

One Hundred Third Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,
the twenty-fifth day of January, one thousand nine hundred and ninety-four*

An Act

To establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Maritime Heritage Act of 1994".

SEC. 2. FINDINGS.

The Congress finds and declares the following:

(1) The United States is a nation with a rich maritime history, and it is desirable to foster in the American public a greater awareness and appreciation of the role of maritime endeavors in our Nation's history and culture.

(2) The maritime historical and cultural foundations of the Nation should be preserved as a part of our community life and development.

(3) National, State, and local groups have been working independently to preserve the maritime heritage of the United States.

(4) Historic resources significant to the Nation's maritime heritage are being lost or substantially altered, often inadvertently, with increasing frequency.

(5) The preservation of this irreplaceable maritime heritage is in the public interest so that its vital legacy of cultural, educational, aesthetic, inspirational, and economic benefits will be maintained and enriched for future generations of Americans.

(6) The current governmental and nongovernmental historic preservation programs and activities are inadequate to ensure future generations a genuine opportunity to appreciate and enjoy the rich maritime heritage of our Nation.

(7) A coordinated national program is needed immediately to redress the adverse consequences of a period of indifference during which the maritime heritage of the United States has become endangered and to ensure the future preservation of the Nation's maritime heritage.

(8) A national maritime heritage policy would greatly increase public awareness of, and participation in, the preservation of the Nation's maritime heritage.

SEC. 3. NATIONAL MARITIME HERITAGE POLICY.

It shall be the policy of the Federal Government, in partnership with the States and local governments and private organizations and individuals, to—

- (1) use measures, including financial and technical assistance, to foster conditions under which our modern society and our historic maritime resources can exist in productive harmony;
- (2) provide leadership in the preservation of the historic maritime resources of the United States;
- (3) contribute to the preservation of historic maritime resources and give maximum encouragement to organizations and individuals undertaking preservation by private means; and
- (4) assist State and local governments to expand their maritime historic preservation programs and activities.

SEC. 4. NATIONAL MARITIME HERITAGE GRANTS PROGRAM.

(a) ESTABLISHMENT.—There is hereby established within the Department of the Interior the National Maritime Heritage Grants Program, to foster in the American public a greater awareness and appreciation of the role of maritime endeavors in our Nation's history and culture. The Program shall consist of—

- (1) annual grants to the National Trust for Historic Preservation for subgrants administered by the National Trust for maritime heritage education projects under subsection (b);
- (2) grants to State Historic Preservation Officers for maritime heritage preservation projects carried out or administered by those Officers under subsection (c); and
- (3) grants for interim projects under subsection (j).

(b) GRANTS FOR MARITIME HERITAGE EDUCATION PROJECTS.—

(1) GRANTS TO NATIONAL TRUST FOR HISTORIC PRESERVATION.—The Secretary, subject to paragraphs (2), (3), and (4), and the availability of amounts for that purpose under section 6(b)(1)(A), shall make an annual grant to the National Trust for maritime heritage education projects.

(2) USE OF GRANTS.—Amounts received by the National Trust as an annual grant under this subsection shall be used to make subgrants to State and local governments and private nonprofit organizations to carry out education projects which have been approved by the Secretary under subsection (f) and which consist of—

- (A) assistance to any maritime museum or historical society for—
 - (i) existing and new educational programs, exhibits, educational activities, conservation, and interpretation of artifacts and collections;
 - (ii) minor improvements to educational and museum facilities; and
 - (iii) other similar activities;
- (B) activities designed to encourage the preservation of traditional maritime skills, including—
 - (i) building and operation of vessels of all sizes and types for educational purposes;
 - (ii) special skills such as wood carving, sail making, and rigging;
 - (iii) traditional maritime art forms; and

- (iv) sail training;
- (C) other educational activities relating to historic maritime resources, including—
 - (i) maritime educational waterborne-experience programs in historic vessels or vessel reproductions;
 - (ii) maritime archaeological field schools; and
 - (iii) educational programs on other aspects of maritime history;
- (D) heritage programs focusing on maritime historic resources, including maritime heritage trails and corridors;
- or
- (E) the construction and use of reproductions of historic maritime resources for educational purposes, if a historic maritime resource no longer exists or would be damaged or consumed through direct use.

