

Calendar No. 492

105TH CONGRESS }
2d Session }

SENATE

{ REPORT
105-262 }

VESTERHAVET

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

on

S. 1732



JULY 23, 1998.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

59-010

WASHINGTON : 1998

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FIFTH CONGRESS

SECOND SESSION

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

REPORT

[To accompany S. 1732]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 1732) “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 VESTERHAVEN”, having considered the same, reports favorably thereon with an amendment and an amendment to the title and recommends that the bill do pass.

PURPOSE OF THE BILL

S. 1732, as reported, grants coastwise trading privileges to the vessel VESTERHAVEN.

BACKGROUND AND NEEDS

Subject to certain limited exceptions, the law known as the Jones Act (section 27 of the Merchant Marine Act of 1920), section 8 of the Act of June 19, 1886, and sections 12106 and 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 those Acts are statutorily waived.

The vessel VESTERHAVEN, United States official number 979206, is a 57-foot sailing trawler that was constructed in Denmark in 1927. It is owned by Mr. Brett C. Snow of Seattle, WA. The owners intend to use the vessel for charters out of west coast ports.

Because the vessel is foreign-built, the owners have not been able to obtain coastwise trade privileges for it. Therefore, the owners are seeking a statutory waiver of the Jones Act for the vessel.

LEGISLATIVE HISTORY

S. 1732 was introduced in the Senate on March 9, 1998, by Senator Gorton. In open executive session on March 12, 1998, the Committee considered S. 1732, and ordered the legislation reported favorably without objection and amended to correct the misspelled name of the vessel.

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 27, 1998.

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

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1732, 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 VESTERHAVET. S. 1732 was ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 12, 1998.

CBO estimates that enacting S. 1732 would have no significant impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 1732 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would not affect the budgets of state, local, or tribal governments.

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. 1732 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 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel VESTERHAVEN, United States official number 979206.

CHANGES IN EXISTING LAW

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

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