

Public Law 100-239  
100th Congress

An Act

Jan. 11, 1988  
[H.R. 2598]

To limit the ability of foreign-built and foreign-rebuilt vessels to qualify for certain benefits under the Magnuson Fishery Conservation and Management Act, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*—

Commercial  
Fishing Industry  
Vessel Anti-  
Reflagging Act  
of 1987.  
46 USC 2101  
note.

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Commercial Fishing Industry Vessel Anti-Reflagging Act of 1987".

**SEC. 2. VESSELS OF THE UNITED STATES.**

Section 3(27) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(27)) is amended to read as follows:

"(27) The term 'vessel of the United States' means—

"(A) any vessel documented under chapter 121 of title 46, United States Code;

"(B) any vessel numbered in accordance with chapter 123 of title 46, United States Code, and measuring less than 5 net tons;

"(C) any vessel numbered in accordance with chapter 123 of title 46, United States Code, and used exclusively for pleasure; or

"(D) any vessel not equipped with propulsion machinery of any kind and used exclusively for pleasure."

**SEC. 3. RECONSTRUCTION REQUIREMENTS.**

Title 46, United States Code, is amended as follows:

(1) Item 12101 of the analysis of chapter 121 is amended to read as follows:

"12101. Definitions and related terms in other laws."

(2) The caption of section 12101 is amended to read as follows:

"§ 12101. Definitions and related terms in other laws."

(3) Section 12101 is amended by—

(A) designating the existing text as subsection (b);

(B) striking paragraph (6); and

(C) inserting a new subsection (a) before subsection (b) (as designated by this section) as follows:

"(a) In this chapter—

"(1) 'fisheries' includes processing, storing, transporting (except in foreign commerce), planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation in the navigable waters of the United States or in the exclusive economic zone.

"(2) 'rebuilt' has the same meaning as in the second proviso of section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883)."

- (4) Section 12108(a) is amended by—  
 (A) at the end of paragraph (2)(B), strike “and”;  
 (B) redesignating paragraph (3) as (4); and  
 (C) inserting after paragraph (2) a new paragraph (3) that reads as follows:

“(3) if rebuilt, was rebuilt in the United States; and”.

- (5) Section 12108(c)(2) is amended by striking “built in the United States” and substituting “built or rebuilt in the United States”.

#### SEC. 4. SAVINGS CLAUSE.

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note.

- (a) Notwithstanding the requirements of section 12108(a) (2) and (3) of title 46, United States Code, a fishery license may be issued to a vessel that before July 28, 1987—

(1)(A) was documented under chapter 121 of that title; and  
 (B) was operated as a fish processing or fish tender vessel in the navigable waters of the United States or the exclusive economic zone;

Contracts.

(2) was a fish tender or fish processing vessel contracted to be purchased by a citizen of the United States, if the purchase is shown by contract or similarly reliable evidence acceptable to the Secretary to have been made for the purpose of using the vessel as a fish tender or fish processing vessel in the fisheries;

(3) was documented under chapter 121 of that title and—  
 (A) was rebuilt in a foreign country; or  
 (B) is subsequently rebuilt in the United States for use as a fish processing vessel; or

(4) was built in the United States and—

Contracts.

(A) is rebuilt in a foreign country under a contract entered into before 6 months after the date of enactment of this Act, and was purchased or contracted to be purchased before July 28, 1987 with the intent that the vessel be used in the fisheries, if that intent is evidenced by—

(i) the contract itself; or  
 (ii) a ruling letter by the Coast Guard before July 29, 1987 under 46 C.F.R. § 67.21-1 or § 67.27-3 pursuant to a ruling request evidencing that intent; or

Uniformed  
services.

(B) is purchased for use as a fish processing vessel under a contract entered into after July 27, 1987, if—

(i) a contract to rebuild the vessel for use as a fish processing vessel was entered into before September 1, 1987; and

(ii) that vessel is part of a specific business plan involving the conversion in foreign shipyards of a series of three vessels and rebuilding work on at least one of the vessels had begun before July 28, 1987.