(c) GRANTS FOR MARITIME HERITAGE PRESERVATION PROJECTS.—

(1) GRANTS TO STATE HISTORIC PRESERVATION OFFICES.— The Secretary, acting through the National Maritime Initiative of the National Park Service and subject to paragraphs (2) and (3), and the availability of amounts for that purpose under section 6(b)(1)(B), shall make grants to State Historic Preservation Officers for maritime heritage preservation projects.

(2) USE OF GRANTS.—Amounts received by a State Historic Preservation Officer as a grant under this subsection shall be used by the Officer to carry out or to make subgrants to local governments and private nonprofit organizations to carry out, projects which have been approved by the Secretary under subsection (f) for the preservation of historic maritime resources through—

(A) identification of historic maritime resources, including underwater archaeological sites;

(B) acquisition of historic maritime resources for the purposes of preservation;

(C) repair, restoration, stabilization, maintenance, or other capital improvements to historic maritime resources, in accordance with standards prescribed by the Secretary; and

(D) research, recording (through drawings, photographs, or otherwise), planning (through feasibility studies, architectural and engineering services, or otherwise), and other services carried out as part of a preservation program for historic maritime resources.

(d) CRITERIA FOR DIRECT GRANT AND SUBGRANT ELIGIBILITY.— To qualify for a subgrant from the National Trust under subsection (b), or a direct grant to or a subgrant from a State Historic Preservation Officer under subsection (c), a person must—

(1) demonstrate that the project for which the direct grant or subgrant will be used has the potential for reaching a broad audience with an effective educational program based on American maritime history, technology, or the role of maritime endeavors in American culture;

(2) match the amount of the direct grant or subgrant, on a 1-to-1 basis, with non-Federal assets from non-Federal sources, which may include cash or donated services fairly valued as determined by the Secretary;

(3) maintain records as may be reasonably necessary to fully disclose—

(A) the amount and the disposition of the proceeds of the direct grant or subgrant;

(B) the total cost of the project for which the direct grant or subgrant is made; and

(C) other records as may be required by the Secretary, including such records as will facilitate an effective accounting for project funds;

(4) provide access to the Secretary for the purposes of any required audit and examination of any books, documents, papers, and records of the person; and

(5) be a unit of State or local government, or a private nonprofit organization.

(e) PROCEDURES, TERMS, AND CONDITIONS.—

(1) APPLICATION PROCEDURES.—An application for a subgrant under subsection (b), or a direct grant or subgrant under subsection (c), shall be submitted under procedures prescribed by the Secretary.

(2) TERMS AND CONDITIONS.—A person may not receive a subgrant under subsection (b), or a direct grant or subgrant under subsection (c), unless the person has agreed to assume, after completion of the project for which the direct grant or subgrant is awarded, the total cost of the continued maintenance, repair, and administration of any property for which the subgrant will be used in a manner satisfactory to the Secretary.

(f) REVIEW OF PROPOSALS.—

(1) COMMITTEE RECOMMENDATIONS.—The National Maritime Heritage Grants Committee shall review applications for subgrants under subsection (b), and direct grants or subgrants under subsection (c), and submit recommendations to the Secretary regarding projects which should receive funding under those direct grants and subgrants.

(2) ALLOCATION OF GRANT FUNDING.—To the extent feasible, the Secretary shall ensure that the amount made available under subsection (b) for maritime heritage education projects is equal to the amount made available under subsection (c) for maritime heritage preservation projects.

(3) LIMITATION.—The amount provided by the Secretary in a fiscal year as grants under this section for projects relating to historic maritime resources owned or operated by the Federal Government shall not exceed 40 percent of the total amount available for the fiscal year for grants under this section.

(g) DIRECT GRANTS AND SUBGRANTS PROCESS.—

(1) DIRECT GRANTS AND SUBGRANTS SOLICITATION.—The Secretary shall publish annually in the Federal Register and otherwise as the Secretary considers appropriate—

(A) a solicitation of applications for direct grants and subgrants under this section;

(B) a list of priorities for the making of those direct grants and subgrants;

(C) a single deadline for the submission of applications for those direct grants and subgrants; and

(D) other relevant information.

(2) RECEIPT AND APPROVAL OR DISAPPROVAL OF DIRECT GRANT AND SUBGRANT APPLICATIONS.—Within 60 days after the

submission of recommendations by the Committee to the Secretary under subsection (h)(6), the Secretary shall review and approve or disapprove a direct grant or subgrant for each project recommended by the Committee and provide to the Committee and the applicant the reasons for that approval or disapproval.

