

Calendar No. 234

105TH CONGRESS
1ST SESSION**S. 661****[Report No. 105–121]**

To provide an administrative process for obtaining a waiver of the coastwise trade laws for certain vessels.

IN THE SENATE OF THE UNITED STATES

APRIL 28, 1997

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

OCTOBER 29, 1997

Reported by Mr. MCCAIN, without amendment

A BILL

To provide an administrative process for obtaining a waiver of the coastwise trade laws for certain vessels.

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. FINDINGS.**

4 The Congress finds that—

5 (1) current coastwise trade laws provide no ad-
6 ministrative authority to waive the United States-

1 built requirement of those laws for the limited car-
2 riage of passengers for hire on vessels built or re-
3 built outside the United States;

4 (2) requests for such waivers require the enact-
5 ment of legislation by the Congress;

6 (3) each Congress routinely approves numerous
7 such requests for waiver and rarely rejects any such
8 request; and

9 (4) the review and approval of such waiver re-
10 quests is a ministerial function which properly
11 should be executed by an administrative agency with
12 appropriate expertise.

13 **SEC. 2. ADMINISTRATIVE WAIVER OF COASTWISE TRADE**
14 **LAWS.**

15 Notwithstanding section 12106 of title 46, United
16 States Code, section 8 of the Act of June 19, 1886 (46
17 U.S.C. App. 289), and section 27 of the Merchant Marine
18 Act, 1920 (46 U.S.C. App. 883), the Secretary of Trans-
19 portation may issue a certificate of documentation with
20 appropriate endorsement for employment in the coastwise
21 trade as a passenger vessel, a small passenger vessel, or
22 an uninspected passenger vessel for an eligible vessel au-
23 thorized to carry no more than 12 passengers for hire if
24 the Secretary determines that the employment of the ves-
25 sel in the coastwise trade will not adversely affect—

1 (1) United States vessel builders; or

2 (2) the coastwise trade business of any person
3 who employs vessels built in the United States in
4 that business.

5 **SEC. 3. REVOCATION.**

6 The Secretary may revoke an endorsement issued
7 under section 2, after notice and an opportunity for public
8 comment, if the Secretary determines that the employment
9 of the vessel in the coastwise trade has substantially
10 changed since the issuance of the endorsement, and—

11 (1) the vessel is employed other than as a pas-
12 senger vessel, a small passenger vessel, or an
13 uninspected passenger vessel; or

14 (2) the employment of the vessel adversely af-
15 fects—

16 (A) United States vessel builders; or

17 (B) the coastwise trade business of any
18 person who employs vessels built in the United
19 States.

20 **SEC. 4. DEFINITIONS.**

21 For purposes of this Act—

22 (1) SECRETARY.—The term “Secretary” means
23 the Secretary of Transportation.

24 (2) ELIGIBLE VESSEL.—The term “eligible ves-
25 sel” means a vessel that—

1 (A) was not built in the United States and
2 is at least 3 years of age; or

3 (B) was rebuilt outside the United States
4 at least 3 years before the certification re-
5 quested under section 2, if granted, would take
6 effect.

7 (3) PASSENGER VESSEL, SMALL PASSENGER
8 VESSEL; UNINSPECTED PASSENGER VESSEL; PAS-
9 SENGER FOR HIRE.—The terms “passenger vessel”,
10 “small passenger vessel”, “uninspected passenger
11 vessel”, and “passenger for hire” have the meaning
12 given such terms by section 2101 of title 46, United
13 States Code.

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