

Calendar No. 147

105TH CONGRESS }
1st Session }

SENATE

{ REPORT
105-65

FAR HORIZONS

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

ON

S. 542



SEPTEMBER 2, 1997.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED FIFTH CONGRESS

FIRST SESSION

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SEPTEMBER 2, 1997.—Ordered to be printed

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

REPORT

[To accompany S. 542]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 542) “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 *Far Horizons*,” having considered the same, reports favorably thereon without an amendment and recommends that the bill do pass.

PURPOSE OF THE BILL

S. 542, as reported, grants coastwise trading privileges to the vessel *Far Horizon*.

BACKGROUND AND NEEDS

Subject to certain limited exceptions, the law known as the Jones Act (section 27 of the Merchant Marine Act, 1920), of the Act of June 19, 1886, and sections 12106 and 12108 of section 8 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 Jones Act and title 46 are statutorily waived. The vessel, *Far Horizons*, U.S. official number 1044011, is a 46-foot sailing vessel that was constructed in South Africa in

1993. It is being purchased by Far Horizons, Inc. of South Freeport, Maine. The vessel's owner intends to use it as a kayak training school vessel out of Portland, Maine and the west coast of Florida. The vessel would carry no more than 12 passengers for hire.

Because the vessel was foreign-built, the owner has not been able to obtain coastwise trade privileges for the *Far Horizons*. Therefore, the owner is seeking a statutory waiver of the coastwise trade laws for the vessel.

LEGISLATIVE HISTORY

S. 542 was introduced in the Senate on April 9, 1997, by Senator Snowe. In open executive session on May 1, 1997, the Committee considered S. 542, 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, July 7, 1997.

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. 542, 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 *Far Horizons*. S. 542 was ordered reported by the Senate Committee on Commerce, Science, and Transportation on May 1, 1997.

CBO estimates that enacting S. 542 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. 542 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,

JAMES L. BLUM
(For 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. 542 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 fur-

ther 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 (24 Stat. 81, chapter 421, 46 U.S. Code App. 289), and sections 12106 through 12108 of title 46, U.S. Code, the vessel *Far Horizons*, U.S. official number 1044011, is eligible to engage in the coastwise trade and the Secretary of Transportation may issue a certificate of documentation for such vessel.

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.