(h) DIRECT GRANT AND SUBGRANT ADMINISTRATION.—The National Trust shall be responsible for administering subgrants for maritime heritage education projects under subsection (b), the Secretary shall be responsible for administering direct grants for maritime heritage preservation projects under subsection (c), and the various State Historic Preservation Officers shall be responsible for administering subgrants for maritime heritage preservation projects under subsection (c), by—

(1) publicizing the Program to prospective grantees, subgrantees, and to the public at large, in cooperation with the National Park Service, the Maritime Administration, and other appropriate government agencies and private institutions;

(2) answering inquiries from the public, including providing information on the Program as requested;

(3) distributing direct grant and subgrant applications;

(4) receiving direct grant and subgrant applications and ensuring their completeness;

(5) forwarding the applications to the Committee for review and recommendation;

(6) submitting to the Secretary applications that the Committee recommends should be approved by the Secretary;

(7) keeping records of all direct grant and subgrant awards and expenditures of funds;

(8) monitoring progress of projects carried out with direct grants and subgrants; and

(9) providing to the Secretary such progress reports as may be required by the Secretary.

(i) ASSISTANCE OF MARITIME PRESERVATION ORGANIZATIONS.—The Secretary, the National Trust, and the State Historic Preservation Officers may, individually or jointly, enter into cooperative agreements with any private nonprofit organization with appropriate expertise in maritime preservation issues, or other qualified maritime preservation organizations, to assist in the administration of the Program.

(j) GRANTS FOR INTERIM PROJECTS.—

(1) GRANTS AUTHORITY.—The Secretary, subject to paragraph (3), may use amounts available under section 6(b)(2) to make one or more grants described in paragraph (2).

(2) GRANTS DESCRIBED.—The grants referred to in paragraph (1) are the following:

(A) A grant to the National Museum Association (a nonprofit organization located in San Francisco, California) for payment of expenses directly related to the preservation and restoration of the historic fleet of the San Francisco Maritime National Historical Park, located in San Francisco, California.

(B) A grant to the Virginia V Foundation (a nonprofit organization) for use in restoration and preservation of the historic steamship VIRGINIA V.

(C) A grant to any nonprofit organization which operates and maintains a former hospital ship to be converted

to engage in public health activities, for use in refurbishing and maintaining the ship for those activities.

(D) A grant to the Mariners' Museum (a not-for-profit educational institution located in Newport News, Virginia, for use for expenses directly related to the computerization of the library and archives of that museum, including for the purpose of providing to the public enhanced national access to those materials.

(E) A grant for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to the Center for Maritime and Underwater Resource Management at Michigan State University, for a pilot project to plan, design, implement, and evaluate innovative approaches to management and development of maritime and underwater cultural resources at the following sites: Thunder Bay, the Manitou Passage, Isle Royale National Park, Keweenaw Peninsula, Marquette County, Alger County, Whitefish Point, the Straits of Mackinac, the Thumb Area, and Sanilac Shores.

(3) GRANT CONDITIONS.—The Secretary may not make a grant under this subsection unless the grantee complies with the requirements set forth in paragraphs (1) through (5) of section 4(d).

(k) REPORT TO CONGRESS.—The Secretary shall submit to the Congress, after review by the Committee, an annual report on the Program, including—

(1) a description of each project funded under the Program in the period covered by the report;

(2) the results or accomplishments of each such project;

and

(3) recommended priorities for achieving the policy set forth in section 3.

SEC. 5. NATIONAL MARITIME HERITAGE GRANTS ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is hereby established a National Maritime Heritage Grants Advisory Committee.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall consist of 13 members appointed by the Secretary from among individual members of the public who—

(A) are representatives of various sectors of the maritime community who are knowledgeable and experienced in maritime heritage and preservation;

(B) to the extent practicable, are selected in a manner that ensures regional geographic balance;

(C) to the extent practicable, include a representative of each of the fields of—

(i) small craft preservation;

(ii) large vessel preservation;

(iii) sail training;

(iv) preservation architecture;

(v) underwater archaeology;

(vi) lighthouse preservation;

(vii) maritime education;

(viii) military naval history;

(ix) maritime museums or historical societies;

(x) maritime arts and crafts;

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- (xi) maritime heritage tourism; and
- (xii) maritime recreational resources management;

and

(D) include a member of the general public.

