

104TH CONGRESS  
2D SESSION

# H. R. 2940

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 1996

Received

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## AN ACT

To amend the Deepwater Port Act of 1974.

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 “Deepwater Port Mod-  
5 ernization Act”.

1 **SEC. 2. DECLARATIONS OF PURPOSE AND POLICY.**

2 (a) PURPOSES.—The purposes of this Act are to—

3 (1) update and improve the Deepwater Port Act  
4 of 1974;

5 (2) assure that the regulation of deepwater  
6 ports is not more burdensome or stringent than nec-  
7 essary in comparison to the regulation of other  
8 modes of importing or transporting oil;

9 (3) recognize that deepwater ports are generally  
10 subject to effective competition from alternative  
11 transportation modes and eliminate, for as long as  
12 a port remains subject to effective competition, un-  
13 necessary Federal regulatory oversight or involve-  
14 ment in the ports' business and economic decisions;  
15 and

16 (4) promote innovation, flexibility, and effi-  
17 ciency in the management and operation of deep-  
18 water ports by removing or reducing any duplicative,  
19 unnecessary, or overly burdensome Federal regula-  
20 tions or license provisions.

21 (b) POLICY.—Section 2(a) of the Deepwater Port Act  
22 of 1974 (33 U.S.C. 1501(a)) is amended—

23 (1) by striking “and” at the end of paragraph  
24 (3);

25 (2) by striking the period at the end of para-  
26 graph (4) and inserting a semicolon; and

1 (3) by inserting at the end the following:

2 “(5) promote the construction and operation of  
3 deepwater ports as a safe and effective means of im-  
4 porting oil into the United States and transporting  
5 oil from the outer continental shelf while minimizing  
6 tanker traffic and the risks attendant thereto; and

7 “(6) promote oil production on the outer con-  
8 tinental shelf by affording an economic and safe  
9 means of transportation of outer continental shelf oil  
10 to the United States mainland.”.

11 **SEC. 3. DEFINITIONS.**

12 (a) ANTITRUST LAWS.—Section 3 of the Deepwater  
13 Port Act of 1974 (33 U.S.C. 1502) is amended—

14 (1) by striking paragraph (3); and

15 (2) by redesignating paragraphs (4) through  
16 (19) as paragraphs (3) through (18), respectively.

17 (b) DEEPWATER PORT.—The first sentence of sec-  
18 tion 3(9) of such Act, as redesignated by subsection (a),  
19 is amended by striking “such structures,” and all that fol-  
20 lows through “section 23.” and inserting the following:  
21 “structures, located beyond the territorial sea and off the  
22 coast of the United States and which are used or intended  
23 for use as a port or terminal for the transportation, stor-  
24 age, and further handling of oil for transportation to any  
25 State, except as otherwise provided in section 23, and for

1 other uses not inconsistent with the purposes of this Act,  
2 including transportation of oil from the United States  
3 outer continental shelf.”.

4 **SEC. 4. LICENSES.**

5 (a) **ELIMINATION OF UTILIZATION RESTRICTIONS.**—  
6 Section 4(a) of the Deepwater Port Act of 1974 (33  
7 U.S.C. 1503(a)) is amended by striking all that follows  
8 the second sentence.

9 (b) **ELIMINATION OF PRECONDITION TO LICENS-**  
10 **ING.**—Section 4(c) of such Act is amended—

11 (1) by striking paragraph (7); and

12 (2) by redesignating paragraphs (8), (9), and  
13 (10) as paragraphs (7), (8), and (9), respectively.

14 (c) **CONDITIONS PRESCRIBED BY SECRETARY.**—Sec-  
15 tion 4(e)(1) of such Act is amended by striking the first  
16 sentence and inserting the following: “In issuing a license  
17 for the ownership, construction, and operation of a deep-  
18 water port, the Secretary shall prescribe those conditions  
19 which the Secretary deems necessary to carry out the pro-  
20 visions and requirements of this Act or which are other-  
21 wise required by any Federal department or agency pursu-  
22 ant to the terms of this Act. To the extent practicable,  
23 conditions required to carry out the provisions and re-  
24 quirements of this Act shall be addressed in license condi-  
25 tions rather than by regulation and, to the extent prac-

1 ticable, the license shall allow a deepwater port’s operating  
2 procedures to be stated in an operations manual approved  
3 by the Coast Guard rather than in detailed and specific  
4 license conditions or regulations; except that basic stand-  
5 ards and conditions shall be addressed in regulations.”.

6 (d) **ELIMINATION OF RESTRICTION RELATING TO**  
7 **APPLICATIONS.**—Section 4(e)(2) of such Act is amended  
8 by striking “application” and inserting “license”.

9 (e) **FINDINGS REQUIRED FOR TRANSFERS.**—Section  
10 4(f) of such Act is amended to read as follows:

11 “(f) **AMENDMENTS, TRANSFERS, AND REINSTATE-**  
12 **MENTS.**—The Secretary may amend, transfer, or reinstate  
13 a license issued under this Act if the Secretary finds that  
14 the amendment, transfer, or reinstatement is consistent  
15 with the requirements of this Act.”.

16 **SEC. 5. INFORMATIONAL FILINGS.**

17 Section 5(c) of the Deepwater Port Act of 1974 (33  
18 U.S.C. 1504(c)) is amended by adding the following:

19 “(3) Upon written request of any person subject to  
20 this subsection, the Secretary may make a determination  
21 in writing to exempt such person from any of the informa-  
22 tional filing provisions enumerated in this subsection or  
23 the regulations implementing this section if the Secretary  
24 determines that such information is not necessary to facili-  
25 tate the Secretary’s determinations under section 4 of this

1 Act and that such exemption will not limit public review  
2 and evaluation of the deepwater port project.”.

3 **SEC. 6. ANTITRUST REVIEW.**

4 Section 7 of the Deepwater Port Act of 1974 (33  
5 U.S.C. 1506) is repealed.

6 **SEC. 7. OPERATION.**

7 (a) AS COMMON CARRIER.—Section 8(a) of the  
8 Deepwater Port Act of 1974 (33 U.S.C. 1507(a)) is  
9 amended by inserting after “subtitle IV of title 49, United  
10 States Code,” the following: “and shall accept, transport,  
11 or convey without discrimination all oil delivered to the  
12 deepwater port with respect to which its license is issued,”.

13 (b) CONFORMING AMENDMENT.—Section 8(b) of  
14 such Act is amended by striking the first sentence and  
15 the first 3 words of the second sentence and inserting the  
16 following: “A licensee is not discriminating under this sec-  
17 tion and”.

18 **SEC. 8. MARINE ENVIRONMENTAL PROTECTION AND NAVI-  
19 GATIONAL SAFETY.**

20 Section 10(a) of the Deepwater Port Act of 1974 (33  
21 U.S.C. 1509(a)) is amended—

22 (1) by inserting after “international law” the  
23 following: “and the provision of adequate opportuni-  
24 ties for public involvement”;

1           (2) by striking “shall prescribe by regulation  
2           and enforce procedures with respect to any deep-  
3           water port, including, but not limited to,” and in-  
4           serting the following: “shall prescribe and enforce  
5           procedures, either by regulation (for basic standards  
6           and conditions) or by the licensee’s operations man-  
7           ual, with respect to”; and

8           (3) by redesignating clauses (A), (B), and (C)  
9           as clauses (1), (2), and (3), respectively.

Passed the House of Representatives September 18,  
1996.

Attest:

ROBIN H. CARLE,

*Clerk.*