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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

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A BILL

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

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 ''International Maritime Pollution Accountability Act of 2024''.

SEC. 2. FINDINGS.

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.

(3) CARGO OR FREIGHT.—The term "cargo or freight" does not include—

(A) passengers transported for compensation or hire;

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

(C) ship's stores;

(D) sea stores; or

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

(4) COVERED VOYAGE.—

(A) IN GENERAL.—The term "covered voyage" means a voyage—

(i) made using a self-propelled vessel of 10,000 gross tonnage or more, the primary purpose of which is transporting cargo or freight; and

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

(B) EXCEPTIONS.—The term "covered voyage" does not include a voyage—

(i) that has been included as an OCS source (as defined in subsection (a)(4) of section 328 of the Clean Air Act (42 U.S.C. 7627)) because the voyage has the potential to emit any air pollutant as described in subparagraph (C)(i) of that subsection and is, as a result, regulated pursuant to that section; or

(ii) made for the purposes of transporting military cargo, food aid, or supplies for disaster or emergency relief.

(5) CRITERIA AIR POLLUTANT.—The term "criteria air pollutant" is within the meaning of the Clean Air Act (42 U.S.C. 7401 et seq.).

(6) EXCLUSIVE ECONOMIC ZONE.—The term "exclusive economic zone" has the meaning given the term in section 107 of title 46, United States Code.

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

(A) the port in the United States where the vessel making the covered voyage offloaded the last of the cargo or freight of the vessel ultimately bound for the United States that was onboard the vessel on departure from the port of origin; or

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

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

(9) INTERMEDIATE PORT.—The term "intermediate port", with respect to a covered voyage, means each foreign port of call of the vessel of the covered voyage between the port of origin and the initial port of call of the vessel in the United States.

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

(11) PORT OF ORIGIN.—

(A) IN GENERAL.—The term "port of origin", with respect to a covered voyage, means the first port of the vessel making the covered voyage after departing which a majority (by mass) of the cargo or freight of the vessel is ultimately bound for the United States.

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

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

(ii) the term ''port of origin'' for the new covered voyage shall be considered to be the same as the final port of call for the previous covered voyage.

(12) TERRITORIAL SEA.—The term ''territorial sea'' has the meaning given the term in section 2.22 of title 33, Code of Federal Regulations (or successor regulations).

(13) ULTIMATELY BOUND FOR THE UNITED STATES.—The term ''ultimately bound for the United States'', with respect to cargo or freight, includes—

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

(B) all cargo or freight that is—

(i) initially offloaded at an intermediate port; and

(ii) subsequently transported to the United States by sea, land, or air.

SEC. 4. REPORTING REQUIREMENTS.

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

(b) INFORMATION DESCRIBED.—The information referred to in subsection (a), with respect to a covered voyage, is—

(1) the port of origin;

(2) the total distance traveled from the port of origin to the final port of call;

(3) the total time spent traveling between the port of origin and the final port of call;

(4) the total mass of each type of fuel consumed between the port of origin and the final port of call;

(5) the total mass of cargo or freight transported between the port of origin and the final port of call;

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

(7) each intermediate port;

(8) the final port of call;

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

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

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

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

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

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

(15) the total mass of each type of fuel consumed—

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

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

(16) the total period of time spent—

(A) north of 60 degrees north latitude; or

(B) south of 60 degrees south latitude;

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

(18) any other information that the Administrator, the Commandant of the Coast Guard, and the Commissioner of U.S. Customs and Border Protection, in conjunction with the Secretary of the Treasury, determines is necessary to accurately determine the amount of the fees assessed under sections 5 and 6.

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

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

(a) LIFECYCLE CO_2-E EMISSIONS PROFILE FOR MARITIME FUELS.—Not later than January 1, 2025, the

Administrator shall develop a lifecycle carbon dioxide-equivalent (CO_2-e) emissions profile for each fuel used in maritime shipping to express the emissions from the combustion of that fuel in carbon dioxide-equivalent per unit mass combusted.

(b) ASSESSMENT OF FEE.—

(1) IN GENERAL.—Beginning on January 1, 2025, not later than 30 days after the date on which the Administrator receives from the operator of a covered voyage the information required to be submitted under section 4(a), the Administrator, in conjunction with the Secretary of the Treasury, shall assess on the operator a fee with respect to the covered voyage in an amount determined in accordance with paragraph (2).

