



AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—115th Cong., 1st Sess.

S. 1096

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

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mrs. FISCHER (for herself and Mr. BOOKER)

Viz:

1 Strike all after the enacting clause and insert the following:
2

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Maritime Administration Authorization and Enhancement
6 Act for Fiscal Year 2018”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Authorization of the Maritime Administration.

Sec. 3. Removal adjunct professor limit at United States Merchant Marine Academy.

Sec. 4. Acceptance of guarantees in conjunction with partial donations for major projects of the United States Merchant Marine Academy.

Sec. 5. Authority to pay conveyance or transfer expenses in connection with acceptance of a gift to the United States Merchant Marine Academy.

Sec. 6. Authority to participate in Federal, State or other research grants.

Sec. 7. Continuing funding for the United States Merchant Marine Academy.

Sec. 8. Access to satellite communication devices during Sea Year program.

Sec. 9. Assistance for small shipyards and maritime communities.

1 **SEC. 2. AUTHORIZATION OF THE MARITIME ADMINISTRA-**
2 **TION.**

3 (a) IN GENERAL.—There are authorized to be appro-
4 priated to the Department of Transportation for fiscal
5 year 2018, to be available without fiscal year limitation
6 if so provided in appropriations Acts, for programs associ-
7 ated with maintaining the United States merchant marine,
8 the following amounts:

9 (1) For expenses necessary for operations of the
10 United States Merchant Marine Academy,
11 \$100,802,000, of which—

12 (A) \$75,751,000 shall be for Academy op-
13 erations, including—

14 (i) the implementation of section
15 3514(b) of the National Defense Author-
16 ization Act for Fiscal Year 2017, as added
17 by section 8; and

18 (ii) staffing, training, and other ac-
19 tions necessary to prevent and respond to
20 sexual harassment and sexual assault; and

1 (B) \$25,051,000 shall remain available
2 until expended for capital asset management at
3 the Academy.

4 (2) For expenses necessary to support the State
5 maritime academies, \$29,550,000, of which—

6 (A) \$2,400,000 shall remain available until
7 September 30, 2018, for the Student Incentive
8 Program;

9 (B) \$3,000,000 shall remain available until
10 expended for direct payments to such acad-
11 emies;

12 (C) \$22,000,000 shall remain available
13 until expended for maintenance and repair of
14 State maritime academy training vessels;

15 (D) \$1,800,000 shall remain available until
16 expended for training ship fuel assistance; and

17 (E) \$350,000 shall remain available until
18 expended for expenses to improve the moni-
19 toring of the service obligations of graduates.

20 (3) For expenses necessary to support the Na-
21 tional Security Multi-Mission Vessel Program,
22 \$36,000,000, which shall remain available until ex-
23 pended.

1 (4) For expenses necessary to support Maritime
2 Administration operations and programs,
3 \$58,694,000.

4 (5) For expenses necessary to dispose of vessels
5 in the National Defense Reserve Fleet, \$20,000,000,
6 which shall remain available until expended.

7 (6) For expenses necessary for the loan guar-
8 antee program authorized under chapter 537 of title
9 46, United States Code, \$33,000,000, of which—

10 (A) \$30,000,000 may be used for the cost
11 (as defined in section 502(5) of the Federal
12 Credit Reform Act of 1990 (2 U.S.C. 661a(5)))
13 of loan guarantees under the program; and

14 (B) \$3,000,000 may be used for adminis-
15 trative expenses relating to loan guarantee com-
16 mitments under the program.

17 (b) ASSISTANCE FOR SMALL SHIPYARDS AND MARI-
18 TIME COMMUNITIES.—Section 54101(i) of title 46, United
19 States Code, is amended—

20 (1) in the matter preceding paragraph (1), by
21 striking “2015 through 2017” and inserting “2018
22 through 2020”;

23 (2) in paragraph (1), by striking “\$5,000,000”
24 and inserting “\$7,500,000”; and

1 (3) in paragraph (2), by striking
2 “\$25,000,000” and inserting “\$27,500,000”.

3 **SEC. 3. REMOVAL ADJUNCT PROFESSOR LIMIT AT UNITED**
4 **STATES MERCHANT MARINE ACADEMY.**

5 Section 51317 of title 46, United States Code, is
6 amended—

7 (1) in subsection (b)—

8 (A) in paragraph (1), by striking “and” at
9 the end; and

10 (B) in paragraph (2), by striking the pe-
11 riod at the end and inserting “; and”; and

12 (2) by striking subsections (c) and (d).

