

118TH CONGRESS
2D SESSION

H. R. 9013

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2024

Ms. MATSUI (for herself, Mr. MULLIN, and Mr. TAKANO) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Transportation and Infrastructure, Science, Space, and Technology, Ways and Means, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “International Maritime
5 Pollution Accountability Act of 2024”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

(1) the greenhouse gas emissions from the marine shipping industry—

(A) account for nearly 3 percent of total global anthropogenic carbon dioxide emissions; and

(B) are increasing rapidly;

(2) the International Maritime Organization has failed to require emissions reductions with respect to marine shipping that are consistent with global decarbonization targets; and

(3) ports are a large source of air pollution and contribute to poor air quality in the neighborhoods surrounding the ports, leading to worse health outcomes for those who live in those neighborhoods.

SEC. 3. DEFINITIONS.

In this Act:

(1) **ADMINISTRATOR.**—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) **CALENDAR QUARTER.**—The term “calendar quarter” means a period of 3 calendar months that ends on, as applicable, March 31, June 30, September 30, or December 31 of the applicable calendar year.

1 (3) CARGO OR FREIGHT.—The term “cargo or
2 freight” does not include—

3 (A) passengers transported for compensa-
4 tion or hire;

5 (B) fuel intended for use in propelling or
6 powering a vessel;

7 (C) ship’s stores;

8 (D) sea stores; or

9 (E) the legitimate equipment necessary to
10 the operation of a vessel.

11 (4) COVERED VOYAGE.—

12 (A) IN GENERAL.—The term “covered voy-
13 age” means a voyage—

14 (i) made using a self-propelled vessel
15 of 10,000 gross tonnage or more, the pri-
16 mary purpose of which is transporting
17 cargo or freight; and

18 (ii) that begins when the vessel leaves
19 the port of origin and terminates when the
20 offloading operations at the final port of
21 call are completed.

22 (B) EXCEPTIONS.—The term “covered
23 voyage” does not include a voyage—

24 (i) that has been included as an OCS
25 source (as defined in subsection (a)(4) of

1 section 328 of the Clean Air Act (42
2 U.S.C. 7627)) because the voyage has the
3 potential to emit any air pollutant as de-
4 scribed in subparagraph (C)(i) of that sub-
5 section and is, as a result, regulated pursu-
6 ant to that section; or

7 (ii) made for the purposes of trans-
8 porting military cargo, food aid, or sup-
9 plies for disaster or emergency relief.

10 (5) CRITERIA AIR POLLUTANT.—The term “cri-
11 teria air pollutant” is within the meaning of the
12 Clean Air Act (42 U.S.C. 7401 et seq.).

13 (6) EXCLUSIVE ECONOMIC ZONE.—The term
14 “exclusive economic zone” has the meaning given
15 the term in section 107 of title 46, United States
16 Code.

17 (7) FINAL PORT OF CALL.—The term “final
18 port of call”, with respect to a covered voyage,
19 means, as applicable—

20 (A) the port in the United States where
21 the vessel making the covered voyage offloaded
22 the last of the cargo or freight of the vessel ul-
23 timately bound for the United States that was
24 onboard the vessel on departure from the port
25 of origin; or

1 (B) if the last of the cargo or freight of the
2 vessel ultimately bound for the United States
3 that was onboard the vessel on departure from
4 the port of origin is offloaded in a foreign port,
5 the most recent port of call in the United
6 States prior to offloading the last of the cargo
7 or freight of the vessel that is ultimately bound
8 for the United States.

9 (8) IMPORTER.—The term “importer” means 1
10 of the parties that qualifies as an importer of record
11 under section 484(a)(2)(B) of the Tariff Act of
12 1930 (19 U.S.C. 1484(a)(2)(B)).

13 (9) INTERMEDIATE PORT.—The term “inter-
14 mediate port”, with respect to a covered voyage,
15 means each foreign port of call of the vessel of the
16 covered voyage between the port of origin and the
17 initial port of call of the vessel in the United States.

18 (10) INTERNAL WATERS.—The term “internal
19 waters” has the meaning given the term in section
20 2.24 of title 33, Code of Federal Regulations (or
21 successor regulations).

22 (11) PORT OF ORIGIN.—

23 (A) IN GENERAL.—The term “port of ori-
24 gin”, with respect to a covered voyage, means
25 the first port of the vessel making the covered

1 voyage after departing which a majority (by
2 mass) of the cargo or freight of the vessel is ul-
3 timately bound for the United States.

4 (B) CLARIFICATION.—In the case in which
5 a vessel, after departing a final port of call for
6 a covered voyage, is carrying cargo the majority
7 (by mass) of which is ultimately bound for the
8 United States—

9 (i) the vessel shall be considered to be
10 making a new covered voyage; and

11 (ii) the term “port of origin” for the
12 new covered voyage shall be considered to
13 be the same as the final port of call for the
14 previous covered voyage.

15 (12) TERRITORIAL SEA.—The term “territorial
16 sea” has the meaning given the term in section 2.22
17 of title 33, Code of Federal Regulations (or suc-
18 cessor regulations).

19 (13) ULTIMATELY BOUND FOR THE UNITED
20 STATES.—The term “ultimately bound for the
21 United States”, with respect to cargo or freight, in-
22 cludes—

23 (A) all cargo or freight that is offloaded in
24 the United States by a vessel making a covered
25 voyage; and

- 1 (B) all cargo or freight that is—
2 (i) initially offloaded at an inter-
3 mediate port; and
4 (ii) subsequently transported to the
5 United States by sea, land, or air.

