

105TH CONGRESS  
2D SESSION

# S. 2290

To promote the construction and operation of cruise ships in the United States.

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IN THE SENATE OF THE UNITED STATES

JULY 10, 1998

Mr. BREAUX introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To promote the construction and operation of cruise ships in the United States.

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. PURPOSE.**

4 The purpose of this Act is to allow foreign-con-  
5 structed vessels to be documented as vessels of the United  
6 States with the right to engage in the domestic coastwise  
7 cruise trade in connection with the construction of cruise  
8 vessels in the United States.

9 **SEC. 2. COASTWISE TRANSPORTATION OF PASSENGERS.**

10 (a) REFLAGGING.—

(1) IN GENERAL.—Notwithstanding section 12106(a)(2) of title 46, United States Code, section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), or any other provision of law, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for a cruise vessel not constructed in the United States to a person who enters into a binding contract for construction in the United States of a cruise vessel or vessels with a total combined berth or stateroom capacity equal to at least 75 percent of the total combined berth or stateroom capacity of the cruise vessel or vessels for which the certificate is to be issued under this paragraph.

(2) CERTIFICATE SUNSET.—A certificate of documentation issued to a vessel under paragraph (1) shall terminate 2 years after the date on which all vessels constructed under the binding contract have been delivered.

(b) LIMITATIONS.—

(1) NO COMPETITION WITH U.S.-BUILT VESSELS.—A vessel issued a certificate of documentation under subsection (a)(1) may not operate in the coastwise cruise trade on a route served by a cruise

1 vessel built in the United States operating under the  
2 authority of section 27 of the Merchant Marine Act,  
3 1920 (46 U.S.C. App. 883), the Act of June 19,  
4 1886 (46 U.S.C. App. 289), section 12106(a)(2) of  
5 title 46, United States Code, or any other authority  
6 of law in effect on or before the date of enactment  
7 of this Act.

8 (2) HAWAIIAN ROUTES PROHIBITED.—A vessel  
9 issued a certificate of documentation under sub-  
10 section (a)(1), or constructed under a binding con-  
11 tract referred to in that subsection, may not operate  
12 between or among the islands of Hawaii.

13 **SEC. 3. CONSTRUCTION STANDARDS.**

14 A vessel issued a certificate of documentation under  
15 subsection (a)(1) that meets the standards and conditions  
16 for the issuance of a control verification certificate for a  
17 cruise vessel documented under the laws of a foreign coun-  
18 try embarking passengers in the United States is deemed  
19 to be in compliance with section 3309 of title 46, United  
20 States Code.

21 **SEC. 4. FOREIGN TRANSFER.**

22 Notwithstanding section 9(c) of the Shipping Act,  
23 1916 (46 U.S.C. App. 808), a cruise vessel issued a certifi-  
24 cate of documentation under subsection (a)(1), or con-  
25 structed under a binding contract referred to in that sub-

1 section, may be placed under foreign registry after its doc-  
2 umentation under subsection (a) or its initial documenta-  
3 tion (in the case of a vessel so constructed), but the Sec-  
4 retary shall revoke the coastwise endorsement issued for  
5 any such vessel when it is placed under foreign registry.

6 **SEC. 5. DEFINITIONS.**

7 In this Act:

8 (1) COASTWISE CRUISE TRADE.—The term  
9 “coastwise cruise trade” means the transportation of  
10 passengers in coastwise trade between points in the  
11 United States, either directly or by way of a foreign  
12 point, or originating and terminating at the same  
13 point in the United States.

14 (2) CRUISE VESSEL.—The term “cruise vessel”  
15 means a vessel that—

16 (A) is at least 10,000 gross tons as meas-  
17 ured under chapter 142 of title 46, United  
18 States Code; and

19 (B) has berth or stateroom accommoda-  
20 tions for at least 275 passengers.

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