

114TH CONGRESS  
1ST SESSION

# S. 1326

To amend certain maritime programs of the Department of Transportation,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 13, 2015

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

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## A BILL

To amend certain maritime programs of the Department  
of Transportation, and for other purposes.

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 “Maritime Administra-  
5 tion Enhancement Act of 2015”.

6 **SEC. 2. CADET COMMITMENT AGREEMENTS.**

7 Section 51306(a) of title 46, United States Code, is  
8 amended—

9 (1) in the matter preceding paragraph (1), by  
10 striking “must” and inserting “shall”;

1           (2) by amending paragraph (2) to read as fol-  
2           lows:

3           “(2) obtain a merchant mariner license, unlim-  
4           ited as to horsepower or tonnage, issued by the  
5           United States Coast Guard as an officer in the mer-  
6           chant marine of the United States, accompanied by  
7           the appropriate national and international endorse-  
8           ments and certifications required by the Coast  
9           Guard for service aboard vessels on domestic and  
10          international voyages, without limitation, before  
11          graduation from the Academy;”;

12          (3) by amending paragraph (3) to read as fol-  
13          lows:

14          “(3) for at least 6 years after graduation from  
15          the Academy, maintain—

16                 “(A) a valid merchant mariner license, un-  
17                 limited as to horsepower or tonnage, issued by  
18                 the United States Coast Guard as an officer in  
19                 the merchant marine of the United States, ac-  
20                 companied by the appropriate national and  
21                 international endorsements and certifications  
22                 required by the Coast Guard for service aboard  
23                 vessels on domestic and international voyages,  
24                 without limitation;

1           “(B) a valid transportation worker identi-  
2           fication credential; and

3           “(C) a United States Coast Guard medical  
4           certificate;” and

5           (4) by amending paragraph (4) to read as fol-  
6           lows:

7           “(4) apply for, and accept if tendered, an ap-  
8           pointment as a commissioned officer in the Navy Re-  
9           serve (including the Strategic Sealift Officer Pro-  
10          gram, Navy Reserve), the Coast Guard Reserve, or  
11          any other reserve component of an armed force of  
12          the United States, and, if tendered the appointment,  
13          to serve, meet the participation requirements, and  
14          maintain active status in good standing, as deter-  
15          mined by the program manager of the appropriate  
16          military service, for at least 8 years after the date  
17          of commissioning;”.

18 **SEC. 3. STUDENT INCENTIVE PAYMENT AGREEMENTS.**

19          Section 51509 of title 46, United States Code, is  
20          amended—

21                 (1) in subsection (b)—

22                         (A) by inserting “(3) AUTHORIZED  
23                         USES.—” before the last sentence and indenting  
24                         accordingly;

1 (B) in the matter preceding paragraph (3),  
2 by striking “Payments” and inserting “(1) IN  
3 GENERAL.—Except as provided in paragraph  
4 (2), payments” and indenting accordingly; and

5 (C) by inserting after paragraph (1), the  
6 following:

7 “(2) EXCEPTION.—The Secretary may modify  
8 the payments made to an individual under para-  
9 graph (1), but the total amount of payments to that  
10 individual may not exceed \$32,000.”;

11 (2) in subsection (c), by striking “Merchant  
12 Marine Reserve” and inserting “Strategic Sealift Of-  
13 ficer Program”;

14 (3) in subsection (d)—

15 (A) by amending paragraph (2) to read as  
16 follows:

17 “(2) obtain a merchant mariner license, without  
18 limitation as to tonnage or horsepower, from the  
19 United States Coast Guard as an officer in the mer-  
20 chant marine of the United States, accompanied by  
21 the appropriate national and international endorse-  
22 ments and certification required by the Coast Guard  
23 for service aboard vessels on domestic and inter-  
24 national voyages, without limitation, within three

1 months of completion of the course of instruction at  
2 the academy the individual is attending;”;

3 (B) by amending paragraph (3) to read as

4 follows:

5 “(3) for at least 6 years after graduation from  
6 the academy, maintain—

7 “(A) a valid merchant mariner license, un-  
8 limited as to horsepower or tonnage, issued by  
9 the United States Coast Guard as an officer in  
10 the merchant marine of the United States, ac-  
11 companied by the appropriate national and  
12 international endorsements and certifications  
13 required by the Coast Guard for service aboard  
14 vessels on domestic and international voyages,  
15 without limitation;

16 “(B) a valid transportation worker identi-  
17 fication credential; and

18 “(C) a United States Coast Guard medical  
19 certificate;” and

20 (C) by amending paragraph (4) to read as

21 follows:

22 “(4) apply for, and accept, if tendered, an ap-  
23 pointment as a commissioned officer in the Navy Re-  
24 serve (including the Strategic Sealift Officer Pro-  
25 gram, Navy Reserve), the Coast Guard Reserve, or

1 any other reserve component of an armed force of  
2 the United States, and, if tendered the appointment,  
3 to serve and meet the participation requirements  
4 and to maintain active status in good standing, as  
5 determined by the program manager of the appro-  
6 priate military service, for at least 8 years after the  
7 date of commissioning;”;

8 (4) by amending subsection (e)(1) to read as  
9 follows:

10 “(1) ACTIVE DUTY.—

11 “(A) IN GENERAL.—The Secretary of De-  
12 fense may order an individual to serve on active  
13 duty in the armed forces of the United States  
14 for a period of not more than 2 years if—

15 “(i) the individual has attended an  
16 academy under this section for more than  
17 2 academic years, but less than 3 academic  
18 years;

19 “(ii) the individual has accepted the  
20 payments described in subsection (b) in an  
21 amount totaling at least \$8,000; and

22 “(iii) the Secretary of Transportation  
23 has determined that the individual has  
24 failed to fulfill the part of the agreement  
25 described in subsection (d)(1).

1           “(B) 3 OR MORE YEARS.—The Secretary  
2 of Defense may order an individual to serve on  
3 active duty in the armed forces of the United  
4 States for a period of not more than 3 years  
5 if—

6           “(i) the individual has attended an  
7 academy under this section for 3 or more  
8 academic years;

9           “(ii) the individual has accepted the  
10 payments described in subsection (b) in an  
11 amount totaling at least \$16,000; and

12           “(iii) the Secretary of Transportation  
13 has determined that the individual has  
14 failed to fulfill the part of the agreement  
15 described in subsection (d)(1).

16           “(C) HARDSHIP WAIVER.—In cases of  
17 hardship as determined by the Secretary of  
18 Transportation, the Secretary of Transportation  
19 may waive this paragraph in whole or in part.”;  
20 and

21           (5) by adding at the end the following:

22           “(h) ALTERNATIVE SERVICE.—

23           “(1) SERVICE AS COMMISSIONED OFFICER.—An  
24 individual who, for the 5-year period following grad-  
25 uation from an academy, serves as a commissioned

1 officer on active duty in an armed force of the  
2 United States or as a commissioned officer of the  
3 National Oceanic and Atmospheric Administration  
4 or the Public Health Service shall be excused from  
5 the requirements of paragraphs (3) through (5) of  
6 subsection (d).

7 “(2) MODIFICATION OR WAIVER.—The Sec-  
8 retary may modify or waive any of the terms and  
9 conditions set forth in subsection (d) through the  
10 imposition of alternative service requirements.”.

11 **SEC. 4. FEDERAL UNEMPLOYMENT TAX ACT.**

12 Section 3305 of the Internal Revenue Code of 1986  
13 (26 U.S.C. 3305) is amended by striking “Secretary of  
14 Commerce” each place it appears and inserting “Secretary  
15 of Transportation”.

16 **SEC. 5. SHORT SEA TRANSPORTATION DEFINED.**

17 Paragraph (1) of section 55605 of title 46, United  
18 States Code, is amended—

19 (1) in subparagraph (A), by striking “or”;

20 (2) in subparagraph (B), by striking “and”;

21 and

22 (3) by adding at the end the following:

23 “(C) shipped in discrete units or packages  
24 that are handled individually, palletized, or  
25 unitized for purposes of transportation; or



1           “(D) freight vehicles carried aboard com-  
2           muter ferry boats; and”.