6 **SEC. 4. REPORTING REQUIREMENTS.**

7 (a) IN GENERAL.—Beginning on January 1, 2025,
8 the operator of each covered voyage shall submit to the
9 Administrator, the Commandant of the Coast Guard, and
10 the Commissioner of U.S. Customs and Border Protection
11 the information described in subsection (b).

12 (b) INFORMATION DESCRIBED.—The information re-
13 ferred to in subsection (a), with respect to a covered voy-
14 age, is—

- 15 (1) the port of origin;
16 (2) the total distance traveled from the port of
17 origin to the final port of call;
18 (3) the total time spent traveling between the
19 port of origin and the final port of call;
20 (4) the total mass of each type of fuel con-
21 sumed between the port of origin and the final port
22 of call;
23 (5) the total mass of cargo or freight trans-
24 ported between the port of origin and the final port
25 of call;

1 (6) each port of call in the United States;

2 (7) each intermediate port;

3 (8) the final port of call;

4 (9) the mass of cargo or freight on board the
5 applicable vessel on leaving the port of origin;

6 (10) the percentage of cargo or freight (by
7 mass) offloaded or unloaded at any intermediate
8 port, as compared to the capacity of the applicable
9 vessel and the load of the applicable vessel;

10 (11) the ultimate destination (by country) of
11 cargo or freight offloaded at intermediate ports;

12 (12) the mass of cargo or freight on board the
13 applicable vessel on arrival at or departure from, as
14 applicable, each port of call in the United States;

15 (13) the total time spent in each port of call in
16 the United States;

17 (14) the total period of time that the applicable
18 vessel is connected to and reliant on the electrical
19 grid while in port at a port of call in the United
20 States;

21 (15) the total mass of each type of fuel con-
22 sumed—

23 (A) in any port of call in the United
24 States; and

1 (B) within the exclusive economic zone, the
 2 territorial sea, and the internal waters of the
 3 United States;

4 (16) the total period of time spent—

5 (A) north of 60 degrees north latitude; or

6 (B) south of 60 degrees south latitude;

7 (17) for each period described in paragraph
 8 (16), the total mass of each type of fuel consumed
 9 during that period; and

10 (18) any other information that the Adminis-
 11 trator, the Commandant of the Coast Guard, and
 12 the Commissioner of U.S. Customs and Border Pro-
 13 tection, in conjunction with the Secretary of the
 14 Treasury, determines is necessary to accurately de-
 15 termine the amount of the fees assessed under sec-
 16 tions 5 and 6.

17 (c) DEADLINE.—The operator of a covered voyage
 18 shall submit the information required under subsection (a)
 19 for each covered voyage of the operator that ended during
 20 a calendar quarter by not later than 30 days after the
 21 end of that calendar quarter.

22 **SEC. 5. FEE ON LIFECYCLE CARBON DIOXIDE-EQUIVALENT**
 23 **EMISSIONS FROM CARGO VESSELS.**

24 (a) LIFECYCLE CO₂-E EMISSIONS PROFILE FOR
 25 MARITIME FUELS.—Not later than January 1, 2025, the

1 Administrator shall develop a lifecycle carbon dioxide-
2 equivalent (CO₂-e) emissions profile for each fuel used in
3 maritime shipping to express the emissions from the com-
4 bustion of that fuel in carbon dioxide-equivalent per unit
5 mass combusted.

6 (b) ASSESSMENT OF FEE.—

7 (1) IN GENERAL.—Beginning on January 1,
8 2025, not later than 30 days after the date on which
9 the Administrator receives from the operator of a
10 covered voyage the information required to be sub-
11 mitted under section 4(a), the Administrator, in con-
12 junction with the Secretary of the Treasury, shall
13 assess on the operator a fee with respect to the cov-
14 ered voyage in an amount determined in accordance
15 with paragraph (2).

16 (2) AMOUNT OF FEE.—

17 (A) IN GENERAL.—Subject to subpara-
18 graph (B) and subsection (d), the amount of a
19 fee assessed under paragraph (1) with respect
20 to a covered voyage shall be the total sum of,
21 for each type of fuel consumed during the cov-
22 ered voyage, the product obtained by multi-
23 plying—

24 (i) the total mass of the fuel con-
25 sumed during the covered voyage;

1 (ii) the carbon dioxide-equivalent
2 emissions of the fuel, expressed in metric
3 tons per unit mass of fuel consumed, as
4 determined under subsection (a); and

5 (iii) \$150.

6 (B) ADJUSTMENTS.—

7 (i) INFLATION.—Beginning in cal-
8 endar year 2026, the Administrator shall
9 annually increase the amount described in
10 subparagraph (A)(iii) by the percentage
11 that is equal to the sum obtained by add-
12 ing—

13 (I) the rate of inflation, as deter-
14 mined by the Administrator using the
15 changes for the 12-month period end-
16 ing the preceding November 30 in the
17 Consumer Price Index for All Urban
18 Consumers published by the Bureau
19 of Labor Statistics of the Department
20 of Labor; and

21 (II) 5 percentage points.

22 (ii) VOYAGES IN POLAR REGIONS.—
23 For any portion of a covered voyage that
24 involves travel north of 60 degrees north
25 latitude or south of 60 degrees south lati-

1 tude, the amount described in subpara-
2 graph (A)(iii) with respect to fuel con-
3 sumed during that portion of the voyage,
4 after adjustment under clause (i), if appli-
5 cable, shall be tripled.

