

106TH CONGRESS  
1ST SESSION

# H. R. 248

To permit the transportation of passengers between United States ports by certain foreign-flag vessels and to encourage United States-flag vessels to participate in such transportation.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1999

Mr. SANFORD introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Armed Services, 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 permit the transportation of passengers between United States ports by certain foreign-flag vessels and to encourage United States-flag vessels to participate in such transportation.

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 “United States Cruise  
5       Tourism Act of 1999”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

1           (1) It is in the interest of the United States to  
2 maximize economic return from the growing indus-  
3 try of pleasure cruises—

4                 (A) by encouraging the growth of new  
5 cruise itineraries between coastal cities in the  
6 United States, and

7                 (B) by encouraging the use of United  
8 States goods, labor, and support services.

9           (2) In maximizing the economic benefits to the  
10 United States from increased cruise vessel tourism,  
11 there is a need to ensure that existing employment  
12 and economic activity associated with United States-  
13 flag vessels (including tour boats, river boats, intra  
14 coastal waterway cruise vessels, and ferries) are pro-  
15 tected and to provide for re-emergence of a United  
16 States-flag cruise vessel industry.

17           (3) The pleasure cruise industry is one of the  
18 fastest growing segments of the tourism industry  
19 and is expected to grow at a rate of 5 percent a year  
20 over the next few years.

21           (4) The United States-flag ocean cruise vessel  
22 fleet consists of only a single vessel that tours the  
23 Hawaiian Islands. As a result, all the cruise vessels  
24 carrying passengers to and from United States ports  
25 are foreign-flag vessels and the United States ports

1 served are mostly ports that are close enough to for-  
2 eign ports to allow intermediate calls.

3 (5) Prohibiting cruises between United States  
4 ports by foreign-flag vessels results in the loss of  
5 tourist dollars and revenue for United States ports  
6 and greatly disadvantages United States ports and  
7 coastal communities.

8 **SEC. 3. FOREIGN-FLAG CRUISE VESSELS.**

9 (a) DEFINITIONS.—In this Act—

10 (1) COASTWISE TRADE.—The term “coastwise  
11 trade” means the coastwise trade provided for in  
12 section 12106 of title 46, United States Code, and  
13 includes trade in the Great Lakes.

14 (2) CRUISE VESSEL.—The term “cruise vessel”  
15 means a passenger vessel of greater than 4,000  
16 gross registered tons which provides a full range of  
17 luxury accommodations, entertainment, dining, and  
18 other services for its passengers.

19 (3) FOREIGN-FLAG CRUISE VESSEL.—The term  
20 “foreign-flag cruise vessel” does not include a vessel  
21 which—

22 (A) provides ferry services or intra coastal  
23 waterway cruises;

24 (B) regularly carries for hire both pas-  
25 sengers and vehicles or other cargo; or

1 (C) serves residents of the vessel's ports of  
2 call in the United States as a common or fre-  
3 quently used means of transportation between  
4 United States ports.

5 (4) REPAIR AND MAINTENANCE SERVICE.—The  
6 term “repair and maintenance service” includes al-  
7 terations and upgrades.

8 (5) SECRETARY.—The term “Secretary” means  
9 the Secretary of Transportation.

10 (b) WAIVER.—Notwithstanding the provisions of sec-  
11 tion 8 of the Act of June 19, 1886 (24 Stat. 81, ch. 421;  
12 46 U.S.C. App. 289), or any other provision of law, and  
13 except as otherwise provided by this section, the Secretary  
14 may approve the transportation of passengers on foreign-  
15 flag cruise vessels not otherwise qualified to engage in the  
16 coastwise trade between ports in the United States, di-  
17 rectly or by way of a foreign port.

18 (c) EXCEPTIONS.—

19 (1) IN GENERAL.—The Secretary may not ap-  
20 prove the transportation of passengers on a foreign-  
21 flag cruise vessel pursuant to this section with re-  
22 spect to any coastwise trade that is being served by  
23 a United States-flag cruise vessel.

24 (2) UNITED STATES-FLAG SERVICE INITIATED  
25 AFTER APPROVAL OF FOREIGN-FLAG VESSEL.—

1       Upon a showing to the Secretary, by a United  
2       States-flag cruise vessel owner or charterer, that  
3       service aboard a cruise vessel qualified to engage in  
4       the coastwise trade is being offered or advertised  
5       pursuant to a Certificate of Financial Responsibility  
6       for Indemnification of Passengers for Nonperform-  
7       ance of Transportation from the Federal Maritime  
8       Commission (issued pursuant to section 3 of Public  
9       Law 89-777 (46 U.S.C. App. 817e) for service in  
10      the coastwise trade on an itinerary substantially  
11      similar to that of a foreign-flag cruise vessel trans-  
12      porting passengers under authority of this section,  
13      the Secretary shall, in accordance with subsection  
14      (d)(2), notify the owner or charterer of the foreign-  
15      flag cruise vessel that the Secretary will, within 3  
16      years after the date of notification, terminate such  
17      service.

