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1<sup>ST</sup> SESSION

# H. R. 1250

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 20 (legislative day, NOVEMBER 2), 1993

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Read twice and referred to the Committee on Commerce, Science, and  
Transportation

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## AN ACT

To amend the coastwise trade laws to clarify their application  
to certain passenger 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. SHORT TITLE.**

4 This Act may be cited as the “United States-Flag  
5 Passenger Vessel Act of 1993”.

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

7 (a) IN GENERAL.—Section 8 of the Act of June 19,  
8 1886 (46 App. U.S.C. 289), is amended to read as follows:

1 **“SEC. 8. COASTWISE TRANSPORTATION OF PASSENGERS.**

2 “(a) IN GENERAL.—Except as otherwise provided by  
3 law, a vessel may transport passengers in coastwise trade  
4 only if—

5 “(1) the vessel meets the requirements of sec-  
6 tion 27 of the Merchant Marine Act, 1920 and sec-  
7 tion 2 of the Shipping Act, 1916 for engaging in the  
8 coastwise trade; and

9 “(2) for a vessel that is at least 5 net tons, the  
10 vessel is documented under chapter 121 of title 46,  
11 United States Code, with a coastwise endorsement.

12 “(b) PENALTIES.—

13 “(1) CIVIL PENALTY.—A person operating a  
14 vessel in violation of this section is liable to the  
15 United States Government for a civil penalty of  
16 \$1,000 for each passenger transported in violation of  
17 this section.

18 “(2) FORFEITURE.—A vessel operated in know-  
19 ing violation of this section, and its equipment, are  
20 liable to seizure by and forfeiture to the United  
21 States Government.

22 “(c) DEFINITIONS.—For purposes of this section—

23 “(1) the term ‘coastwise trade’ includes—

24 “(A) transportation of a passenger from a  
25 place in any State or possession of the United  
26 States and returning to that place, if during

1 that transportation no passenger departs from  
2 the vessel in a foreign country; and

3 “(B) transportation of a passenger be-  
4 tween points in the United States, either di-  
5 rectly or by way of a foreign port; and

6 “(2) the term ‘passenger’ does not include a  
7 travel agent on a voyage if—

8 “(A) the purpose of the voyage is to pro-  
9 mote future trips on the vessel;

10 “(B) money is not paid to the vessel owner  
11 or charterer for the voyage; and

12 “(C) the voyage goes beyond the territorial  
13 sea of the United States.”.

14 (b) EXCEPTION.—

15 (1) IN GENERAL.—Notwithstanding the amend-  
16 ment made by subsection (a), an ineligible vessel  
17 may engage in transport of passengers in coastwise  
18 trade (as those terms are defined in that amend-  
19 ment) on a trade route, if—

20 (A) the vessel engaged, in the period begin-  
21 ning January 1, 1990, and ending March 9,  
22 1993, in transport of passengers in coastwise  
23 trade on that trade route; and

24 (B) within one year after the date of the  
25 enactment of this Act, the owner files with the

1 Secretary of Transportation an affidavit certify-  
2 ing compliance with subparagraph (A) and list-  
3 ing each trade route on which the vessel en-  
4 gaged in transport of passengers in coastwise  
5 trade in the period described in subparagraph  
6 (A).

7 (2) SCHEDULED EXPIRATION OF EXCEPTION.—  
8 Paragraph (1) does not apply to an ineligible vessel  
9 after the later of—

10 (A) January 1, 2000,

11 (B) the date that is 15 years after the date  
12 of completion of construction of the vessel, or

13 (C) the date that is 15 years after the date  
14 of completion of any major conversion of the  
15 vessel that is begun before the date of the en-  
16 actment of this Act.

17 (3) EXPIRATION OF EXCEPTION FOR FAILURE  
18 TO RECREW.—Paragraph (1) does not apply to an  
19 ineligible vessel after the date that is 5 years after  
20 the date of the enactment of this Act, unless—

21 (A) each individual employed on the vessel  
22 after the one-year period beginning on the date  
23 of the enactment of this Act is either a citizen  
24 of the United States or an alien lawfully admit-

1           ted to the United States for permanent resi-  
2           dence; and

3           (B) not more than 25 percent of the total  
4           number of individuals employed on the vessel  
5           after the one-year period beginning on the date  
6           of the enactment of this Act are aliens lawfully  
7           admitted to the United States for permanent  
8           residence.