(2) EX OFFICIO MEMBERS.—In addition to the members appointed under paragraph (1), the President of the National Trust and the President of the National Conference of State Historic Preservation Officers (or their respective designees) shall be ex officio voting members of the Committee.

(3) TERM.—The term of a member of the Committee appointed under paragraph (1) shall be 3 years, except that of the members first appointed 4 shall be appointed for an initial term of 1 year and 4 shall be appointed for an initial term of 2 years, as specified by the Secretary at the time of appointment.

(4) COMPLETION OF APPOINTMENTS.—The Secretary shall complete appointment of the members of the Committee under paragraph (1) by not later than 120 days after the date of enactment of this Act.

(5) VACANCIES.—In the case of a vacancy in the membership of the Committee appointed under paragraph (1), the Secretary shall appoint an individual to serve the remainder of the term that is vacant by not later than 60 days after the vacancy occurs.

(c) FEDERAL GOVERNMENT EX OFFICIO MEMBERS.—There shall be ex officio Federal Government members of the Committee as follows:

- (1) At least 1 individual designated by each—
 - (A) the Director of the National Park Service;
 - (B) the Administrator of the Maritime Administration;
 - (C) the Commandant of the Coast Guard;
 - (D) the Secretary of the Navy;
 - (E) the Administrator of the National Oceanic and Atmospheric Administration; and
 - (F) the Advisory Council on Historic Preservation.

(2) Other representatives designated by the heads of such other interested Federal Government agencies as the Secretary considers appropriate.

(d) DUTIES OF THE COMMITTEE.—The duties of the Committee include—

- (1) reviewing direct grant and subgrant proposals and making funding recommendations to the Secretary;
- (2) identifying and advising the Secretary regarding priorities for achieving the policy set forth in section 3;
- (3) reviewing the Secretary's annual report to the Congress under section 4(k); and
- (4) performing any other duties the Secretary considers appropriate.

(e) QUORUM.—Nine members of the Committee shall constitute a quorum for making recommendations on subgrant applications.

(f) APPOINTMENTS PROCESS.—The Secretary shall—

- (1) publicize annually, in the Federal Register and through publications of preservation and maritime organizations, a request for submission of nominations for appointments to the Committee under subsection (b)(1); and
- (2) designate from among the members of the Committee—
 - (A) a Chairman; and

(B) a Vice Chairman who may act in place of the Chairman during the absence or disability of the Chairman or when the office of Chairman is vacant.

(g) COMPENSATION AND TRAVEL EXPENSES.—An individual shall not receive any pay by reason of membership on the Committee. While away from home or regular place of business in the performance of service for the Committee, a member of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as a person employed intermittently in the Government service is allowed expenses under section 5703 of title 5, United States Code.

(h) STAFF OF FEDERAL AGENCIES.—Upon request of the Committee, the Secretary may detail, on a reimbursable basis, any of the personnel of the Department of the Interior to the Committee to assist it in carrying out its duties under this Act.

(i) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Committee, the National Trust shall provide to the Committee the support services necessary for the Committee to carry out its duties under this Act.

(j) RELATIONSHIP TO OTHER LAW.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee, except that meetings of the Committee may be closed to the public by majority vote and section 14(b) of that Act does not apply to the Committee.

(k) TERMINATION.—The Committee shall terminate on September 30, 2000.

SEC. 6. FUNDING.

(a) AVAILABILITY OF FUNDS FROM SALE AND SCRAPPING OF OBSOLETE VESSELS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the amount of funds credited in a fiscal year to the Vessel Operations Revolving Fund established by the Act of June 2, 1951 (46 App. U.S.C. 1241a), that is attributable to the sale of obsolete vessels in the National Defense Reserve Fleet that are scrapped or sold under section 508 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158) shall be available until expended as follows:

(A) 50 percent shall be available to the Administrator of the Maritime Administration for such acquisition, maintenance, repair, reconditioning, or improvement of vessels in the National Defense Reserve Fleet as is authorized under other Federal law.

(B) 25 percent shall be available to the Administrator of the Maritime Administration for the payment or reimbursement of expenses incurred by or on behalf of State maritime academies or the United States Merchant Marine Academy for facility and training ship maintenance, repair, and modernization, and for the purchase of simulators and fuel.

(C) The remainder shall be available to the Secretary to carry out the Program, as provided in subsection (b).