6 (3) DEADLINE.—A fee assessed under para-
7 graph (1) shall be due and payable to the Adminis-
8 trator not later than the later of—

9 (A) the date that is 30 days after the date
10 on which the fee is assessed; and

11 (B) the end of the calendar year in which
12 the fee is assessed.

13 (4) PENALTY.—

14 (A) IN GENERAL.—If an operator fails to
15 pay a fee assessed under paragraph (1) by the
16 date described in paragraph (3)—

17 (i) the Administrator shall inform the
18 Commandant of the Coast Guard of the
19 failure of the operator to pay the fee; and

20 (ii) subject to subparagraph (B), the
21 Commandant of the Coast Guard shall,
22 until the Administrator informs the Com-
23 mandant of the Coast Guard that all out-
24 standing fees assessed under paragraph (1)
25 have been paid, prohibit—

1 (I) the operator from operating
2 within the waters of the United
3 States; and

4 (II) vessels of the operator from
5 docking at ports of call in the United
6 States.

7 (B) EXCEPTION.—Clause (ii) of subpara-
8 graph (A) shall not apply in circumstances that
9 would jeopardize the safety of a vessel, the per-
10 sons aboard that vessel, or the environment.

11 (c) ALTERNATE FEE FOR IMPORTED CARGO.—

12 (1) DEFINITION OF QUALIFIED IMPORTING
13 VOYAGE.—In this subsection, the term “qualified im-
14 porting voyage” means a voyage made using a ves-
15 sel—

16 (A) the primary purpose of which is trans-
17 porting cargo or freight; and

18 (B) that, at a foreign port of call, offloads
19 cargo or freight that is ultimately intended to
20 be transported to the United States by sea,
21 land, or air.

22 (2) REQUIREMENTS.—

23 (A) REPORTING.—

24 (i) IN GENERAL.—Beginning on Janu-
25 ary 1, 2025, each importer for which a

1 qualified importing voyage has cargo or
2 freight that is bound for the United States
3 shall submit to the Administrator the in-
4 formation described in subsection (b) of
5 section 4 in accordance with that section
6 (except as otherwise provided in clause
7 (ii)).

8 (ii) TREATMENT.—For purposes of
9 clause (i), any reference contained in sec-
10 tion 4(b) to—

11 (I) the “final port of call” shall
12 be considered to be a reference to the
13 foreign port of call within which the
14 cargo or freight of the importer was
15 offloaded from the vessel;

16 (II) the “covered voyage” shall
17 be considered to be a reference to the
18 qualified importing voyage; and

19 (III) the “port of origin” shall be
20 considered to be a reference to the
21 port at which the cargo or freight
22 bound for the United States was
23 onboarded.

24 (B) FEE.—

1 (i) IN GENERAL.—Beginning on Janu-
2 ary 1, 2025, not later than 30 days after
3 the date on which the Administrator re-
4 ceives from an importer described in sub-
5 paragraph (A)(i) the information required
6 to be submitted under that subparagraph,
7 the Administrator, in conjunction with the
8 Secretary of the Treasury, shall assess on
9 the importer the fee described in sub-
10 section (b) in accordance with that sub-
11 section, but the amount of that fee shall be
12 adjusted as follows:

13 (I) The amount of the fee shall
14 be prorated for the share (by mass) of
15 the cargo or freight on the vessel
16 making the qualified importing voyage
17 that is ultimately bound for the
18 United States that is being imported
19 by the importer.

20 (II) After the adjustment de-
21 scribed in subclause (I), the amount
22 of the fee shall be reduced by the
23 amount of the fee, if any, otherwise
24 assessed on the qualified importing
25 voyage pursuant to subsection (b).

1 (ii) TREATMENT.—For purposes of
2 clause (i), any reference in subsection (b)
3 to the “covered voyage” shall be considered
4 to be a reference to the qualified importing
5 voyage.

6 (C) DEADLINES.—

7 (i) IN GENERAL.—An importer de-
8 scribed in subparagraph (A)(i) may not
9 import the cargo or freight from a quali-
10 fied importing voyage into the United
11 States until the importer—

12 (I) submits the information re-
13 quired under subparagraph (A); and

14 (II) pays the fee assessed under
15 subparagraph (B).

16 (ii) PENALTY.—Notwithstanding any
17 other provision of law, if, at the time of
18 importation of the cargo or freight from a
19 qualifying importing voyage into the
20 United States, an importer described in
21 subparagraph (A)(i) cannot provide proof
22 of payment of the fee assessed under sub-
23 paragraph (B), the Commissioner of U.S.
24 Customs and Border Protection shall seize
25 the cargo or freight until the Adminis-

1 trator informs the Commissioner of U.S.
2 Customs and Border Protection that all
3 outstanding fees assessed under subpara-
4 graph (B) have been paid.

5 (d) RECOGNITION OF FOREIGN POLLUTION FEES.—

6 If a vessel with cargo or freight ultimately bound for the
7 United States, or an operator of such a vessel, is subject
8 to a pollution-based fee by the country of the port of origin
9 of the vessel, any fee assessed on the operator of the vessel
10 or an importer with cargo or freight on that vessel under
11 this section shall be—

12 (1) if the fee from the other country is equal
13 to or more than 50 percent of the fee that would
14 otherwise be assessed under this section, reduced by
15 50 percent; and

16 (2) if the fee from the other country is less
17 than 50 percent of the fee that would otherwise be
18 assessed under this section, reduced by an amount
19 equal to the amount of the fee from the other coun-
20 try.