(2) AMOUNT OF FEE.—

(A) IN GENERAL.—Subject to subparagraph (B) and subsection (d), the amount of a fee assessed under paragraph (1) with respect to a covered voyage shall be the total sum of, for each type of fuel consumed during the covered voyage, the product obtained by multiplying—

(i) the total mass of the fuel consumed during the covered voyage;

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

(iii) $150.

(B) ADJUSTMENTS.—

(i) INFLATION.—Beginning in calendar year 2026, the Administrator shall annually increase the amount described in subparagraph (A)(iii) by the percentage that is equal to the sum obtained by adding—

(I) the rate of inflation, as determined by the Administrator using the changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor; and

(II) 5 percentage points.

(ii) VOYAGES IN POLAR REGIONS.—For any portion of a covered voyage that involves travel north of 60 degrees north latitude or south of 60 degrees south latitude, the amount described in subparagraph (A)(iii) with respect to fuel consumed during that portion of the voyage, after adjustment under clause (i), if applicable, shall be tripled.

(3) DEADLINE.—A fee assessed under paragraph (1) shall be due and payable to the Administrator not later than the later of—

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

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

(4) PENALTY.—

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

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

(ii) subject to subparagraph (B), the Commandant of the Coast Guard shall, until the Administrator informs the Commandant of the Coast Guard that all outstanding fees assessed under paragraph (1) have been paid, prohibit—

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

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

(B) EXCEPTION.—Clause (ii) of subparagraph (A) shall not apply in circumstances that would jeopardize the safety of a vessel, the persons aboard that vessel, or the environment.

(c) ALTERNATE FEE FOR IMPORTED CARGO.—

(1) DEFINITION OF QUALIFIED IMPORTING VOYAGE.—In this subsection, the term "qualified importing voyage" means a voyage made using a vessel—

(A) the primary purpose of which is transporting cargo or freight; and

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

(2) REQUIREMENTS.—

(A) REPORTING.—

(i) IN GENERAL.—Beginning on January 1, 2025, each importer for which a qualified importing voyage has cargo or freight that is bound for the United States shall submit to the Administrator the information described in subsection (b) of section 4 in accordance with that section (except as otherwise provided in clause (ii)).

(ii) TREATMENT.—For purposes of clause (i), any reference contained in section 4(b) to—

(I) the ‘‘final port of call’’ shall be considered to be a reference to the foreign port of call within which the cargo or freight of the importer was offloaded from the vessel;

(II) the ‘‘covered voyage’’ shall be considered to be a reference to the qualified importing voyage; and

(III) the ‘‘port of origin’’ shall be considered to be a reference to the port at which the cargo or freight bound for the United States was onboarded.

(B) FEE.—

(i) IN GENERAL.—Beginning on January 1, 2025, not later than 30 days after the date on which the Administrator receives from an importer described in subparagraph (A)(i) the information required to be submitted under that subparagraph, the Administrator, in conjunction with the Secretary of the Treasury, shall assess on the importer the fee described in subsection (b) in accordance with that subsection, but the amount of that fee shall be adjusted as follows:

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

(II) After the adjustment described in subclause (I), the amount of the fee shall be reduced by the amount of the fee, if any, otherwise assessed on the qualified importing voyage pursuant to subsection (b).

(ii) TREATMENT.—For purposes of clause (i), any reference in subsection (b) to the ''covered voyage'' shall be considered to be a reference to the qualified importing voyage.

(C) DEADLINES.—

(i) IN GENERAL.—An importer described in subparagraph (A)(i) may not import the cargo or freight from a qualified importing voyage into the United States until the importer—

(I) submits the information required under subparagraph (A); and

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

(ii) PENALTY.—Notwithstanding any other provision of law, if, at the time of importation of the cargo or freight from a qualifying importing voyage into the United States, an importer described in subparagraph (A)(i) cannot provide proof of payment of the fee assessed under subparagraph (B), the Commissioner of U.S. Customs and Border Protection shall seize the cargo or freight until the Administrator informs the Commissioner of U.S. Customs and Border Protection that all outstanding fees assessed under subparagraph (B) have been paid.

(d) RECOGNITION OF FOREIGN POLLUTION FEES.—If a vessel with cargo or freight ultimately bound for the United States, or an operator of such a vessel, is subject to a pollution-based fee by the country of the port of origin of the vessel, any fee assessed on the operator of the vessel or an importer with cargo or freight on that vessel under this section shall be—

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

(2) if the fee from the other country is less than 50 percent of the fee that would otherwise be assessed under this section, reduced by an amount equal to the amount of the fee from the other country.

