

ARCTIC SHIPPING FEDERAL ADVISORY  
COMMITTEE ACT

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R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND  
TRANSPORTATION

ON

S. 2786



NOVEMBER 16, 2020.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED SIXTEENTH CONGRESS

SECOND SESSION

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### ARCTIC SHIPPING FEDERAL ADVISORY COMMITTEE ACT

NOVEMBER 16, 2020.—Ordered to be printed

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

### R E P O R T

[To accompany S. 2786]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2786) to establish a Federal advisory committee to provide policy recommendations to the Secretary of Transportation on positioning the United States to take advantage of emerging opportunities for Arctic maritime transportation, having considered the same, reports favorably thereon with an amendment (in the nature of a substitute) and recommends that the bill (as amended) do pass.

#### PURPOSE OF THE BILL

The purpose of this legislation is to establish a Federal advisory committee to provide policy recommendations to the Secretary of Transportation on positioning the United States to take advantage of emerging opportunities for Arctic maritime transportation.

#### BACKGROUND AND NEEDS

The Arctic Shipping Federal Advisory Committee (Advisory Committee), once established, would be comprised of 15 members tasked with developing a set of policy recommendations to enhance the United States' leadership role in improving the safety and reliability of maritime transportation and protecting the environment in the Arctic Region. The bill also affirms that if a Special Representative for the Arctic Region is appointed by the Secretary of State, the representative shall facilitate multilateral dialogues with the Arctic Council and encourage cooperation on Arctic maritime

transportation as well as coordinate recommendations by the Advisory Committee. Furthermore, the Advisory Committee would include Alaska Native representatives and ensure that the Secretary consults with Alaska Native communities regarding the recommendations that may come from the Advisory Committee.

#### SUMMARY OF PROVISIONS

S. 2786, the Arctic Shipping Federal Advisory Committee Act, would do the following:

- Establish the Arctic Shipping Federal Advisory Committee.
- Require the Advisory Committee to submit a report to Congress within 2 years of enactment with its recommendations.
- Require the Secretary of Transportation to dissolve the Advisory Committee not later than 8 years after the submission of the report.
- Require that if a Special Representative for the Arctic Region is appointed by the Secretary of State, the duties of that Representative shall include: (1) coordination of activities recommended by the implementation plan submitted by the Advisory Committee and approved by the Secretary of Transportation; and (2) facilitation of multilateral dialogues with member and observer nations of the Arctic Council to encourage cooperation on Arctic maritime transportation.

#### LEGISLATIVE HISTORY

S. 2786 was introduced on November 5, 2019, by Senator Murkowski (for herself and Senators Wicker and Sullivan) and was referred to the Committee on Commerce, Science, and Transportation of the Senate. On December 11, 2019, the Committee met in open Executive Session and, by voice vote, ordered S. 2786 reported favorably with an amendment (in the nature of a substitute). Senator Cantwell was added as a cosponsor of S. 2786 following the Executive Session.

#### *Hearings*

On April 4, 2019, the Committee's Subcommittee on Security held a Federal maritime agencies oversight hearing that, among other topics, examined opportunities and challenges, including the Arctic, for the U.S. Coast Guard (USCG), the Maritime Administration (MARAD) and the Federal Maritime Commission (FMC). FMC Chairman Michael Khouri, MARAD Administrator Mark Buzby, and USCG Commandant Admiral Karl Schultz testified on the President's Fiscal Year 2020 Budget Request, implementation of the Frank LoBiondo Coast Guard Authorization Act, and the MARAD reauthorization under the John S. McCain National Defense Authorization Act for Fiscal Year 2019.

On December 12, 2019, the Committee's Subcommittee on Security held a hearing entitled "Expanding Opportunities, Challenges, and Threats in the Arctic: A Focus on the U.S. Coast Guard Arctic Strategic Outlook." The purpose of the hearing was to evaluate the Coast Guard's strategic presence in the Arctic, the 2019 Coast Guard Strategic Outlook, and the Coast Guard's ability to meet current and existing challenges in the region. Ms. Heather A. Conley, Senior Vice President for Europe, Eurasia, and the Arctic and Director, Europe Program, Center for Strategic and Inter-

national Studies (CSIS); Ms. Sherri Goodman, Senior Strategist, The Center for Climate and Security; Dr. Michael Sfraga, Director of Global Risk and Resilience program and Director of the Polar Institute, Woodrow Wilson International Center for Scholars; and Admiral Charles Ray, Vice Commandant, U.S. Coast Guard, testified.

#### ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

<b>S. 2786, Arctic Shipping Federal Advisory Committee Act</b>			
As ordered reported by the Senate Committee on Commerce, Science, and Transportation on December 11, 2019			
By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	1	not estimated
Statutory pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

\* = between zero and \$500,000.

S. 2786 would require the Department of Transportation (DOT), in consultation with other federal agencies, to establish a 15-member Arctic Shipping Federal Advisory Committee to advise DOT and the Coast Guard on maritime transportation issues in the Arctic, including Arctic seaway development over the next 10 years. The committee would consist of representatives from various federal agencies and other entities interested in Arctic maritime transportation. S. 2786 also would require the committee to report policy recommendations to the Congress within 2 years of enactment.

Based on the cost of similar activities and historical spending patterns, CBO estimates that implementing S. 2786 would cost \$1 million over the 2020–2025 period; such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Sofia Guo. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

#### REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

*Number of Persons Covered*

As reported, S. 2786 would require the Arctic Shipping Federal Advisory Committee, once established, to develop a set of policy recommendations to enhance the United States' leadership in the Arctic Region. These recommendations could impact millions of Americans by improving the safety, security, and reliability of maritime transportation in the Arctic. They will also help ensure the United States is prepared to respond in the event of an incident that threatens the environment in the Arctic.

*Economic Impact*

As reported, S. 2786 is not expected to have a negative impact on the Nation's economy.

*Privacy*

As reported, S. 2786 is not expected to impact the personal privacy of individuals.

*Paperwork*

As reported, S. 2786 would not create increases in paperwork burdens if enacted.

## CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

## SECTION-BY-SECTION ANALYSIS

*Section 1. Short title*

This section would provide that the bill may be cited as the "Arctic Shipping Federal Advisory Committee Act".

*Section 2. Purpose*

This section would provide that the purpose of this bill would be to establish a Federal advisory committee to analyze conditions in the Arctic, provide policy recommendations to the Secretary of Transportation on positioning the United States as a maritime leader, and utilize emerging opportunities for safe and secure maritime transportation in the Arctic.

*Section 3. Definitions*

This section would define the terms "Advisory Committee", "Arctic", and "Arctic Sea Routes".

*Section 4. Establishment of the Arctic Shipping Federal Advisory Committee*

This section would create the Arctic Shipping Federal Advisory Committee and determine its membership. The Advisory Committee would be composed of 15 members and chaired by the Secretary of Transportation's designee, with a vice chair designated by the Secretary of the Department in which the Coast Guard is operating. The Advisory Committee would also include designees from the Departments of Commerce, State, and Defense. The remainder

of the Advisory Committee would be comprised of stakeholders from the shipping industry, the marine safety community, maritime labor, the Arctic business community, and representatives nominated by the Governors of Alaska and Washington. Alaska Native representatives would also have a role on the Advisory Committee. Each member of the Advisory Committee would serve a 2-year term and not be eligible for more than 2 consecutive term reappointments.

This section would also require the Advisory Committee to develop a set of policy recommendations to enhance the U.S. leadership role for improving the safety and reliability of Arctic maritime transportation, as well as environmental protection. Specifically, the recommendations would include options for establishing a U.S. Arctic entity similar to the St. Lawrence Seaway Development Corporation.

*Section 5. Report to Congress*

This section would require the Advisory Committee to submit a report with its recommendations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, not later than 2 years from the date of enactment of the Act.

*Section 6. Termination of the Advisory Committee*

This section would require the Secretary of Transportation to dissolve the Advisory Committee not later than 8 years after the submission of the report described in section 5.

*Section 7. International engagement*

This section states that if a Special Representative for the Arctic Region is appointed by the Secretary of State, the duties of that Representative shall include: (1) coordination of any activities recommended by the implementation plan submitted by the Advisory Committee and approved by the Secretary of Transportation; and (2) facilitation of multilateral dialogues with member and observer nations of the Arctic Council to encourage cooperation on Arctic maritime transportation.

CHANGES IN EXISTING LAW

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