21 (e) SUNSET PROVISION.—This section ceases to
22 apply on the date on which the Administrator publishes
23 in the Federal Register a determination that the Inter-
24 national Maritime Organization or another agency of the
25 United Nations has instituted and is enforcing a global

1 fee on lifecycle carbon dioxide-equivalent emissions from
2 operators of covered voyages that is in an amount equal
3 to or greater than the fees assessed for a covered voyage
4 under this section.

5 **SEC. 6. FEES ON CRITERIA AIR POLLUTANTS.**

6 (a) EMISSIONS PROFILE.—Not later than January 1,
7 2025, the Administrator shall develop a lifecycle emissions
8 profile for each fuel used in maritime shipping to express
9 the emissions from the combustion of that fuel of each
10 of nitrogen oxides, sulfur dioxide, and fine particulate
11 matter (PM_{2.5}) per unit mass combusted.

12 (b) ASSESSMENT OF FEE.—

13 (1) IN GENERAL.—Beginning on January 1,
14 2025, not later than 30 days after the date on which
15 the Administrator receives from the operator of a
16 covered voyage the information required to be sub-
17 mitted under section 4(a), the Administrator, in con-
18 junction with the Secretary of the Treasury, shall
19 assess on the operator a fee with respect to the cov-
20 ered voyage in an amount determined in accordance
21 with paragraph (2).

22 (2) AMOUNT OF FEE.—

23 (A) IN GENERAL.—Subject to subpara-
24 graph (B), the amount of a fee assessed under
25 paragraph (1) shall be the total sum of, for

1 each type of fuel consumed during the covered
2 voyage—

3 (i) the product obtained by multi-
4 plying—

5 (I) the total mass of the fuel con-
6 sumed during the covered voyage
7 within the exclusive economic zone,
8 the territorial sea, and the internal
9 waters of the United States;

10 (II) the quantity of nitrogen ox-
11 ides emitted by the consumption of
12 the fuel, expressed in pounds per unit
13 mass of fuel consumed, as determined
14 under subsection (a); and

15 (III) \$6.30;

16 (ii) the product obtained by multi-
17 plying—

18 (I) the total mass of the fuel con-
19 sumed during the covered voyage
20 within the exclusive economic zone,
21 the territorial sea, and the internal
22 waters of the United States;

23 (II) the quantity of sulfur dioxide
24 emitted by the consumption of the
25 fuel, expressed in pounds per unit

1 mass of fuel consumed, as determined
2 under subsection (a); and

3 (III) \$18; and

4 (iii) the product obtained by multi-
5 plying—

6 (I) the total mass of the fuel con-
7 sumed during the covered voyage
8 within the exclusive economic zone,
9 the territorial sea, and the internal
10 waters of the United States;

11 (II) the quantity of fine particu-
12 late matter emitted by the consump-
13 tion of the fuel, expressed in pounds
14 per unit mass of fuel consumed, as
15 determined under subsection (a); and

16 (III) \$38.90.

17 (B) INFLATION ADJUSTMENT.—Beginning
18 in calendar year 2026, the Administrator shall
19 annually increase the amounts described in
20 clauses (i)(III), (ii)(III), and (iii)(III) of sub-
21 paragraph (A) by the percentage that is equal
22 to the sum obtained by adding—

23 (i) the rate of inflation, as determined
24 by the Administrator using the changes for
25 the 12-month period ending the preceding

1 November 30 in the Consumer Price Index
2 for All Urban Consumers published by the
3 Bureau of Labor Statistics of the Depart-
4 ment of Labor; and

5 (ii) 5 percentage points.

6 (3) DEADLINE.—A fee assessed under para-
7 graph (1) shall be due and payable to the Adminis-
8 trator not later than the later of—

9 (A) the date that is 30 days after the date
10 on which the fee is assessed; and

11 (B) the end of the calendar year in which
12 the fee is assessed.

13 (4) PENALTY.—

14 (A) IN GENERAL.—If an operator fails to
15 pay a fee assessed under paragraph (1) by the
16 date described in paragraph (3)—

17 (i) the Administrator shall inform the
18 Commandant of the Coast Guard of the
19 failure of the operator to pay the fee; and

20 (ii) subject to subparagraph (B), the
21 Commandant of the Coast Guard shall,
22 until the Administrator informs the Com-
23 mandant of the Coast Guard that all out-
24 standing fees assessed under paragraph (1)
25 have been paid, prohibit—

1 (I) the operator from operating
2 within the waters of the United
3 States; and

4 (II) vessels of the operator from
5 docking at ports of call in the United
6 States.

7 (B) EXCEPTION.—Clause (ii) of subpara-
8 graph (A) shall not apply in circumstances that
9 would jeopardize the safety of a vessel, the per-
10 sons aboard that vessel, or the environment.

11 **SEC. 7. DECARBONIZING SHIPPING AND PORTS.**

12 (a) MODERNIZING THE JONES ACT FLEET.—

13 (1) DEFINITIONS.—In this subsection:

14 (A) ADMINISTRATOR.—The term “Admin-
15 istrator” means the Administrator of the Mari-
16 time Administration.

17 (B) JONES ACT VESSEL.—The term
18 “Jones Act vessel” means a documented vessel
19 (as defined in section 106 of title 46, United
20 States Code) with a coastwise endorsement
21 under section 12112 of that title.