(2) APPLICATION.—Paragraph (1) does not apply to amounts credited to the Vessel Operations Revolving Fund before July 1, 1994.

(b) USE OF AMOUNTS FOR PROGRAM.—

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(1) IN GENERAL.—Except as provided in paragraph (2), of amounts available each fiscal year for the Program under subsection (a)(1)(C)—

(A) $\frac{1}{2}$ shall be used for grants under section 4(b);

and

(B) $\frac{1}{2}$ shall be used for grants under section 4(c).

(2) USE FOR INTERIM PROJECTS.—Amounts available for the Program under subsection (a)(1)(C) that are the proceeds of any of the first 6 obsolete vessels in the National Defense Reserve Fleet that are sold or scrapped after July 1, 1994, under section 508 of the Merchant Marine Act, 1936 (46 U.S.C. 1158) are available to the Secretary for grants for interim projects approved under section 4(j) of this Act.

(3) ADMINISTRATIVE EXPENSES.—

(A) IN GENERAL.—Not more than 15 percent or \$500,000, whichever is less, of the amount available for the Program under subsection (a)(1)(C) for a fiscal year may be used for expenses of administering the Program.

(B) ALLOCATION.—Of the amount available under subparagraph (A) for a fiscal year—

(i) $\frac{1}{2}$ shall be allocated to the National Trust for expenses incurred in administering grants under section 4(b); and

(ii) $\frac{1}{2}$ shall be allocated as appropriate by the Secretary to the National Park Service and participating State Historic Preservation Officers.

(c) DISPOSALS OF VESSELS.—

(1) REQUIREMENT.—The Secretary of Transportation shall dispose of all vessels described in paragraph (2)—

(A) by September 30, 1999;

(B) in a manner that maximizes the return on the vessels to the United States; and

(C) in accordance with the plan of the Department of Transportation for disposal of those vessels and requirements under sections 508 and 510(i) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1158, 1160(i)).

(2) VESSELS DESCRIBED.—The vessels referred to in paragraph (1) are the vessels in the National Defense Reserve Fleet after July 1, 1994, that—

(A) are not assigned to the Ready Reserve Force component of that fleet; and

(B) are not specifically authorized or required by statute to be used for a particular purpose.

(d) TREATMENT OF AMOUNTS AVAILABLE.—Amounts available under this section shall not be considered in any determination of the amounts available to the Department of the Interior.

SEC. 7. DEFINITIONS.

In this Act:

(1) COMMITTEE.—The term “Committee” means the Maritime Heritage Grants Advisory Committee established under section 5.

(2) NATIONAL TRUST.—The term “National Trust” means the National Trust for Historic Preservation created by section 1 of the Act of October 26, 1949 (16 U.S.C. 468).

(3) PRIVATE NONPROFIT ORGANIZATION.—The term “private nonprofit organization” means any person that is exempt from

taxation under section 501(a) of the Internal Revenue Code of 1986 (26 U.S.C. 501(a)) and described in section 501(c)(3) of that Code (26 U.S.C. 501(c)(3)).

(4) PROGRAM.—The term “Program” means the National Maritime Heritage Grants Program established by section 4(a).

(5) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(6) STATE HISTORIC PRESERVATION OFFICER.—The term “State Historic Preservation Officer” means a State Historic Preservation Officer appointed pursuant to paragraph (1)(A) of section 101(b) of the National Historic Preservation Act (16 U.S.C. 470a(b)(1)(A)) by the Governor of a State having a State Historic Preservation Program approved by the Secretary under that section.

SEC. 8. REGULATIONS.

The Secretary, after consultation with the National Trust, the National Conference of State Historic Preservation Officers, and appropriate members of the maritime heritage community, shall promulgate appropriate guidelines, procedures, and regulations within 1 year after the date of enactment of this Act to carry out the Act, including regulations establishing terms of office for the initial membership of the Committee, direct grant and subgrant priorities, the method of solicitation and review of direct grant and subgrant proposals, criteria for review of direct grant and subgrant proposals, administrative requirements, reporting and recordkeeping requirements, and any other requirements the Secretary considers appropriate.

SEC. 9. SAVINGS PROVISION.

The authorities contained in this Act shall be in addition to, and shall not be construed to supercede or modify those contained in the National Historic Preservation Act (16 U.S.C. 470–470x–6).