- (b) A vessel rebuilt under subsection (a) (3)(B) or (4) of this section must be redelivered to the owner before July 28, 1990. However, the Secretary may, on proof of circumstances beyond the control of the owner of a vessel affected by this section, extend the period for rebuilding in a foreign country permitted by this section.

(c)(1) Any fishery license or registry issued to a vessel built in a foreign country under this section shall be endorsed to restrict the vessel from catching, taking, or harvesting.

(2) Before being issued a fishery license, any vessel described in subsection (a)(2) of this section must be documented under an

application for documentation acceptable to the Secretary filed before July 28, 1987.

## Aliens.

## SEC. 5. MANNING REQUIREMENTS.

(a)(1) Section 8103(a) of title 46, United States Code, is amended by inserting "radio officer," after "chief engineer,".

(2) Section 8103(b) of title 46, United States Code, is amended to read as follows:

"(b)(1) Except as otherwise provided in this section, on a documented vessel—

"(A) each unlicensed seaman must be a citizen of the United States or an alien lawfully admitted to the United States for permanent residence; and

"(B) not more than 25 percent of the total number of unlicensed seamen on the vessel may be aliens lawfully admitted to the United States for permanent residence.

"(2) Paragraph (1) of this subsection does not apply to—

"(A) a yacht;

"(B) a fishing vessel fishing exclusively for highly migratory species (as that term is defined in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802)); and

"(C) a fishing vessel fishing outside of the exclusive economic zone.

"(3) The Secretary may waive a citizenship requirement under this subsection, other than a requirement that applies to the master of a documented vessel, with respect to—

"(A) an offshore supply vessel or other similarly engaged vessel of less than 1,600 gross tons that operates from a foreign port;

"(B) a mobile offshore drilling unit or other vessel engaged in support of exploration, exploitation, or production of offshore mineral energy resources operating beyond the water above the outer Continental Shelf (as that term is defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)); and

"(C) any other vessel if the Secretary determines, after an investigation, that qualified seamen who are citizens of the United States are not available."

(3) Paragraph (2) of this subsection is effective 30 days after the date of enactment of this Act.

(b) Subsection (c) and (d)(1) of section 8103 of title 46, United States Code, are each amended by striking "from the United States".

(c) Section 8103(e) of title 46, United States Code, is amended—

(1) by inserting "and the radio officer" after "the master"; and

(2) by striking "until the vessel's first return to a United States port at which" and substituting "until the vessel's return to a port at which in the most expeditious manner".

(d)(1) Section 8103 of title 46, United States Code, is amended by adding at the end the following:

"(i)(1) Except as provided in paragraph (3) of this subsection, each unlicensed seaman on a fishing, fish processing, or fish tender vessel that is engaged in the fisheries in the navigable waters of the United States or the exclusive economic zone must be—

"(A) a citizen of the United States;

"(B) an alien lawfully admitted to the United States for permanent residence; or

Effective date.  
46 USC 8103  
note.

“(C) any other alien allowed to be employed under the Immigration and Naturalization Act (8 U.S.C. 1101 et seq.).

“(2) Not more than 25 percent of the unlicensed seamen on a vessel subject to paragraph (1) of this subsection may be aliens referred to in clause (C) of that paragraph.

“(3) This subsection does not apply to a fishing vessel fishing exclusively for highly migratory species (as that term is defined in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802)).”

(2) This subsection is effective 360 days after the day of the enactment of this Act.

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note.

(e) Section 8702(b) of title 46, United States Code, is amended by striking “depart from a port of the United States” and substituting “operate”.