22 (C) LOW-CARBON FUEL.—The term “low-
23 carbon fuel” means a marine fuel the lifecycle
24 carbon dioxide-equivalent emissions of which is

1 at least 90 percent less than the lifecycle carbon
2 dioxide-equivalent emissions of marine fuel oil.

3 (D) PROGRAM.—The term “program”
4 means the program established under para-
5 graph (2).

6 (E) VESSEL OF THE UNITED STATES.—
7 The term “vessel of the United States” has the
8 meaning given the term in section 116 of title
9 46, United States Code.

10 (2) ESTABLISHMENT.—For fiscal year 2027
11 and each fiscal year thereafter, there are appro-
12 priated, out of any funds in the Treasury not other-
13 wise appropriated, to the Maritime Administration
14 an amount equal to 25 percent of the amounts col-
15 lected pursuant to fees assessed under sections 5
16 and 6 during the previous calendar year to award
17 grants, rebates, and low-interest loans, as deter-
18 mined appropriate by the Administrator, to eligible
19 entities—

20 (A) to replace existing Jones Act vessels
21 that use marine fuel oil for propulsion power
22 with vessels that are exclusively propelled using
23 batteries, low-carbon fuels, or other zero-emis-
24 sions technologies; or

1 (B) to retrofit existing Jones Act vessels
2 that use marine fuel oil for propulsion power
3 into vessels that are exclusively propelled using
4 batteries, low-carbon fuels, or other zero-emis-
5 sions technologies.

6 (3) MODELED OFF DIESEL EMISSIONS REDUC-
7 TION ACT.—To the extent practicable, the Adminis-
8 trator shall develop an application process, provide
9 public notification, inform eligible entities of zero-
10 emissions technologies, and submit to Congress an
11 evaluation and report on the efficacy of the program
12 in a manner similar to the national grant program
13 of the Administrator of the Environmental Protec-
14 tion Agency under subtitle G of title VII of the En-
15 ergy Policy Act of 2005 (42 U.S.C. 16131 et seq.).

16 (4) ELIGIBLE ENTITIES.—An entity eligible for
17 an award under the program is an owner of a Jones
18 Act vessel that currently uses marine fuel oil for
19 propulsion power.

20 (5) SELECTION.—

21 (A) APPLICATION.—An eligible entity seek-
22 ing an award under the program shall submit
23 to the Administrator an application at such
24 time, in such manner, and containing such in-
25 formation as the Administrator may require,

1 which shall include a certification that an award
2 under the program will be used, as applicable—

3 (i) to purchase, or enter into a con-
4 tract for the construction of, a vessel that
5 exclusively uses a battery or low-carbon
6 fuels for all propulsion power; or

7 (ii) to retrofit an existing Jones Act
8 vessel that uses marine fuel oil for propul-
9 sion power into a vessel that is propelled
10 using batteries or low-carbon fuels.

11 (B) PRIORITY.—In selecting the recipients
12 of awards under the program, the Adminis-
13 trator shall give priority to entities the replace-
14 ment or retrofit of whose vessels would—

15 (i) maximize the reduction of green-
16 house gas emissions;

17 (ii) maximize the public health bene-
18 fits from the reduction of criteria air pol-
19 lutants;

20 (iii) maximize water quality in ports
21 and other bodies of water;

22 (iv) maximize public health and envi-
23 ronmental benefits from every dollar spent
24 under the program; and

1 (v) alleviate air pollution in poor air
2 quality areas, including—

3 (I) areas identified by the Ad-
4 ministrator of the Environmental Pro-
5 tection Agency as in nonattainment or
6 maintenance of national ambient air
7 quality standards promulgated under
8 section 109 of the Clean Air Act (42
9 U.S.C. 7409) for criteria air pollut-
10 ants; and

11 (II) other areas that receive a
12 disproportionate quantity of air pollu-
13 tion, as determined by the Adminis-
14 trator of the Environmental Protec-
15 tion Agency.

16 (6) CLAWBACK.—If the Administrator deter-
17 mines that the recipient of an award under the pro-
18 gram has violated the certification required under
19 paragraph (5)(A), the Administrator shall seek reim-
20 bursement of the full amount of the award provided
21 to the recipient.

22 (7) MODERNIZING VESSELS OF THE UNITED
23 STATES.—If the Administrator determines that no
24 existing Jones Act vessels are eligible to receive
25 funding under the program, for the duration of that

determination, paragraphs (2) through (6) shall be applied by substituting “vessel of the United States” for “Jones Act vessel”.

(8) PROGRAM ADMINISTRATION.—Of the amounts made available under paragraph (2) each fiscal year, the Administrator may use not more than 1 percent for the management and oversight of the program.

(b) RESEARCH AND DEVELOPMENT FOR LOW-CARBON MARITIME FUELS AND LOW-EMISSION MARITIME TECHNOLOGIES.—

(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term “eligible entity” means—

(A) a State (including the District of Columbia and territories of the United States), regional, local, or Tribal government;

(B) a maritime shipping or logistics company;

(C) a port authority;

(D) an accredited institution of higher education;

(E) a research institution;

(F) a person engaged in the production, transportation, blending, or storage of sustainable maritime fuel in the United States or feed-

1 stocks in the United States that may be used
2 to produce sustainable maritime fuel;

3 (G) a person engaged in the development,
4 demonstration, or application of low-emission
5 maritime technologies; and

6 (H) a nonprofit entity or nonprofit consor-
7 tium with experience in sustainable maritime
8 fuels, low-emission maritime technologies, or
9 other clean transportation research programs.