9           (4) TERMINATION OF EXCEPTION UPON ENTRY  
10          OF REPLACEMENT.—Paragraph (1) does not apply  
11          to an ineligible vessel with respect to a trade route  
12          after the date of the entry into service on that trade  
13          route of an eligible vessel, if—

14                (A) the eligible vessel has a passenger car-  
15                rying capacity that is equal to at least 75 per-  
16                cent of the passenger carrying capacity of the  
17                ineligible vessel, as determined by the Secretary  
18                of the Department in which the Coast Guard is  
19                operating;

20                (B) the person that is the owner or  
21                charterer of the eligible vessel submits to the  
22                Secretary of Transportation, by not later than  
23                270 days before the date of that entry into  
24                service—

1 (i) a notice of the intent of the person  
2 to enter into that service; and

3 (ii) such evidence as the Secretary  
4 may require that the person is offering and  
5 advertising that service;

6 (C) any individual employed on the ineli-  
7 gible vessel after the one-year period beginning  
8 on the date of the enactment of this Act—

9 (i) is not a citizen of the United  
10 States; and

11 (ii) is not an alien lawfully admitted  
12 to the United States for permanent resi-  
13 dence; and

14 (D) more than 25 percent of the total  
15 number of individuals employed on the ineligible  
16 vessel after the one-year period beginning on  
17 the date of the enactment of this Act are aliens  
18 lawfully admitted to the United States for per-  
19 manent residence.

20 (5) TERMINATION OF EXCEPTION UPON SALE  
21 OF VESSEL.—Paragraph (1) does not apply to an in-  
22 eligible vessel after any date on which the vessel is  
23 sold after the date of the enactment of this Act.

24 (6) DEFINITIONS.—In this subsection—

1 (A) the term “eligible vessel” means a ves-  
2 sel that is eligible under chapter 121 of title 46,  
3 United States Code, for a certificate of docu-  
4 mentation authorizing the vessel to engage in  
5 coastwise trade;

6 (B) the term “ineligible vessel” means a  
7 vessel that is not eligible under chapter 121 of  
8 title 46, United States Code, for a certificate of  
9 documentation authorizing the vessel to engage  
10 in coastwise trade; and

11 (C) the term “major conversion” has the  
12 meaning that term has under section 2101 of  
13 title 46, United States Code.

14 **SEC. 3. DOCUMENTATION OF VESSELS.**

15 (a) Notwithstanding section 27 of the Merchant Ma-  
16 rine Act, 1920 (46 App. U.S.C. 883), the Act of June  
17 19, 1886 (46 App. U.S.C. 289), and sections 12106 and  
18 12107 of title 46, United States Code, the Secretary of  
19 Transportation may issue certificates of documentation  
20 with appropriate endorsement for employment in the  
21 coastwise trade for the following vessels:

22 (1) Emerald Princess (former United States of-  
23 ficial number 530095).

24 (2) Europa Star (former United States official  
25 number 588270).

1           (3) Europa Sun (former United States official  
2           number 596656).

3           (b) Notwithstanding section 27 of the Merchant Ma-  
4 rine Act, 1920 (46 App. U.S.C. 883) and section 12106  
5 of title 46, United States Code, the Secretary of Transpor-  
6 tation may issue a certificate of documentation with ap-  
7 propriate endorsement for employment in the coastwise  
8 trade for the vessel M/V Helton Voyager (Spanish reg-  
9 istration lista 2A-Folio-592) if—

10           (1) the person documenting the vessel entered  
11 a contract before May 21, 1992, to purchase the  
12 vessel;

13           (2) the vessel undergoes a major conversion (as  
14 defined in section 2101 of title 46, United States  
15 Code) in a United States shipyard under a contract  
16 signed before January 1, 1994;

17           (3) the cost of the major conversion is more  
18 than the value of the vessel before the major conver-  
19 sion; and

20           (4) the major conversion is completed and the  
21 vessel is documented under chapter 121 of title 46,  
22 United States Code, with a coastwise endorsement  
23 before January 1, 1995.