(e) SUNSET PROVISION.—This section ceases to apply on the date on which the Administrator publishes in the Federal Register a determination that the International Maritime Organization or another agency of the United Nations has instituted and is enforcing a global fee on lifecycle carbon dioxide-equivalent emissions from operators of covered voyages that is in an amount equal to or greater than the fees assessed for a covered voyage under this section.

SEC. 6. FEES ON CRITERIA AIR POLLUTANTS.

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

(b) ASSESSMENT OF FEE.—

(1) IN GENERAL.—Beginning on January 1, 2025, not later than 30 days after the date on which the Administrator receives from the operator of a covered voyage the information required to be submitted under section 4(a), the Administrator, in conjunction with the Secretary of the Treasury, shall assess on the operator a fee with respect to the covered voyage in an amount determined in accordance with paragraph (2).

(2) AMOUNT OF FEE.—

(A) IN GENERAL.—Subject to subparagraph (B), the amount of a fee assessed under paragraph (1) shall be the total sum of, for each type of fuel consumed during the covered voyage—

(i) the product obtained by multiplying—

(I) the total mass of the fuel consumed during the covered voyage within the exclusive economic zone, the territorial sea, and the internal waters of the United States;

(II) the quantity of nitrogen oxides emitted by the consumption of the fuel, expressed in pounds per unit mass of fuel consumed, as determined under subsection (a); and

(III) $6.30;

(ii) the product obtained by multiplying—

(I) the total mass of the fuel consumed during the covered voyage within the exclusive economic zone, the territorial sea, and the internal waters of the United States;

(II) the quantity of sulfur dioxide emitted by the consumption of the fuel, expressed in pounds per unit mass of fuel consumed, as determined under subsection (a); and

(III) $18; and

(iii) the product obtained by multiplying—

(I) the total mass of the fuel consumed during the covered voyage within the exclusive economic zone, the territorial sea, and the internal waters of the United States;

(II) the quantity of fine particulate matter emitted by the consumption of the fuel, expressed in pounds per unit mass of fuel consumed, as determined under subsection (a); and

(III) $38.90.

(B) INFLATION ADJUSTMENT.—Beginning in calendar year 2026, the Administrator shall annually increase the amounts described in clauses (i)(III), (ii)(III), and (iii)(III) of subparagraph (A) by the percentage that is equal to the sum obtained by adding—

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

November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor; and

(ii) 5 percentage points.

(3) DEADLINE.—A fee assessed under paragraph (1) shall be due and payable to the Administrator not later than the later of—

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

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

(4) PENALTY.—

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

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

(ii) subject to subparagraph (B), the Commandant of the Coast Guard shall, until the Administrator informs the Commandant of the Coast Guard that all outstanding fees assessed under paragraph (1) have been paid, prohibit—

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

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

(B) EXCEPTION.—Clause (ii) of subparagraph (A) shall not apply in circumstances that would jeopardize the safety of a vessel, the persons aboard that vessel, or the environment.

SEC. 7. DECARBONIZING SHIPPING AND PORTS.

(a) MODERNIZING THE JONES ACT FLEET.—

(1) DEFINITIONS.—In this subsection:

(A) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Maritime Administration.

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

(C) LOW-CARBON FUEL.—The term ''low-carbon fuel'' means a marine fuel the lifecycle carbon dioxide-equivalent emissions of which is at least 90 percent less than the lifecycle carbon dioxide-equivalent emissions of marine fuel oil.

(D) PROGRAM.—The term "program" means the program established under paragraph (2).

(E) VESSEL OF THE UNITED STATES.—The term "vessel of the United States" has the meaning given the term in section 116 of title 46, United States Code.

(2) ESTABLISHMENT.—For fiscal year 2027 and each fiscal year thereafter, there are appropriated, out of any funds in the Treasury not otherwise appropriated, to the Maritime Administration an amount equal to 25 percent of the amounts collected pursuant to fees assessed under sections 5 and 6 during the previous calendar year to award grants, rebates, and low-interest loans, as determined appropriate by the Administrator, to eligible entities—

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

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

(3) MODELED OFF DIESEL EMISSIONS REDUCTION ACT.—To the extent practicable, the Administrator shall develop an application process, provide public notification, inform eligible entities of zero-emissions technologies, and submit to Congress an evaluation and report on the efficacy of the program in a manner similar to the national grant program of the Administrator of the Environmental Protection Agency under subtitle G of title VII of the Energy Policy Act of 2005 (42 U.S.C. 16131 et seq.).