(f)(1) Chapter 87 of title 46, United States Code, is amended by adding at the end the following new section:

**“§ 8704. Alien deemed to be employed in the United States**

“An alien is deemed to be employed in the United States for purposes of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) if the alien is an unlicensed individual employed on a fishing, fish processing, or fish tender vessel that—

“(1) is a vessel of the United States engaged in the fisheries in the navigable waters of the United States or the exclusive economic zone; and

“(2) is not engaged in fishing exclusively for highly migratory species (as that term is defined in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802)).”

(2) The table of sections at the beginning of that chapter is amended by adding at the end the following new item:

“8704. Alien deemed to be employed in the United States.”

(3) With respect to an alien who is deemed to be employed in the United States under section 8704 of title 46, United States Code (as amended by this subsection), the term “date of the enactment of this section” as used in section 274A(i) of the Immigration and Nationality Act means the date 180 days after the enactment of this section.

46 USC 8704  
note.

**SEC. 6. CONFORMING PROVISIONS.**

(a) Title 46, United States Code, is amended as follows:

(1) Section 2101 is amended by adding after paragraph 10 the following new paragraph:

“(10a) ‘Exclusive Economic Zone’ means the zone established by Presidential Proclamation Numbered 5030, dated March 10, 1983.”

(2) Section 12106(b) is amended to read as follows:

“(b) Subject to the laws of the United States regulating the coastwise trade, only a vessel for which a coastwise license or an appropriately endorsed registry is issued may be employed in the coastwise trade.”

(3) Section 12106 is amended by inserting a new subsection (d) after subsection (c) as follows:

“(d) On application of the owner of a vessel that qualifies for a Great Lakes license under section 12107 or a fishery license under section 12108 of this title, the Secretary may issue an endorsement

authorizing the vessel to be employed in the Great Lakes trade or fisheries, as the case may be.”

(4) Section 12107(b) is amended—

(A) after the semicolon at the end of paragraph (1) by inserting “and”;

(B) in paragraph (2) by striking “Canada; and” and substituting “Canada.”; and

(C) by striking paragraph (3).

(5) Section 12107 is amended by inserting a new subsection (c) after subsection (b) as follows:

“(c) On application of the owner of a vessel that qualifies for a coastwise license under section 12106 or a fishery license under section 12108 of this title, the Secretary may issue an endorsement authorizing the vessel to be employed in the coastwise trade or the fisheries, as the case may be.”

(6) Section 12108 is amended by adding a new subsection (d) after subsection (c) as follows:

“(d) On application of the owner of a vessel that qualifies for a coastwise license under section 12106 or a Great Lakes license under section 12107 of this title, the Secretary may issue an endorsement authorizing the vessel to be employed in the coastwise trade or the Great Lakes trade, as the case may be.”

(b) Notwithstanding the requirements of chapter 121 of title 46, United States Code, a vessel for which a coastwise, Great Lakes, or fishery license, or an appropriately endorsed registry, was issued before July 28, 1987, may continue to be employed in the specified trades for which it was qualified at the time the license or registry was issued for one year from date of enactment or until the certificate of documentation is renewed, whichever comes later. On renewal, the owner or master of a documented vessel shall make the vessel's certificate of documentation available as the law or Secretary may require for replacement with an appropriately endorsed certificate.

(c)(1) Section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), is amended after “vessel” in the second proviso by striking “of more than five hundred gross tons”.

(2) Paragraph (1) of this subsection does not apply to a vessel under contract to be purchased or rebuilt entered into before July 28, 1987, if that vessel is rebuilt before July 28, 1990.

(3) The Secretary, on proof of circumstances beyond the control of the owner of a vessel affected by this section, may extend the period for rebuilding in a foreign country permitted by this section.

(d) The terms in this Act have the same meaning as in subtitle II of title 46, United States Code (as amended by this Act).

