

Calendar No. 323

103D CONGRESS
1ST SESSION

S. 1432

[Report No. 103-196]

A BILL

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

NOVEMBER 19 (legislative day, NOVEMBER 2), 1993
Reported with amendments

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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

NOVEMBER 19 (legislative day, NOVEMBER 2), 1993

Reported by Mr. HOLLINGS, with amendments

[Omit the part struck through and insert the part printed in italic]

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Maritime Competitive-
3 ness Act of 1993”.

4 **SEC. 2. FINDINGS.**

5 The Congress finds the following:

6 (1) Since early in our Nation’s history, it has
7 been the policy of the United States to maintain a
8 strong United States maritime industry that—

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

18 (B) includes a fleet of vessels under United
19 States registry that is adequate to serve as a
20 naval auxiliary in time of war or national emer-
21 gency;

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

24 (D) includes a United States shipbuilding
25 industry with the most modern and efficient fa-
26 cilities.

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

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

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

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

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

17 The Merchant Marine Act, 1936 (46 App. U.S.C.
 18 1101 et seq.), is amended by adding at the end the follow-
 19 ing new title:

20 **"TITLE XIV—NATIONAL COMMISSION ON MARITIME INDUS-**
 21 **TRY COMPETITIVENESS**

22 **"SEC. 1401. ESTABLISHMENT.**

23 "There is established a commission to be known as
 24 the 'National ~~Committee~~ *Commission* to Ensure a Strong

1 and Competitive United States Maritime Industry’ (here-
2 inafter referred to as the ‘Commission’).

3 **“SEC. 1402. FUNCTIONS.**

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

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

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

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

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

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

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

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

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

12 “(2) NATIONAL DEFENSE.—The adequacy of
13 the United States maritime industry to ensure the
14 national defense.

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

21 “(4) IMPEDIMENTS TO A STRONG AND COM-
22 PETITIVE MARITIME INDUSTRY.—Whether the Fed-
23 eral Government should take any legislative or ad-
24 ministrative actions to improve the condition of the
25 United States maritime industry, including whether

1 any changes are needed in the legal and administra-
2 tive policies which govern—

3 “(A) support for United States-flag vessel
4 operations;

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

7 “(C) the regulatory requirements imposed
8 on United States-flag vessels and their opera-
9 tors, including environmental, vessel construc-
10 tion, and safety standards; and

11 “(D) incentives to encourage investment in
12 United States-flag vessel operations and United
13 States shipbuilding.

14 ~~“(4)~~ “(5) INTERNATIONAL MARITIME POLICY.—
15 Whether the policies and strategies followed by the
16 United States in international maritime policy are
17 promoting the ability of the United States maritime
18 industry to achieve long-term competitive success in
19 international markets, including—

20 “(A) the Government’s general negotiating
21 policy;

22 “(B) the desirability of multilateral rather
23 than bilateral negotiations;

1 “(C) the rights granted foreign investors to
2 invest in United States-flag shipping and Unit-
3 ed States shipbuilding; and

4 “(D) the effect of subsidies and other fi-
5 nancial assistance by foreign governments to
6 their vessel operators and shipbuilders.

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

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

11 “(1) 5 voting members and 1 nonvoting mem-
12 ber appointed by the President.

13 “(2) 3 voting members and 3 nonvoting mem-
14 bers appointed by the majority leader of the Senate.

15 “(3) 2 voting members and 2 nonvoting mem-
16 bers appointed by the minority leader of the Senate.

17 “(4) 3 voting members and 3 nonvoting mem-
18 bers appointed by the Speaker of the House of Rep-
19 resentatives.

20 “(5) 2 voting members and 2 nonvoting mem-
21 bers appointed by the minority leader of the House
22 of Representatives.

23 “(b) QUALIFICATIONS.—Voting members appointed
24 pursuant to subsection (a) shall be appointed from among
25 individuals who are experts in commercial shipping, inter-

1 national trade, and related disciplines and who can rep-
2 resent United States-flag vessel operators (including do-
3 mestic passenger vessel operators), seafaring and ship-
4 building labor, shipbuilders, shippers, and the financial
5 community with expertise in maritime matters.

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

8 “(d) VACANCIES.—A vacancy in the Commission
9 shall be filled in the manner in which the original appoint-
10 ment was made.

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

15 “(f) CHAIRMAN.—The President, in consultation with
16 the majority leader of the Senate and the Speaker of the
17 House of Representatives, shall designate the Chairman
18 of the Commission from among its voting members.

19 “(g) COMMISSION PANELS.—The Chairman shall es-
20 tablish such panels consisting of voting members of the
21 Commission as the Chairman determines appropriate to
22 carry out the functions of the Commission.

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

1 “(i) STAFF OF FEDERAL AGENCIES.—Upon request
2 of the Commission, the head of any department or agency
3 of the United States may detail, on a reimbursable basis,
4 any of the personnel of that department or agency to the
5 Commission to assist it in carrying out its duties under
6 this title.

7 “(j) ADMINISTRATIVE SUPPORT SERVICES.—Upon
8 request of the Commission, the Administrator of General
9 Services shall provide to the Commission, on a reimburs-
10 able basis, the administrative support services necessary
11 for the Commission to carry out its duties under this title.

12 “(k) STAFF AND OTHER SUPPORT.—Upon the re-
13 quest of the Commission or a panel of the Commission,
14 the Secretary of Transportation shall provide the Commis-
15 sion or panel with staff and other support to assist the
16 Commission or panel in carrying out its responsibilities.

17 “(l) OBTAINING OFFICIAL DATA.—The Commission
18 may secure directly from any department or agency of the
19 United States information (other than information re-
20 quired by any statute of the United States to be kept con-
21 fidential by such department or agency) necessary for the
22 Commission to carry out its duties under this title. Upon
23 request of the Commission, the head of that department
24 or agency shall furnish such nonconfidential information
25 to the Commission.

1 **“SEC. 1405. REPORT.**

2 “Not later than sixty days after the date on which
3 the initial appointments of members to the Commission
4 are completed, the Commission shall transmit to the Presi-
5 dent and Congress a report on the activities of the Com-
6 mission, including recommendations made by the Commis-
7 sion under section 1402(b).

8 **“SEC. 1406. TERMINATION.**

9 “‘The Commission shall terminate on the 30th day
10 after the date of transmittal of the report under section
11 1405. All records and papers of the Commission shall
12 thereupon be delivered by the Administrator of General
13 Services for deposit in the National Archives.’”.