10 (2) ESTABLISHMENT.—For fiscal year 2027
11 and each fiscal year thereafter, there are appro-
12 priated, out of any funds in the Treasury not other-
13 wise appropriated, to the Department of Energy an
14 amount equal to 25 percent of the amounts collected
15 pursuant to fees assessed under sections 5 and 6
16 during the previous calendar year to award competi-
17 tive grants to eligible entities to carry out projects
18 in the United States—

19 (A) to produce, transport, blend, or store
20 low-carbon maritime fuels; or

21 (B) to develop, demonstrate, or apply low-
22 emission maritime technologies.

23 (3) PRIORITY.—In awarding grants under the
24 program established under paragraph (2), the Sec-

1 retary of Energy shall give priority to projects that
2 maximize—

3 (A) the domestic production and deploy-
4 ment of sustainable maritime fuels or the use of
5 low-emission maritime technologies in commer-
6 cial maritime;

7 (B) reductions in greenhouse gas emis-
8 sions;

9 (C) public health benefits from criteria air
10 pollutant reductions;

11 (D) water quality in ports and other bodies
12 of water;

13 (E) public health and environmental bene-
14 fits from every dollar spent under that pro-
15 gram; and

16 (F) the creation of new jobs in the United
17 States.

18 (4) PROGRAM ADMINISTRATION.—Of the
19 amounts made available under paragraph (2) each
20 fiscal year, the Administrator may use not more
21 than 1 percent for the management and oversight of
22 the program established under that paragraph.

23 (c) WORKFORCE DEVELOPMENT.—

24 (1) DEFINITIONS.—In this subsection:

1 (A) LOW-CARBON FUEL.—The term “low-
2 carbon fuel” means a marine fuel the lifecycle
3 carbon dioxide-equivalent emissions of which is
4 at least 90 percent less than the lifecycle carbon
5 dioxide-equivalent emissions of marine fuel oil.

6 (B) MARITIME ACADEMY.—The term
7 “maritime academy” means—

8 (i) the United States Merchant Ma-
9 rine Academy;

10 (ii) a State maritime academy; and

11 (iii) a center of excellence for domestic
12 maritime workforce training and education
13 designated under section 51706(a) of title
14 46, United States Code.

15 (C) PROGRAM.—The term “program”
16 means the program established under para-
17 graph (2).

18 (D) ZERO-EMISSION PORT EQUIPMENT OR
19 TECHNOLOGY.—The term “zero-emission port
20 equipment or technology” has the meaning
21 given the term in section 133(d) of the Clean
22 Air Act (42 U.S.C. 7433(d)).

23 (2) ESTABLISHMENT.—For fiscal year 2027
24 and each fiscal year thereafter, there are appro-
25 priated, out of any funds in the Treasury not other-

1 wise appropriated, to the Environmental Protection
2 Agency an amount equal to 5 percent of the
3 amounts collected pursuant to fees assessed under
4 sections 5 and 6 during the previous calendar year
5 to award grants and rebates to support workforce
6 training and development for the maintenance and
7 operation of zero-emission port equipment or tech-
8 nology and vessels that are propelled using batteries
9 or low-carbon fuels, including training, program-
10 ming, and curriculum development at maritime
11 academies on the maintenance and operation of
12 zero-emission port equipment or technology and ves-
13 sels that are propelled using batteries or low-carbon
14 fuels.

15 (3) ELIGIBLE ENTITIES.—An entity eligible to
16 receive an award under the program is—

17 (A) a State (including the District of Co-
18 lumbia and territories of the United States), re-
19 gional, local, or Tribal agency that has jurisdic-
20 tion over a port authority or a port;

21 (B) a port authority;

22 (C) an air pollution control agency;

23 (D) a maritime academy; and

24 (E) a private entity that—

1 (i) applies for a grant under this sub-
 2 section in partnership with an entity de-
 3 scribed in any of subparagraphs (A)
 4 through (D); and

5 (ii) owns, operates, or uses—

6 (I) vessels, the primary purpose
 7 of which are transporting cargo or
 8 freight, that are propelled using bat-
 9 teries or low-carbon fuels; or

10 (II) the facilities, cargo-handling
 11 equipment, transportation equipment,
 12 or related technology of a port.

13 (4) APPLICATION.—An eligible entity seeking
 14 an award under the program shall submit to the Ad-
 15 ministrator an application at such time, in such
 16 manner, and containing such information as the Ad-
 17 ministrator may require.

18 (5) PROGRAM ADMINISTRATION.—Of the
 19 amounts made available under paragraph (2) each
 20 fiscal year, the Administrator may use not more
 21 than 1 percent for the management and oversight of
 22 the program.

23 (d) HARBOR CRAFT ELECTRIFICATION.—

24 (1) ESTABLISHMENT.—For fiscal year 2027
 25 and each fiscal year thereafter, there are appro-

1 appropriated, out of any funds in the Treasury not other-
2 wise appropriated, to the Environmental Protection
3 Agency an amount equal to 10 percent of the
4 amounts collected pursuant to fees assessed under
5 sections 5 and 6 during the previous calendar year
6 to award grants, rebates, or low-interest loans, as
7 determined appropriate by the Administrator—

8 (A) to replace or retrofit existing harbor
9 craft, except for ferry vessels, with vessels that
10 use batteries for all propulsion power; and

11 (B) to support workforce development and
12 training to support the maintenance, charging,
13 fueling, and operation of vessels described in
14 subparagraph (A).