24           (c) Notwithstanding section 27 of the Merchant Ma-  
25 rine Act, 1920 (46 App. U.S.C. 883) and section 12106

1 of title 46, United States Code, the Secretary of Transpor-  
2 tation may issue a certificate of documentation with ap-  
3 propriate endorsement for employment in the coastwise  
4 trade, for the vessel M/V Twin Drill (Panama official  
5 number 8536-PEXT-2) if—

6 (1) the vessel undergoes a major conversion (as  
7 defined in section 2101 of title 46, United States  
8 Code) in a United States shipyard;

9 (2) the cost of the major conversion is more  
10 than 3 times the purchase value of the vessel before  
11 the major conversion;

12 (3) the major conversion is completed and the  
13 vessel is documented under chapter 121 of title 46,  
14 United States Code, with a coastwise endorsement  
15 before June 30, 1995; and

16 (4) the person documenting the vessel contracts  
17 with a United States shipyard to construct an addi-  
18 tional vessel of equal or greater passenger capacity  
19 within 12 months of the date of enactment of this  
20 Act, for delivery within 36 months of the date of  
21 such contract, which vessel shall also be documented  
22 under chapter 121 of title 46, United States Code.

23 (d)(1) The vessel Star of Texas (Lloyds register num-  
24 ber L5103936) may engage in coastwise trade (as defined  
25 in section 8(c)(1)(A) of the Act of June 19, 1886, as

1 amended by this Act) out of the Port of Galveston during  
2 the 5-year period beginning on the date of the enactment  
3 of this Act, if during the period beginning 30 days after  
4 that date of enactment and ending 5 years after that date  
5 of enactment—

6 (A) at least 60 employees engaged on the vessel  
7 are United States citizens;

8 (B) of the employees engaged on the vessel who  
9 are United States citizens, at least 60 are proficient  
10 in lifeboat training, firefighting, and vessel evacu-  
11 ation under standards certified by the United States  
12 Coast Guard;

13 (C) all repairs and alterations to the vessel are  
14 done in United States shipyards;

15 (D) the vessel is a United States documented  
16 vessel before the end of that period; and

17 (E) all other employees are instructed in basic  
18 safety techniques.

19 (2) Notwithstanding section 27 of the Merchant Ma-  
20 rine Act, 1920 (46 App. U.S.C. 883) and section 12106  
21 of title 46, United States Code, and subject to paragraph  
22 (1), the Secretary of Transportation may issue a certifi-  
23 cate of documentation with appropriate endorsement for  
24 employment in the coastwise trade in the period described  
25 in paragraph (1) for a vessel described in that paragraph.

1 **SEC. 4. LIMITATION ON AUTHORITY OF STATES TO REGU-**  
2 **LATE GAMBLING DEVICES ON VESSELS.**

3 Section 5(b)(2) of the Act of January 2, 1951 (15  
4 U.S.C. 1175(b)(2)), commonly referred to as the “John-  
5 son Act”, is amended by adding at the end the following:

6 “(C) EXCLUSION OF CERTAIN VOYAGES  
7 AND SEGMENTS.—A voyage or segment of a  
8 voyage is not described in subparagraph (B) if  
9 it includes or consists of, respectively, a seg-  
10 ment—

11 “(i) that begins and ends in the same  
12 State or possession of the United States;

13 “(ii) that is part of a voyage to an-  
14 other State or possession of the United  
15 States or to a foreign country; and

16 “(iii) in which the vessel reaches the  
17 other State or possession of the United  
18 States or the foreign country within 3 days  
19 after leaving the State or possession of the

1 United States in which the segment  
2 begins.”.

Passed the House of Representatives November 20,  
1993.

Attest: DONNALD K. ANDERSON,  
*Clerk.*

By DALLAS L. DENDY, JR.,  
*Assistant to the Clerk.*