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

(5) SELECTION.—

(A) APPLICATION.—An eligible entity seeking an award under the program shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require, which shall include a certification that an award under the program will be used, as applicable—

(i) to purchase, or enter into a contract for the construction of, a vessel that exclusively uses a battery or low-carbon fuels for all propulsion power; or

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

(B) PRIORITY.—In selecting the recipients of awards under the program, the Administrator shall give priority to entities the replacement or retrofit of whose vessels would—

(i) maximize the reduction of greenhouse gas emissions;

(ii) maximize the public health benefits from the reduction of criteria air pollutants;

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

(iv) maximize public health and environmental benefits from every dollar spent under the program; and

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

(I) areas identified by the Administrator of the Environmental Protection Agency as in nonattainment or maintenance of national ambient air quality standards promulgated under section 109 of the Clean Air Act (42 U.S.C. 7409) for criteria air pollutants; and

(II) other areas that receive a disproportionate quantity of air pollution, as determined by the Administrator of the Environmental Protection Agency.

(6) CLAWBACK.—If the Administrator determines that the recipient of an award under the program has violated the certification required under paragraph (5)(A), the Administrator shall seek reimbursement of the full amount of the award provided to the recipient.

(7) MODERNIZING VESSELS OF THE UNITED STATES.—If the Administrator determines that no existing Jones Act vessels are eligible to receive 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 feedstocks in the United States that may be used to produce sustainable maritime fuel;

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

(H) a nonprofit entity or nonprofit consortium with experience in sustainable maritime fuels, low-emission maritime technologies, or other clean transportation research programs.

(2) ESTABLISHMENT.—For fiscal year 2027 and each fiscal year thereafter, there are appropriated, out of any funds in the Treasury not otherwise appropriated, to the Department of Energy an amount equal to 25 percent of the amounts collected pursuant to fees assessed under sections 5 and 6 during the previous calendar year to award competitive grants to eligible entities to carry out projects in the United States—

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

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

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

retary of Energy shall give priority to projects that maximize—

(A) the domestic production and deployment of sustainable maritime fuels or the use of low-emission maritime technologies in commercial maritime;

(B) reductions in greenhouse gas emissions;

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

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

(E) public health and environmental benefits from every dollar spent under that program; and

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

(4) 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 established under that paragraph.

(c) WORKFORCE DEVELOPMENT.—

(1) DEFINITIONS.—In this subsection:

(A) LOW-CARBON FUEL.—The term ‘‘low-carbon fuel’’ means a marine fuel the lifecycle carbon dioxide-equivalent emissions of which is at least 90 percent less than the lifecycle carbon dioxide-equivalent emissions of marine fuel oil.

(B) MARITIME ACADEMY.—The term ‘‘maritime academy’’ means—

(i) the United States Merchant Marine Academy;

(ii) a State maritime academy; and

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

(C) PROGRAM.—The term ‘‘program’’ means the program established under paragraph (2).

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

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

wise appropriated, to the Environmental Protection Agency an amount equal to 5 percent of the amounts collected pursuant to fees assessed under sections 5 and 6 during the previous calendar year to award grants and rebates to support workforce training and development for the maintenance and operation of zero-emission port equipment or technology and vessels that are propelled using batteries or low-carbon fuels, including training, programming, and curriculum development at maritime academies on the maintenance and operation of zero-emission port equipment or technology and vessels that are propelled using batteries or low-carbon fuels.

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

(A) a State (including the District of Columbia and territories of the United States), regional, local, or Tribal agency that has jurisdiction over a port authority or a port;

(B) a port authority;

(C) an air pollution control agency;

(D) a maritime academy; and

(E) a private entity that—

(i) applies for a grant under this subsection in partnership with an entity described in any of subparagraphs (A) through (D); and

(ii) owns, operates, or uses—

(I) vessels, the primary purpose of which are transporting cargo or freight, that are propelled using batteries or low-carbon fuels; or

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

(4) APPLICATION.—An eligible entity seeking an award under the program shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

(5) 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.