15 (2) MODELED OFF DIESEL EMISSIONS REDUC-
16 TION ACT.—To the extent practicable, the Adminis-
17 trator shall develop an application process, provide
18 public notification, inform eligible entities of zero-
19 emissions technologies, and submit to Congress an
20 evaluation and report on the efficacy of the program
21 established under paragraph (1) in a manner similar
22 to the national grant program of the Administrator
23 under subtitle G of title VII of the Energy Policy
24 Act of 2005 (42 U.S.C. 16131 et seq.).

1 (3) ELIGIBLE ENTITIES.—An entity eligible to
2 receive an award under the program established
3 under paragraph (1) is—

4 (A) a State (including the District of Co-
5 lumbia and territories of the United States), re-
6 gional, local, or Tribal agency that has jurisdic-
7 tion over a port authority or a port;

8 (B) a port authority; and

9 (C) a private entity that—

10 (i) applies for an award under this
11 subsection in partnership with an entity
12 described in subparagraph (A) or (B); and

13 (ii) owns, operates, or uses harbor
14 craft, except for ferry vessels.

15 (4) SELECTION.—

16 (A) APPLICATION.—An eligible entity seek-
17 ing an award under the program established
18 under paragraph (1) shall submit to the Admin-
19 istrator an application at such time, in such
20 manner, and containing such information as the
21 Administrator may require, which shall include
22 a certification that an award under the program
23 will be used to purchase a vessel that exclu-
24 sively uses a battery for all propulsion power.

1 (B) PRIORITY.—In selecting the recipients
2 of awards under the program established under
3 paragraph (1), the Administrator shall give pri-
4 ority to entities the replacement or retrofit of
5 whose harbor crafts with vessels that use bat-
6 teries for all propulsion power would—

7 (i) maximize the reduction of green-
8 house gas emissions;

9 (ii) maximize the public health bene-
10 fits from the reduction of criteria air pol-
11 lutants;

12 (iii) maximize water quality in ports
13 and other bodies of water;

14 (iv) maximize public health and envi-
15 ronmental benefits from every dollar spent
16 under the program; and

17 (v) alleviate air pollution in poor air
18 quality areas, including—

19 (I) areas identified by the Ad-
20 ministrator as in nonattainment or
21 maintenance of national ambient air
22 quality standards promulgated under
23 section 109 of the Clean Air Act (42
24 U.S.C. 7409) for criteria air pollut-
25 ants; and

1 (II) other areas that receive a
2 disproportionate quantity of air pollu-
3 tion, as determined by the Adminis-
4 trator.

5 (5) CLAWBACK.—If the Administrator deter-
6 mines that the recipient of an award under the pro-
7 gram established under paragraph (1) has violated
8 the certification required under paragraph (4)(A),
9 the Administrator shall seek reimbursement of the
10 full amount of the award provided to the recipient.

11 (6) PROGRAM ADMINISTRATION.—Of the
12 amounts made available under paragraph (1) each
13 fiscal year, the Administrator may use not more
14 than 1 percent for the management and oversight of
15 the program established under that paragraph.

16 (e) FERRY ELECTRIFICATION.—

17 (1) ESTABLISHMENT.—For fiscal year 2027
18 and each fiscal year thereafter, there are appro-
19 priated, out of any funds in the Treasury not other-
20 wise appropriated, to the Environmental Protection
21 Agency an amount equal to 10 percent of the
22 amounts collected pursuant to fees assessed under
23 sections 5 and 6 during the previous calendar year
24 to award grants, rebates, or low-interest loans, as
25 determined appropriate by the Administrator—

1 (A) to replace or retrofit existing ferry or
2 crew vessels with vessels that use batteries for
3 all propulsion power; and

4 (B) to support workforce development and
5 training to support the maintenance, charging,
6 fueling, and operation of vessels described in
7 subparagraph (A) that use batteries for all pro-
8 pulsion power.

9 (2) MODELED OFF DIESEL EMISSIONS REDUC-
10 TION ACT.—To the extent practicable, the Adminis-
11 trator shall develop an application process, provide
12 public notification, inform eligible entities of zero-
13 emissions technologies, and submit to Congress an
14 evaluation and report on the efficacy of the program
15 established under paragraph (1) in a manner similar
16 to the national grant program of the Administrator
17 under subtitle G of title VII of the Energy Policy
18 Act of 2005 (42 U.S.C. 16131 et seq.).

19 (3) ELIGIBLE ENTITIES.—An entity eligible to
20 receive an award under the program established
21 under paragraph (1) is—

22 (A) a State (including the District of Co-
23 lumbia and territories of the United States), re-
24 gional, local, or Tribal agency that has jurisdic-
25 tion over a ferry line;

1 (B) a port authority; and

2 (C) a private entity that—

3 (i) applies for an award under this
4 subsection in partnership with an entity
5 described in subparagraph (A) or (B); and

6 (ii) owns, operates, or uses ferry or
7 crew vessels.

8 (4) SELECTION.—

9 (A) APPLICATION.—An eligible entity seek-
10 ing an award under the program established
11 under paragraph (1) shall submit to the Admin-
12 istrator an application at such time, in such
13 manner, and containing such information as the
14 Administrator may require, which shall include
15 a certification that an award under the program
16 will be used to purchase a vessel that exclu-
17 sively uses a battery for all propulsion power.

