

ADMINISTRATIVE PROCESS FOR SMALL PASSENGER VESSEL JONES ACT WAIVERS¹

SEC. 501. FINDINGS.

The Congress finds that—

- (1) current coastwise trade laws provide no administrative authority to waive the United-States-built requirement of those laws for the limited carriage of passengers for hire on vessels built or rebuilt outside the United States;
- (2) requests for such waivers require the enactment of legislation by the Congress;
- (3) each Congress routinely approves numerous such requests for waiver and rarely rejects any such request; and
- (4) the review and approval of such waiver requests is a ministerial function which properly should be executed by an administrative agency with appropriate expertise.

SEC. 502. ADMINISTRATIVE WAIVER OF THE COASTWISE TRADE LAWS.

Notwithstanding sections 12106 and 12108 of title 46, United States Code, section 8 of the Act of June 19, 1886 (46 U.S.C. App. 289), and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade as a small passenger vessel or an uninspected passenger vessel for an eligible vessel authorized to carry no more than 12 passengers for hire if the Secretary, after notice and an opportunity for public comment, determines that the employment of the vessel in the coastwise trade will not adversely affect—

- (1) United States vessel builders; or
- (2) the coastwise trade business of any person who employs vessels built in the United States in that business.

SEC. 503. REVOCATION.

(a) Revocation for Fraud. .—The Secretary shall revoke a certificate or an endorsement issued under section 502, after notice

¹ Enacted as Title V of Public Law 105 - 383, approved November 13, 1998 (112 STAT. 3411, 3445), the Coast Guard Authorization Act of 1998. Amended by Section 207(c) of Public Law 107-295, approved November 25, 2002 (116 STAT. 2097), the Maritime Transportation Security Act of 2002.

and an opportunity for a hearing, if the Secretary determines that the certificate or endorsement was obtained by fraud.

(b) Application with Criminal Penalties.—Nothing in this section affects—

- (1) the criminal prohibition on fraud and false statements provided by section 1001 of title 18, United States Code; or
- (2) any other authority of the Secretary to revoke a certificate or endorsement issued under section 502 of this Act.

SEC. 504. DEFINITIONS.

In this title:

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

(2) **ELIGIBLE VESSEL.**—The term “eligible vessel” means a vessel that-

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

(B) if rebuilt, was rebuilt outside the United States at least 3 years before the certification required under section 502, if granted, would take effect.

(3) **SMALL PASSENGER VESSEL; UNINSPECTED PASSENGER VESSEL; PASSENGER FOR HIRE.**—The terms “small passenger vessel”, “uninspected passenger vessel”, and “passenger for hire” have the meaning given such terms by section 2101 of title 46, United States Code.

SEC. 505. SUNSET.²

² Section 505 was repealed by Section 206(c)(1) of Public Law 107-295, approved November 25, 2002 (116 STAT. 2097), the Coast Guard Authorization Act of 1998. Section 206(c)(1) further provides: “The repeal of section 505 shall have no effect on the validity of any certificate of endorsement issued under section 502 of that Act.”