(d) HARBOR CRAFT ELECTRIFICATION.—

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

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

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

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

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

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

(A) a State (including the District of Columbia and territories of the United States), regional, local, or Tribal agency that has jurisdiction over a port authority or a port;

(B) a port authority; and

(C) a private entity that—

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

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

(4) SELECTION.—

(A) APPLICATION.—An eligible entity seeking an award under the program established under paragraph (1) shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require, which shall include a certification that an award under the program will be used to purchase a vessel that exclusively uses a battery for all propulsion power.

(B) PRIORITY.—In selecting the recipients of awards under the program established under paragraph (1), the Administrator shall give priority to entities the replacement or retrofit of whose harbor crafts with vessels that use batteries for all propulsion power would—

(i) maximize the reduction of greenhouse gas emissions;

(ii) maximize the public health benefits from the reduction of criteria air pollutants;

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

(iv) maximize public health and environmental benefits from every dollar spent under the program; and

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

(I) areas identified by the Administrator as in nonattainment or maintenance of national ambient air quality standards promulgated under section 109 of the Clean Air Act (42 U.S.C. 7409) for criteria air pollutants; and

(II) other areas that receive a disproportionate quantity of air pollution, as determined by the Administrator.

(5) CLAWBACK.—If the Administrator determines that the recipient of an award under the program established under paragraph (1) has violated the certification required under paragraph (4)(A), the Administrator shall seek reimbursement of the full amount of the award provided to the recipient.

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

(e) FERRY ELECTRIFICATION.—

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

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

(B) to support workforce development and training to support the maintenance, charging, fueling, and operation of vessels described in subparagraph (A) that use batteries for all propulsion power.

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

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

(A) a State (including the District of Columbia and territories of the United States), regional, local, or Tribal agency that has jurisdiction over a ferry line;

(B) a port authority; and

(C) a private entity that—

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

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

(4) SELECTION.—

(A) APPLICATION.—An eligible entity seeking an award under the program established under paragraph (1) shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require, which shall include a certification that an award under the program will be used to purchase a vessel that exclusively uses a battery for all propulsion power.

(B) PRIORITY.—In selecting the recipients of awards under the program established under paragraph (1), the Administrator shall give priority to entities the replacement or retrofit of whose ferry or crew vessels with vessels that use batteries for all propulsion power would—

(i) maximize the reduction of greenhouse gas emissions;

(ii) maximize the public health benefits from the reduction of criteria air pollutants;

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

(iv) maximize public health and environmental benefits from every dollar spent under the program; and

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

(I) areas identified by the Administrator as in nonattainment or maintenance of national ambient air quality standards promulgated under section 109 of the Clean Air Act (42 U.S.C. 7409) for criteria air pollutants; and

(II) other areas that receive a disproportionate quantity of air pollution, as determined by the Administrator.

(5) CLAWBACK.—If the Administrator determines that the recipient of an award under the program established under paragraph (1) has violated the certification required under paragraph (4)(A),

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

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

(f) INCREASED AIR MONITORING IN PORT COMMUNITIES.—

(1) ESTABLISHMENT.—For fiscal year 2027 and each fiscal year thereafter, there are appropriated, out of any funds in the Treasury not otherwise appropriated, to the Environmental Protection Agency an amount equal to 3 percent of the amounts collected pursuant to fees assessed under sections 5 and 6 during the previous calendar year to provide grants, rebates, or low-interest loans, as determined appropriate by the Administrator, to create fenceline air monitoring at port boundaries and in communities located within 1 mile of a port boundary.

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

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

(B) a State (including the District of Columbia and territories of the United States), regional, local, or Tribal agency that has jurisdiction over a port authority or port;

(C) a port authority;

(D) an air pollution control agency; and

(E) a nonprofit entity or nonprofit consortium with experience in air pollution monitoring.

(3) APPLICATION.—An eligible entity seeking an award under the program established under paragraph (1) shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

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

(g) FUNDING OF EXISTING PROGRAMS.—

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

(2) PORT INFRASTRUCTURE DEVELOPMENT PROGRAM.—For fiscal year 2027 and each fiscal year thereafter, there are appropriated, out of any funds in the Treasury not otherwise appropriated, to the Department of Transportation an amount equal to 7 percent of the amounts collected pursuant to fees assessed under sections 5 and 6 during the previous calendar year to carry out the program established under section 54301 of title 46, United States Code.

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

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

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

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