13 **SEC. 4. ACCEPTANCE OF GUARANTEES IN CONJUNCTION**
14 **WITH PARTIAL DONATIONS FOR MAJOR**
15 **PROJECTS OF THE UNITED STATES MER-**
16 **CHANT MARINE ACADEMY.**

17 (a) **GUARANTEES.**—Chapter 513 of title 46, United
18 States Code, is amended by adding at the end the fol-
19 lowing:

20 **“§ 51320. Acceptance of guarantees with gifts for**
21 **major projects**

22 “(a) **DEFINITIONS.**—In this section:

23 “(1) **MAJOR PROJECT.**—The term ‘major
24 project’ means a project estimated to cost at least
25 \$1,000,000 for—

1 “(A) the purchase or other procurement of
2 real or personal property; or

3 “(B) the construction, renovation, or re-
4 pair of real or personal property.

5 “(2) MAJOR UNITED STATES COMMERCIAL
6 BANK.—The term ‘major United States commercial
7 bank’ means a commercial bank that—

8 “(A) is an insured bank (as defined in sec-
9 tion 3(h) of the Federal Deposit Insurance Act
10 (12 U.S.C. 1813(h)));

11 “(B) is headquartered in the United
12 States; and

13 “(C) has total net assets of an amount
14 considered by the Maritime Administrator to
15 qualify the bank as a major bank.

16 “(3) MAJOR UNITED STATES INVESTMENT MAN-
17 AGEMENT FIRM.—The term ‘major United States in-
18 vestment management firm’ means—

19 “(A) any broker or dealer (as such terms
20 are defined in section 3 of the Securities Ex-
21 change Act of 1934 (15 U.S.C. 78c));

22 “(B) any investment adviser or provider of
23 investment supervisory services (as such terms
24 are defined in section 202 of the Investment
25 Advisers Act of 1940 (15 U.S.C. 80b-2)); or

1 “(C) a major United States commercial
2 bank that—

3 “(i) is headquartered in the United
4 States; and

5 “(ii) holds for the account of others
6 investment assets in a total amount consid-
7 ered by the Maritime Administrator to
8 qualify the bank as a major investment
9 management firm.

10 “(4) QUALIFIED GUARANTEE.—The term
11 ‘qualified guarantee’, with respect to a major
12 project, means a guarantee that—

13 “(A) is made by 1 or more persons in con-
14 nection with a donation for the project of a
15 total amount in cash or securities that the Mar-
16 itime Administrator determines is sufficient to
17 defray a substantial portion of the total cost of
18 the project;

19 “(B) is made to facilitate or expedite the
20 completion of the project in reasonable anticipa-
21 tion that other donors will contribute sufficient
22 funds or other resources in amounts sufficient
23 to pay for completion of the project;

24 “(C) is set forth as a written agreement
25 providing that the donor will furnish in cash or

1 securities, in addition to the donor's other gift
2 or gifts for the project, any additional amount
3 that may become necessary for paying the cost
4 of completing the project by reason of a failure
5 to obtain from other donors or sources funds or
6 other resources in amounts sufficient to pay the
7 cost of completing the project; and

8 “(D) is accompanied by—

9 “(i) an irrevocable and unconditional
10 standby letter of credit for the benefit of
11 the United States Merchant Marine Acad-
12 emy that is in the amount of the guarantee
13 and is issued by a major United States
14 commercial bank; or

15 “(ii) a qualified account control agree-
16 ment.

17 “(5) QUALIFIED ACCOUNT CONTROL AGREE-
18 MENT.—The term ‘qualified account control agree-
19 ment’, with respect to a guarantee of a donor, means
20 an agreement among the donor, the Maritime Ad-
21 ministrator, and a major United States investment
22 management firm that—

23 “(A) ensures the availability of sufficient
24 funds or other financial resources to pay the

1 amount guaranteed during the period of the
2 guarantee;

3 “(B) provides for the perfection of a secu-
4 rity interest in the assets of the account for the
5 United States for the benefit of the United
6 States Merchant Marine Academy with the
7 highest priority available for liens and security
8 interests under applicable law;

9 “(C) requires the donor to maintain in an
10 account with the investment management firm
11 assets having a total value that is not less than
12 130 percent of the amount guaranteed; and

13 “(D) requires the investment management
14 firm, whenever the value of the account is less
15 than the value required to be maintained under
16 subparagraph (C), to liquidate any noncash as-
17 sets in the account and reinvest the proceeds in
18 Treasury bills issued under section 3104 of title
19 31.