3 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS FOR NA-**  
4 **TIONAL SECURITY ASPECTS OF THE MER-**  
5 **CHANT MARINE FOR FISCAL YEARS 2016 AND**  
6 **2017.**

7           (a) FISCAL YEAR 2016.—Funds are hereby author-  
8 ized to be appropriated for fiscal year 2016, to be available  
9 without fiscal year limitation if so provided in appropria-  
10 tions Acts, for the use of the Department of Transpor-  
11 tation for Maritime Administration programs associated  
12 with maintaining national security aspects of the mer-  
13 chant marine, as follows:

14           (1) For expenses necessary for operations of the  
15 United States Merchant Marine Academy,  
16 \$80,000,000, of which—

17           (A) \$65,000,000 shall remain available  
18 until expended for Academy operations; and

19           (B) \$15,000,000 shall remain available  
20 until expended for capital asset management at  
21 the Academy.

22           (2) For expenses necessary to support the State  
23 maritime academies, \$22,200,000, of which—

24           (A) \$2,300,000 shall remain available until  
25 expended for student incentive payments;

1 (B) \$2,400,000 shall remain available until  
2 expended for direct payments to such acad-  
3 emies;

4 (C) \$15,000,000 shall remain available  
5 until expended for maintenance and repair of  
6 State maritime academy training vessels; and

7 (D) \$2,500,000 shall remain available until  
8 expended for a National Security Multi-Mission  
9 Vessel Design Program.

10 (3) For expenses necessary to support Maritime  
11 Administration operations and programs,  
12 \$50,400,000.

13 (4) For expenses necessary to dispose of vessels  
14 in the National Defense Reserve Fleet, \$4,000,000  
15 to remain available until expended.

16 (5) For expenses to maintain and preserve a  
17 United States-flag merchant marine to serve the na-  
18 tional security needs of the United States under  
19 chapter 531 of title 46, United States Code,  
20 \$186,000,000.

21 (6) For administrative expenses of the loan  
22 guarantees authorized by chapter 537 of title 46,  
23 United States Code, \$3,100,000 to remain available  
24 until expended.

1 (b) FISCAL YEAR 2017.—Funds are hereby author-  
2 ized to be appropriated for fiscal year 2017, to be available  
3 without fiscal year limitation if so provided in appropria-  
4 tions Acts, for the use of the Department of Transpor-  
5 tation for Maritime Administration programs associated  
6 with maintaining national security aspects of the mer-  
7 chant marine, as follows:

8 (1) For expenses necessary for operations of the  
9 United States Merchant Marine Academy,  
10 \$80,000,000, of which—

11 (A) \$65,000,000 shall remain available  
12 until expended for Academy operations; and

13 (B) \$15,000,000 shall remain available  
14 until expended for capital asset management at  
15 the Academy.

16 (2) For expenses necessary to support the State  
17 maritime academies, \$22,200,000, of which—

18 (A) \$2,300,000 shall remain available until  
19 expended for student incentive payments;

20 (B) \$2,400,000 shall remain available until  
21 expended for direct payments to such acad-  
22 emies;

23 (C) \$15,000,000 shall remain available  
24 until expended for maintenance and repair of  
25 State maritime academy training vessels; and

1 (D) \$2,500,000 shall remain available until  
2 expended for a National Security Multi-Mission  
3 Vessel Design Program.

4 (3) For expenses necessary to support Maritime  
5 Administration operations and programs,  
6 \$50,400,000.

7 (4) For expenses necessary to dispose of vessels  
8 in the National Defense Reserve Fleet, \$4,000,000  
9 to remain available until expended.

10 (5) For expenses to maintain and preserve a  
11 United States-flag merchant marine to serve the na-  
12 tional security needs of the United States under  
13 chapter 531 of title 46, United States Code,  
14 \$186,000,000.

15 (6) For administrative expenses of the loan  
16 guarantees authorized by chapter 537 of title 46,  
17 United States Code, \$3,100,000 to remain available  
18 until expended.

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