

**Calendar No. 89**104TH CONGRESS }  
*1st Session* }

SENATE

{ REPORT  
104-67 }**CERTIFICATE OF DOCUMENTATION FOR  
EACH OF TWO VESSELS NAMED "GAL-  
LANT LADY"**

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**R E P O R T**

OF THE

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

ON

**S. 535**

April 18, 1995.—Ordered to be printed

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

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

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## Calendar No. 89

104TH CONGRESS }  
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### CERTIFICATE OF DOCUMENTATION FOR EACH TWO VESSELS NAMED "GALLANT LADY"

APRIL 18, 1995.—Ordered to be printed

Field under authority of the order of the Senate of April 6 (legislative day, April 15), 1995

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

### REPORT

[To accompany S. 535]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 535) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for each of two vessels named *Gallant Lady*, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

#### PURPOSE OF THE LEGISLATION

S. 535, as reported, grants coastwise trading privileges to two vessels named *Gallant Lady*.

#### 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 first vessel named *Gallant Lady*, Feadship hull number 645, is a 130-foot motor yacht that was constructed in the Netherlands in 1992. It was purchased by Southeast Toyota Distributors, Inc. of Deerfield Beach, Florida. The second vessel named *Gallant Lady*, Feadship hull number 651, is a 172-foot motor yacht currently under construction in the Netherlands. It was ordered by James M. Moran, Inc. of Deerfield Beach, Florida. The vessels' owners intend to use them for charity cruises.

Because the vessels were foreign built, the owners have not been able to obtain coastwise trade privileges for the two vessels named *Gallant Lady*. Therefore, they are seeking statutory waivers of the Jones Act for the vessels. These waivers will be rescinded if:

- (a) the vessels named *Gallant Lady* are sold;
- (b) on April 1, 1997, if by that date Mr. Moran fails to enter into a contract with a U.S. shipyard to build a 130-foot passenger vessel; or
- (c) Mr. Moran breaches, rescinds, or terminates such vessel construction contract (other than for completion of the vessel).

#### LEGISLATIVE HISTORY

S. 535 was introduced in the Senate on March 10, 1995, by Senator Graham. In open executive session on March 23, 1995, the Committee considered S. 535 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 the 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 endorse-

ment 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 certificate 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. 535 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 section 12106 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 two vessels named *Gallant Lady*, Feadship hull number 645 and Feadship hull number 651, 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. This coastwise trade endorsement is limited to the carriage of passengers in association with contributions to charitable organizations, no portion of which is received, directly or indirectly, by the vessel's owners. Such certificates of documentation shall expire if:

- (a) the vessels named *Gallant Lady* are sold;
- (b) on April 1, 1997, if by that date Mr. Moran fails to enter into a contract with a U.S. shipyard to build a 130-foot passenger vessel; or
- (c) Mr. Moran breaches, rescinds, or terminates such vessel construction contract (other than for completion of the vessel).

## 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.

