mem-  
12 bers appointed by the Speaker of the House of Rep-  
13 resentatives.

14 “(5) 2 voting members and 2 nonvoting mem-  
15 bers appointed by the minority leader of the House  
16 of Representatives.

17 “(b) QUALIFICATIONS.—Voting members appointed  
18 pursuant to subsection (a) shall be appointed from among  
19 individuals who are experts in commercial shipping, inter-  
20 national trade, and related disciplines and who can rep-  
21 resent United States-flag vessel operators (including do-  
22 mestic passenger vessel operators), seafaring and ship-  
23 building labor, shipbuilders, shippers, and the financial  
24 community with expertise in maritime matters.

25 “(c) TERMS OF OFFICE.—Members shall be ap-  
26 pointed for the life of the Commission.

1       “(d) VACANCIES.—A vacancy in the Commission  
2 shall be filled in the manner in which the original appoint-  
3 ment was made.

4       “(e) TRAVEL EXPENSES.—Members shall serve with-  
5 out pay but shall receive travel expenses, including per  
6 diem in lieu of subsistence, in accordance with subchapter  
7 I of chapter 57 of title 5, United States Code.

8       “(f) CHAIRMAN.—The President, in consultation with  
9 the majority leader of the Senate and the Speaker of the  
10 House of Representatives, shall designate the Chairman  
11 of the Commission from among its voting members.

12       “(g) COMMISSION PANELS.—The Chairman shall es-  
13 tablish such panels consisting of voting members of the  
14 Commission as the Chairman determines appropriate to  
15 carry out the functions of the Commission.

16       “(h) STAFF.—The Commission may appoint and fix  
17 the pay of such personnel as it considers appropriate.

18       “(i) STAFF OF FEDERAL AGENCIES.—Upon request  
19 of the Commission, the head of any department or agency  
20 of the United States may detail, on a reimbursable basis,  
21 any of the personnel of that department or agency to the  
22 Commission to assist it in carrying out its duties under  
23 this title.

24       “(j) ADMINISTRATIVE SUPPORT SERVICES.—Upon  
25 request of the Commission, the Administrator of General

1 Services shall provide to the Commission, on a reimburs-  
2 able basis, the administrative support services necessary  
3 for the Commission to carry out its duties under this title.

4 “(k) STAFF AND OTHER SUPPORT.—Upon the re-  
5 quest of the Commission or a panel of the Commission,  
6 the Secretary of Transportation shall provide the Commis-  
7 sion or panel with staff and other support to assist the  
8 Commission or panel in carrying out its responsibilities.

9 “(l) OBTAINING OFFICIAL DATA.—The Commission  
10 may secure directly from any department or agency of the  
11 United States information (other than information re-  
12 quired by any statute of the United States to be kept con-  
13 fidential by such department or agency) necessary for the  
14 Commission to carry out its duties under this title. Upon  
15 request of the Commission, the head of that department  
16 or agency shall furnish such nonconfidential information  
17 to the Commission.

18 **“SEC. 1405. REPORT.**

19 “Not later than sixty days after the date on which  
20 the initial appointments of members to the Commission  
21 are completed, the Commission shall transmit to the Presi-  
22 dent and Congress a report on the activities of the Com-  
23 mission, including recommendations made by the Commis-  
24 sion under section 1402(b).

1 **“SEC. 1406. TERMINATION.**

2       “The Commission shall terminate on the 30th day  
3 after the date of transmittal of the report under section  
4 1405. All records and papers of the Commission shall  
5 thereupon be delivered by the Administrator of General  
6 Services for deposit in the National Archives.”.

○