20 “(b) ACCEPTANCE AUTHORITY.—Subject to sub-
21 section (d), the Maritime Administrator may accept a
22 qualified guarantee from a donor or donors for the comple-
23 tion of a major project for the benefit of the United States
24 Merchant Marine Academy.

1 “(c) OBLIGATION AUTHORITY.—The amount of a
2 qualified guarantee accepted under this section shall be
3 considered as contract authority to provide obligation au-
4 thority for purposes of Federal fiscal and contractual re-
5 quirements. Funds available for a project for which such
6 a guarantee has been accepted may be obligated and ex-
7 pended for the project without regard to whether the total
8 amount of funds and other resources available for the
9 project (not taking into account the amount of the guar-
10 antee) is sufficient to pay for completion of the project.

11 “(d) NOTICE.—The Maritime Administrator may not
12 accept a qualified guarantee under this section for the
13 completion of a major project until 30 days after the date
14 on which a report of the facts concerning the proposed
15 guarantee is submitted to Congress.

16 “(e) PROHIBITION ON COMMINGLING FUNDS.—The
17 Maritime Administrator may not enter into any contract
18 or other transaction involving the use of a qualified guar-
19 antee and appropriated funds in the same contract or
20 transaction.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
22 for chapter 513 of title 46, United States Code, is amend-
23 ed by adding at the end the following:

“51320. Acceptance of guarantees with gifts for major projects.”.

1 **SEC. 5. AUTHORITY TO PAY CONVEYANCE OR TRANSFER**
2 **EXPENSES IN CONNECTION WITH ACCEPT-**
3 **ANCE OF A GIFT TO THE UNITED STATES**
4 **MERCHANT MARINE ACADEMY.**

5 Section 51315 of title 46, United States Code, is
6 amended by inserting at the end the following:

7 “(f) PAYMENT OF EXPENSES.—The Maritime Ad-
8 ministrator may pay all necessary expenses in connection
9 with the conveyance or transfer of a gift, devise, or be-
10 quest accepted under this section.”.

11 **SEC. 6. AUTHORITY TO PARTICIPATE IN FEDERAL, STATE**
12 **OR OTHER RESEARCH GRANTS.**

13 (a) RESEARCH GRANTS.—Chapter 513 of title 46,
14 United States Code, as amended by section 3 through 5,
15 is further amended by adding at the end the following:

16 **“§ 51321. Grants for scientific and educational re-**
17 **search**

18 “(a) DEFINED TERM.—In this section, the term
19 ‘qualifying research grant’ is a grant that—

20 “(1) is awarded on a competitive basis by the
21 Federal Government (except for the Department of
22 Transportation), a State, a corporation, a fund, a
23 foundation, an educational institution, or a similar
24 entity that is organized and operated primarily for
25 scientific or educational purposes; and

1 “(2) is to be used to carry out a research
2 project with a scientific or educational purpose.

3 “(b) ACCEPTANCE OF QUALIFYING RESEARCH
4 GRANTS.—Notwithstanding any other provision of law,
5 the United States Merchant Marine Academy may com-
6 pete for and accept qualifying research grants if the work
7 under the grant is to be carried out by a professor or in-
8 structor of the United States Merchant Marine Academy.

9 “(c) ADMINISTRATION OF GRANT FUNDS.—

10 “(1) ESTABLISHMENT OF ACCOUNT.—The Mar-
11 itime Administrator shall establish a separate ac-
12 count for administering funds received from research
13 grants under this section.

14 “(2) USE OF GRANT FUNDS.—The Super-
15 intendent shall use grant funds deposited into the
16 account established pursuant to paragraph (1) in ac-
17 cordance with applicable regulations and the terms
18 and conditions of the respective grants.

19 “(d) RELATED EXPENSES.—Subject to such limita-
20 tions as may be provided in appropriations Acts, appro-
21 priations available for the United States Merchant Marine
22 Academy may be used to pay expenses incurred by the
23 Academy in applying for, and otherwise pursuing, a quali-
24 fying research grant.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 for chapter 513 of title 46, United States Code, as amend-
3 ed by section 4(b), is further amended by adding at the
4 end the following:

“51321. Grants for scientific and educational research.”.