18      (d) TERMINATION.—

19           (1) IN GENERAL.—Coastwise trade privileges  
20      granted to such owner or charterer of a foreign-flag  
21      cruise vessel under this section shall expire on the  
22      date that is 3 years after the date of the Secretary's  
23      notification described in subsection (c)(2).

24           (2) ORDER OF TERMINATION.—Any notification  
25      issued by the Secretary under this subsection shall

1 be issued to the owner or charterer of a foreign-flag  
2 cruise vessel—

3 (A) in the reverse order in which the for-  
4 eign-flag cruise vessel entered service in the  
5 coastwise trade under this section, determined  
6 by the date of the vessel's first coastwise sail-  
7 ing; and

8 (B) in the minimum number necessary to  
9 ensure that the passenger-carrying capacity  
10 thereby removed from the coastwise trade serv-  
11 ice exceeds the passenger-carrying capacity of  
12 the United States-flag cruise vessel entering the  
13 service.

14 (3) EXCEPTION.—If, at the expiration of the 3-  
15 year period specified in paragraph (1), the United  
16 States-flag cruise vessel that has been offering or  
17 advertising service pursuant to a certificate de-  
18 scribed in subsection (c)(2) has not entered the  
19 coastwise trade described in subsection (c)(2), then  
20 the termination of service required by paragraph (1)  
21 shall not take effect until 180 days after the date of  
22 the entry into that coastwise trade service by the  
23 United States-flag cruise vessel.

24 (e) REQUIREMENT FOR REPAIRS IN UNITED STATES  
25 SHIPYARDS.—

1           (1) IN GENERAL.—The owner or charterer of a  
2           foreign-flag cruise vessel that is qualified to provide  
3           coastwise trade service under this section is required  
4           to have repair and maintenance service for the vessel  
5           performed in the United States during the period  
6           that such vessel is qualified for such coastwise trade  
7           service, except in a case in which the vessel requires  
8           repair and maintenance service while at a distant  
9           foreign port (as defined in section 4.80a(a) of title  
10          19, Code of Federal Regulations (or any correspond-  
11          ing similar regulation or ruling)).

12          (2) ACTION IF REQUIREMENT NOT MET.—

13                (A) GENERAL RULE.—If the Secretary de-  
14                termines that the owner or charterer has not  
15                met the repair and maintenance service require-  
16                ment described in paragraph (1), the Secretary  
17                shall terminate the coastwise trade privileges  
18                granted to the owner or charterer under this  
19                section.

20                (B) WAIVER.—The Secretary may waive  
21                the repair and maintenance service requirement  
22                if the Secretary finds that—

23                       (i) the repair and maintenance service  
24                       is not available in the United States, or

1 (ii) an emergency prevented the owner  
2 or charterer from obtaining the service in  
3 the United States.

4 (f) ALIEN CREWMEN.—Section 252 of the Immigra-  
5 tion and Nationality Act (8 U.S.C. 1282) is amended—

6 (1) in subsection (a), by redesignating para-  
7 graphs (1) and (2) as subparagraphs (A) and (B);

8 (2) by inserting “(1)” immediately after “(a)”;

9 (3) in subsection (a)(1) (as redesignated), in  
10 the second sentence, by inserting “, except as pro-  
11 vided in paragraph (2), and” after “subsection (b),”;

12 (4) by adding at the end of subsection (a)(1)  
13 (as redesignated), the following:

14 “(2) An immigration officer may extend for a period  
15 or periods of up to 6 months each a conditional permit  
16 to land that is granted under paragraph (1) to an alien  
17 crewman employed on a vessel if the owner or charterer  
18 of the vessel requests the extension and the immigration  
19 officer determines that the extension is necessary to main-  
20 tain the vessel in the coastwise trade between ports in the  
21 United States, directly or by way of a foreign port.”; and

22 (5) in subsection (b), by striking “subsection  
23 (a)(1)” and inserting “subsection (a)(1)(A)”.

24 (g) DISCLAIMER.—



1           (1) IN GENERAL.—Nothing in this Act shall be  
2       construed as affecting or otherwise modifying the  
3       authority contained in—

4           (A) Public Law 87–77 (46 U.S.C. App.  
5       289b) authorizing the transportation of pas-  
6       sengers and merchandise in Canadian vessels  
7       between ports in Alaska and the United States.

8           (B) Public Law 98–563 (46 U.S.C. App.  
9       289c) permitting the transportation of pas-  
10      sengers between Puerto Rico and other United  
11      States ports.

12          (2) JONES ACT.—Except as otherwise expressly  
13      provided in this Act, nothing in this Act shall be  
14      construed as affecting or modifying the provisions of  
15      the Merchant Marine Act, 1920.

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