#### SEC. 7. AMERICAN CONTROL OF VESSELS.

(a) Section 12102 of title 46, United States Code, is amended as follows:

(1) by inserting “(a)” before “A vessel”;

(2) by adding at the end the following:

“(b)(1) A vessel owned by a corporation is not eligible for a fishery license under section 12108 of this title unless the controlling interest (as measured by a majority of voting shares in that corporation) is owned by individuals who are citizens of the United States. However, if the corporation is owned in whole or in part by other United States corporations, the controlling interest in those corpora-

46 USC 12105  
note.

46 USC app. 883  
note.

46 USC 12108  
note.

46 USC 12108  
note.

tions, in the aggregate, must be owned by individuals who are citizens of the United States.

“(2) The Secretary shall apply the restrictions on controlling interest in section 2(b) of the Shipping Act, 1916 (46 App. U.S.C. 802(b)) when applying this subsection.”

(b) Section 12102(b) of title 46, United States Code (as enacted by subsection (a) of this section) applies to vessels issued a fishery license after July 28, 1987. However, that section does not apply if before that date the vessel—

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note.

(1) was documented under chapter 121 of title 46 and operating as a fishing, fish processing, or fish tender vessel in the navigable waters of the United States or the Exclusive Economic Zone; or

(2) was contracted for purchase for use as a fishing, fish tender, or fish processing vessel in the navigable waters of the United States or the Exclusive Economic Zone, if the purchase is shown by the contract or similarly reliable evidence acceptable to the Secretary to have been made for the purpose of using the vessel in the fisheries.

#### SEC. 8. STUDIES.

(a) Section 4311(a) of the Revised Statutes of the United States (46 App. U.S.C. 251(a)) is amended by adding at the end the following: “The Secretary of Commerce may issue any regulations that the Secretary considers necessary to obtain information on the transportation of fish products by vessels of the United States for foreign fish processing vessels to points in the United States.”

(b) Within 6 months after the date of enactment of this Act, the Secretary of Commerce shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives, setting forth—

Reports.

(1) an evaluation of the potential impact, on the development of the United States fishing industry, of the transportation of fish products by vessels of the United States from foreign fish processing vessels to points in the United States; and

(2) recommendations, if any, for legislation or other action to regulate that transportation of fish products in a manner most beneficial to the future development of the United States fishing industry.

(c) Within 6 months after the date of enactment of this Act, the Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives, a report discussing the trends in the development of fishery resources under the exclusive fishery management authority of the United States as specified in section 101 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1811) and analyzing the effects of those trends on the United States fishing industry and the conservation and management of those resources. The Secretary shall include in the report—

Reports.

(1) an evaluation of the extent to which the development of domestic harvesting and processing capacity has been or is likely to be affected, if at all, by this Act;

(2) an evaluation of the extent to which harvesting vessels currently engaged in joint venture operations with foreign ves-

sels have been or are likely to be affected, if at all, by this Act; and

(3) any other matters relating to fishery development, including recommendations for legislation or other action, that the Secretary considers appropriate.

#### SEC. 9. ISSUANCE OF CERTIFICATES OF DOCUMENTATION.

Notwithstanding sections 12105, 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of the department in which the Coast Guard is operating may issue a certificate of documentation for each of the following vessels:

- (1) the Electra (United States official number 230024);
- (2) the Barlovento (United States official number 231569);
- (3) the Tie One On (United States official number 924056);
- (4) the White Seal (United States official number 514961);
- (5) the Laura Beth (United States official number 676614);
- (6) the Rondo (Hawaiian Registration number 7678D);
- (7) the Tropical Princess (Hawaiian Registration number 6557D); and
- (8) the Port Pacer II (Wisconsin Registration number 1747KC).

Approved January 11, 1988.

#### LEGISLATIVE HISTORY—H.R. 2598:

HOUSE REPORTS: No. 100-423 (Comm. on Merchant Marine and Fisheries).  
CONGRESSIONAL RECORD, Vol. 133 (1987):

Nov. 9, considered and passed House.

Dec. 17, considered and passed Senate, amended.

Dec. 21, House concurred in Senate amendments with an amendment.

Dec. 22, Senate concurred in House amendment.