5 **SEC. 7. CONTINUING FUNDING FOR THE UNITED STATES**
6 **MERCHANT MARINE ACADEMY.**

7 Section 51301 of title 46, United States Code, is
8 amended by adding at the end the following:

9 “(d) CONTINUING FUNDING.—

10 “(1) IN GENERAL.—Out of any funds in the
11 general fund of the Treasury not otherwise appro-
12 priated, there are hereby appropriated such sums as
13 may be necessary for operations of the United States
14 Merchant Marine Academy for any period during
15 which interim or full-year appropriations are not in
16 effect for the United States Merchant Marine Acad-
17 emy, for fiscal year 2018, and for each fiscal year
18 thereafter.

19 “(2) TERMINATION.—Amounts made available
20 for a fiscal year under this subsection shall remain
21 available until the earlier of—

22 “(A) the enactment into law of an appro-
23 priation for such fiscal year (including a con-
24 tinuing appropriation) for such operations); or

1 “(B) the enactment into law for the Mari-
2 time Administration of the applicable regular
3 appropriation for such fiscal year, or continuing
4 appropriations resolution for such fiscal year,
5 without any appropriation for such oper-
6 ations.”.

7 **SEC. 8. ACCESS TO SATELLITE COMMUNICATION DEVICES**
8 **DURING SEA YEAR PROGRAM.**

9 Section 3514 of the National Defense Authorization
10 Act for Fiscal Year 2017 (Public Law 114–328) is amend-
11 ed—

12 (1) by striking “Not later than” and inserting
13 the following:

14 “(a) VESSEL OPERATOR REQUIREMENTS.—Not later
15 than”; and

16 (2) by adding at the end the following:

17 “(b) SATELLITE PHONE ACCESS.—The Maritime Ad-
18 ministrators shall ensure that each student participating
19 in the Sea Year program is provided or has access to a
20 functional satellite communication device. A student may
21 not be denied from using such device whenever the student
22 determines that such use is necessary to prevent or report
23 sexual harassment or assault.”.

1 **SEC. 9. ASSISTANCE FOR SMALL SHIPYARDS AND MARI-**
2 **TIME COMMUNITIES.**

3 Section 54101 of title 46, United States Code, is
4 amended—

5 (1) by striking subsection (b) and inserting the
6 following:

7 “(b) AWARDS.—

8 “(1) IN GENERAL.—In providing assistance
9 under the program, the Administrator shall take into
10 account—

11 “(A) the economic circumstances and con-
12 ditions of maritime communities;

13 “(B) projects that would be effective in
14 fostering efficiency, competitive operations, and
15 quality ship construction, repair, and reconfig-
16 uration; and

17 “(C) projects that would be effective in
18 fostering employee skills and enhancing produc-
19 tivity.

20 “(2) TIMING OF AWARD.—

21 “(A) IN GENERAL.—Except as provided in
22 subparagraph (B), the Administrator shall
23 award grants under this section not later than
24 120 days after the date of the enactment of the
25 appropriations Act for the fiscal year con-
26 cerned.

1 “(B) REALLOCATION OF UNUSED
2 FUNDS.—If a grant is awarded under this sec-
3 tion and, for any reason, the grant funds are
4 not used by the grantee—

5 “(i) such funds shall remain available
6 until expended; and

7 “(ii) the Administrator may—

8 “(I) use such unused funds to
9 award another grant under this sec-
10 tion in the fiscal year concerned; or

11 “(II) reallocate such unused
12 funds for grants in a subsequent fiscal
13 year.”; and

14 (2) in subsection (c), by adding at the end the
15 following:

16 “(3) BUY AMERICA.—

17 “(A) IN GENERAL.—Notwithstanding any
18 other provision of law, the Secretary of Trans-
19 portation shall not obligate any funds author-
20 ized to be appropriated to carry out this chap-
21 ter unless the steel, iron, and manufactured
22 products used in such project are produced in
23 the United States.

1 “(B) EXCEPTIONS.—The provisions of
2 subparagraph (A) shall not apply if the Sec-
3 retary finds that—

4 “ (i) their application would be incon-
5 sistent with the public interest;

6 “ (ii) such materials and products are
7 not produced in the United States in suffi-
8 cient and reasonably available quantities
9 and of a satisfactory quality; or

10 “ (iii) inclusion of domestic material
11 will increase the cost of the overall project
12 by more than 25 percent.”.