SEC. 10. AUTHORITY TO CONVEY VESSEL TO THE BATTLE OF THE ATLANTIC HISTORICAL SOCIETY.

(a) IN GENERAL.—Notwithstanding any other law, the Secretary of Transportation may convey the right, title, and interest of the United States Government in and to the vessel S/S AMERICAN VICTORY (Victory Ship VC2–S–AP3; United States official number 248005), or a vessel of a comparable size and class, to the Battle of the Atlantic Historical Society (in this section referred to as “the recipient”), if—

(1) the recipient agrees to use the vessel for the purposes of a Merchant Marine memorial, historical preservation, and educational activities;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government if the Secretary of Transportation requires use of the vessel by the Government for war or a national emergency;

(4) the recipient agrees that when the recipient no longer requires the vessel for use for the purposes described in paragraph (1)—

(A) the recipient will, at the discretion of the Secretary of Transportation, reconvey the vessel to the Government in good condition except for ordinary wear and tear; or

(B) if the recipient has decided to dissolve according to the laws of the State of New York, then—

(i) the recipient shall distribute the vessel, as an asset of the recipient, to a person that is described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and that is exempt from taxation under section 501(a) of that Code (26 U.S.C. 501(a)), or to the Federal Government or a State or local government for a public purpose; and

(ii) the vessel shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the recipient is located, for such purposes as the court shall determine, or to such organizations as the court shall determine are organized exclusively for public purposes;

(5) the recipient agrees to hold the Government harmless for any claims arising from exposure to asbestos after conveyance of the vessel, except for claims arising from use by the Government under paragraph (3) or (4);

(6) the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least \$100,000; and

(7) the recipient is described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and is exempt from taxation under section 501(a) of that Code (26 U.S.C. 501(a)).

(b) **DELIVERY OF VESSEL.**—If a conveyance is made under this section, the Secretary of Transportation shall deliver the vessel at the place where the vessel is located on the date of enactment of this Act, in its present condition, without cost to the Government.

(c) **OTHER UNNEEDED EQUIPMENT.**—The Secretary of Transportation may convey to the recipient any unneeded equipment from other vessels in the National Defense Reserve Fleet for use to restore the S/S AMERICAN VICTORY, or a vessel of a comparable size and class, to museum quality.

(d) **TERMINATION OF AUTHORITY.**—The authority of the Secretary of Transportation under this section to convey a vessel to the Battle of the Atlantic Historical Society shall expire 2 years after the date of enactment of this Act.

(e) **REVERSIONARY INTEREST OF THE UNITED STATES.**—All right, title, and interest in and to a vessel that is conveyed under subsection (a) to and held by the recipient shall revert to the United States at any time that it is finally determined that the recipient is not exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 (26 U.S.C. 501(a)).

SEC. 11. AUTHORITY TO CONVEY VESSEL TO WARSAW, KENTUCKY.

(a) **AUTHORITY TO CONVEY.**—Notwithstanding any other provision of law, the Secretary of Transportation may, subject to subsection (c), convey to the City of Warsaw, Kentucky, without consideration, for use by the City for the promotion of economic development and tourism, all right, title, and interest of the United States in a vessel, including related spare parts and vessel equipment, which—

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(1) is in the National Defense Reserve Fleet on the date of enactment of this Act;

(2) has no usefulness to the United States Government; and

(3) is scheduled to be scrapped.

(b) DELIVERY.—At the request of the City of Warsaw, Kentucky, the Secretary of Transportation is authorized to deliver the vessel referred to in subsection (a)—

(1) at the place where the vessel is located on the date of the approval of the conveyance;

(2) in its condition on that date; and

(3) without cost to the United States Government.

(c) CONDITIONS.—As a condition of any conveyance of a vessel under subsection (a), the Secretary of Transportation shall require that the City—

(1) raise, before the date of the conveyance, at least \$100,000 from non-Federal sources to support the intended use of the vessel;

(2) agree to indemnify the United States for any liability arising from or caused by the vessel after the date of the conveyance of the vessel, including liability—

(A) for personal injury or damage to property;

(B) related to the delivery of the vessel to the City;

and

(C) related to asbestos; and

(3) comply with any other conditions the Secretary considers appropriate.

(d) UNITED STATES NOT LIABLE.—Notwithstanding any other provision of law, the Government of the United States shall not be liable to any person for any liability described in subsection (c)(2).