18 (B) PRIORITY.—In selecting the recipients
19 of awards under the program established under
20 paragraph (1), the Administrator shall give pri-
21 ority to entities the replacement or retrofit of
22 whose ferry or crew vessels with vessels that use
23 batteries for all propulsion power would—

24 (i) maximize the reduction of green-
25 house gas emissions;

1 (ii) maximize the public health bene-
2 fits from the reduction of criteria air pol-
3 lutants;

4 (iii) maximize water quality in ports
5 and other bodies of water;

6 (iv) maximize public health and envi-
7 ronmental benefits from every dollar spent
8 under the program; and

9 (v) alleviate air pollution in poor air
10 quality areas, including—

11 (I) areas identified by the Ad-
12 ministrator as in nonattainment or
13 maintenance of national ambient air
14 quality standards promulgated under
15 section 109 of the Clean Air Act (42
16 U.S.C. 7409) for criteria air pollut-
17 ants; and

18 (II) other areas that receive a
19 disproportionate quantity of air pollu-
20 tion, as determined by the Adminis-
21 trator.

22 (5) CLAWBACK.—If the Administrator deter-
23 mines that the recipient of an award under the pro-
24 gram established under paragraph (1) has violated
25 the certification required under paragraph (4)(A),

1 the Administrator shall seek reimbursement of the
2 full amount of the award provided to the recipient.

3 (6) PROGRAM ADMINISTRATION.—Of the
4 amounts made available under paragraph (1) each
5 fiscal year, the Administrator may use not more
6 than 1 percent for the management and oversight of
7 the program established under that paragraph.

8 (f) INCREASED AIR MONITORING IN PORT COMMU-
9 NITIES.—

10 (1) ESTABLISHMENT.—For fiscal year 2027
11 and each fiscal year thereafter, there are appro-
12 priated, out of any funds in the Treasury not other-
13 wise appropriated, to the Environmental Protection
14 Agency an amount equal to 3 percent of the
15 amounts collected pursuant to fees assessed under
16 sections 5 and 6 during the previous calendar year
17 to provide grants, rebates, or low-interest loans, as
18 determined appropriate by the Administrator, to cre-
19 ate fenceline air monitoring at port boundaries and
20 in communities located within 1 mile of a port
21 boundary.

22 (2) ELIGIBLE ENTITIES.—An entity eligible to
23 receive an award under the program established
24 under paragraph (1) is—

1 (A) a State (including the District of Co-
2 lumbia and territories of the United States), re-
3 gional, local, or Tribal government;

4 (B) a State (including the District of Co-
5 lumbia and territories of the United States), re-
6 gional, local, or Tribal agency that has jurisdic-
7 tion over a port authority or port;

8 (C) a port authority;

9 (D) an air pollution control agency; and

10 (E) a nonprofit entity or nonprofit consor-
11 tium with experience in air pollution moni-
12 toring.

13 (3) APPLICATION.—An eligible entity seeking
14 an award under the program established under para-
15 graph (1) shall submit to the Administrator an ap-
16 plication at such time, in such manner, and con-
17 taining such information as the Administrator may
18 require.

19 (4) PROGRAM ADMINISTRATION.—Of the
20 amounts made available under paragraph (1) each
21 fiscal year, the Administrator may use not more
22 than 1 percent for the management and oversight of
23 the program established under that paragraph.

24 (g) FUNDING OF EXISTING PROGRAMS.—

1 (1) CLEAN PORTS PROGRAM.—For fiscal year
2 2027 and each fiscal year thereafter, there are ap-
3 propriated, out of any funds in the Treasury not
4 otherwise appropriated, to the Environmental Pro-
5 tection Agency an amount equal to 10 percent of the
6 amounts collected pursuant to fees assessed under
7 sections 5 and 6 during the previous calendar year
8 to carry out the program established under section
9 133 of the Clean Air Act (42 U.S.C. 7433).

10 (2) PORT INFRASTRUCTURE DEVELOPMENT
11 PROGRAM.—For fiscal year 2027 and each fiscal
12 year thereafter, there are appropriated, out of any
13 funds in the Treasury not otherwise appropriated, to
14 the Department of Transportation an amount equal
15 to 7 percent of the amounts collected pursuant to
16 fees assessed under sections 5 and 6 during the pre-
17 vious calendar year to carry out the program estab-
18 lished under section 54301 of title 46, United States
19 Code.

20 (3) OCEANS AND COASTAL SECURITY.—For fis-
21 cal year 2027 and each fiscal year thereafter, there
22 are appropriated, out of any funds in the Treasury
23 not otherwise appropriated, to the National Oceanic
24 and Atmospheric Administration an amount equal to
25 3 percent of the amounts collected pursuant to fees

1 assessed under sections 5 and 6 during the previous
2 calendar year for deposit into the National Oceans
3 and Coastal Security Fund established under section
4 904(a) of the National Oceans and Coastal Security
5 Act (16 U.S.C. 7503).

6 (4) MARINE DEBRIS FOUNDATION.—For fiscal
7 year 2027 and each fiscal year thereafter, there are
8 appropriated, out of any funds in the Treasury not
9 otherwise appropriated, to the Department of Com-
10 merce an amount equal to 2 percent of the amounts
11 collected pursuant to fees assessed under sections 5
12 and 6 during the previous calendar year to carry out
13 subtitle B of title I of the Save Our Seas 2.0 Act
14 (33 U.S.C. 4211 et seq.).

○