(e) TERMINATION OF AUTHORITY.—The authority of the Secretary of Transportation under this section to convey a vessel to the City of Warsaw, Kentucky, shall expire 2 years after the date of enactment of this Act.

SEC. 12. AUTHORITY TO CONVEY VESSEL TO ASSISTANCE INTERNATIONAL, INC.

(a) CONVEYANCE.—Notwithstanding any other law, the Secretary of Transportation may convey, without compensation and by not later than September 30, 1996, all right, title, and interest of the United States Government in and to the vessels L.S.T. TIOGA COUNTY, R.V. LYNCH, and L.S.T. LORRAINE COUNTY, including related spare parts and vessel equipment, to the nonprofit corporation Assistance International, Inc. (hereinafter in this section referred to as the “recipient”), for use in emergencies, vocational training, and economic development programs.

(b) CONDITIONS.—As a condition of any vessel conveyance under this section the Secretary of Transportation shall require the recipient to—

(1) agree to use the vessel solely for nonprofit activities;

(2) agree to not use the vessel for commercial transportation purposes in competition with any United States-flag vessel;

(3) agree to make the vessel available to the Government whenever use of the vessel is required by the Government;

(4) agree that, whenever the recipient no longer requires the use of the vessel for its nonprofit activities, the recipient shall—

(A) at the discretion of the Secretary of Transportation, reconvey the vessel to the Government in as good a condition as when it was received from the Government, except for ordinary wear and tear; and

(B) deliver the vessel to the Government at the place where the vessel was delivered to the recipient;

(5) agree to hold the Government harmless for any claim arising after conveyance of the vessel, except for claims against the Government arising during the use of the vessel by the Government under paragraph (3) or (4);

(6) have available at least \$100,000 from non-Federal sources to support the intended uses of the vessel; and

(7) agree to any other conditions the Secretary of Transportation considers appropriate.

(c) DELIVERY.—The Secretary of Transportation shall deliver each vessel conveyed under this section to the recipient—

(1) at the place where the vessel is located on the date of enactment of this Act;

(2) in its condition on July 25, 1991, except for ordinary wear and tear occurring after that date; and

(3) without cost to the Government.

(d) TERMINATION OF AUTHORITY.—The Authority of the Secretary of Transportation under this section to convey vessels to Assistance International, Inc., shall expire 2 years after the date of enactment of this Act.

SEC. 13. AUTHORITY TO CONVEY VESSEL TO THE RIO GRANDE MILITARY MUSEUM.

(a) IN GENERAL.—Notwithstanding any other law, the Secretary of Transportation may convey the right, title, and interest of the United States Government in and to the vessel USS SPHINX (ARL-24), to the Rio Grande Military Museum (a not-for-profit corporation, hereinafter in this section referred to as the “recipient”) for use as a military museum, if—

(1) the recipient agrees to use the vessel as a nonprofit military museum;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government when the Secretary of Transportation requires use of the vessel by the Government;

(4) the recipient agrees that when the recipient no longer requires the vessel for use as a military museum—

(A) the recipient will at the discretion of the Secretary of Transportation, reconvey the vessel to the Government in good condition except for ordinary wear and tear; or

(B) if the Board of Directors of the recipient has decided to dissolve the recipient according to the laws of the State of Texas, then—

(i) the recipient shall distribute the vessel, as an asset of the recipient, to a person that has been determined exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code, or to

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the Federal Government or a State or local government for a public purpose; and

(ii) the vessel shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the recipient is located, for such purposes as the court shall determine, or to such organizations as the court shall determine are organized exclusively for public purposes;

(5) the recipient agrees to hold the Government harmless for any claims arising from exposure to asbestos after conveyance of the vessel, except for claims arising from use by the Government under paragraph (3) or (4); and

(6) the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least \$100,000.

(b) DELIVERY OF VESSEL.—If a conveyance is made under this section, the Secretary of Transportation shall deliver the vessel at the place where the vessel is located on the date of enactment of this Act, in its present condition, without cost to the Government.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary of Transportation may also convey any unneeded equipment from other vessels in the National Defense Reserve Fleet in order to restore the USS SPHINX (ARL-24) to museum quality.

(d) TERMINATION OF AUTHORITY.—The authority of the Secretary of Transportation under this section to convey a vessel to the Rio Grande Military Museum shall expire 2 years after the date of enactment of this Act.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*