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1ST SESSION

S. 1920

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 8, 2023

Mr. WHITEHOUSE (for himself, Mr. PADILLA, and Mr. WELCH) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, 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 “International Maritime
5 Pollution Accountability Act of 2023”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the greenhouse gas emissions from the ma-
9 rine shipping industry—

1 (A) account for nearly 3 percent of total
2 global anthropogenic carbon dioxide emissions;
3 and

4 (B) are increasing rapidly;

5 (2) the International Maritime Organization
6 has failed to require emissions reductions with re-
7 spect to marine shipping that are consistent with
8 global decarbonization targets; and

9 (3) ports are a large source of air pollution and
10 contribute to poor air quality in the neighborhoods
11 surrounding the ports, leading to worse health out-
12 comes for those who live in those neighborhoods.

13 **SEC. 3. DEFINITIONS.**

14 In this Act:

15 (1) ADMINISTRATOR.—The term “Adminis-
16 trator” means the Administrator of the Environ-
17 mental Protection Agency.

18 (2) CALENDAR QUARTER.—The term “calendar
19 quarter” means a period of 3 calendar months that
20 ends on, as applicable, March 31, June 30, Sep-
21 tember 30, or December 31 of the applicable cal-
22 endar year.

23 (3) CARGO OR FREIGHT.—The term “cargo or
24 freight” does not include—

1 (A) passengers transported for compensa-
2 tion or hire;

3 (B) bunker fuel;

4 (C) ship's stores;

5 (D) sea stores; or

6 (E) the legitimate equipment necessary to
7 the operation of a vessel.

8 (4) COVERED VOYAGE.—

9 (A) IN GENERAL.—The term “covered voy-
10 age” means a voyage—

11 (i) made using a self-propelled vessel
12 of 10,000 gross tonnage or more, the pri-
13 mary purpose of which is transporting
14 cargo or freight; and

15 (ii) that begins when the vessel leaves
16 the port of origin and terminates when the
17 offloading operations at the final port of
18 call are completed.

19 (B) EXCEPTIONS.—The term “covered
20 voyage” does not include a voyage—

21 (i) that has been included as an OCS
22 source (as defined in subsection (a)(4) of
23 section 328 of the Clean Air Act (42
24 U.S.C. 7627)) because the voyage has the
25 potential to emit any air pollutant as de-

1 scribed in subparagraph (C)(i) of that sub-
2 section and is, as a result, regulated pursu-
3 ant to that section; or

4 (ii) made for the purposes of trans-
5 porting military cargo, food aid, or sup-
6 plies for disaster or emergency relief.

7 (5) CRITERIA AIR POLLUTANT.—The term “cri-
8 teria air pollutant” is within the meaning of the
9 Clean Air Act (42 U.S.C. 7401 et seq.).

10 (6) EXCLUSIVE ECONOMIC ZONE.—The term
11 “exclusive economic zone” has the meaning given
12 the term in section 107 of title 46, United States
13 Code.

14 (7) FINAL PORT OF CALL.—The term “final
15 port of call”, with respect to a covered voyage,
16 means, as applicable—

17 (A) the port in the United States where
18 the vessel making the covered voyage offloaded
19 the last of the cargo or freight of the vessel ul-
20 timately bound for the United States that was
21 onboard the vessel on departure from the port
22 of origin; or

23 (B) if the last of the cargo or freight of the
24 vessel ultimately bound for the United States
25 that was onboard the vessel on departure from

1 the port of origin is offloaded in a foreign port,
2 the most recent port of call in the United
3 States prior to offloading the last of the cargo
4 or freight of the vessel that is ultimately bound
5 for the United States.

6 (8) IMPORTER.—The term “importer” means 1
7 of the parties that qualifies as an importer of record
8 under section 484(a)(2)(B) of the Tariff Act of
9 1930 (19 U.S.C. 1484(a)(2)(B)).

10 (9) INTERMEDIATE PORT.—The term “inter-
11 mediate port”, with respect to a covered voyage,
12 means each foreign port of call of the vessel of the
13 covered voyage between the port of origin and the
14 initial port of call of the vessel in the United States.

15 (10) PORT OF ORIGIN.—The term “port of ori-
16 gin”, with respect to a covered voyage, means the
17 first port of the vessel making the covered voyage
18 before docking at a port in the United States after
19 departing which a majority (by mass) of the cargo
20 or freight of the vessel is ultimately bound for the
21 United States.

22 (11) ULTIMATELY BOUND FOR THE UNITED
23 STATES.—The term “ultimately bound for the
24 United States”, with respect to cargo or freight, in-
25 cludes—

1 (A) all cargo or freight that is offloaded in
2 the United States by a vessel making a covered
3 voyage; and

4 (B) all cargo or freight that is—

5 (i) initially offloaded at an inter-
6 mediate port; and

7 (ii) subsequently transported to the
8 United States by sea, land, or air.

9 **SEC. 4. REPORTING REQUIREMENTS.**

10 (a) IN GENERAL.—Beginning on January 1, 2024,
11 the operator of each covered voyage shall submit to the
12 Administrator, the Commandant of the Coast Guard, and
13 the Commissioner of U.S. Customs and Border Protection
14 the information described in subsection (b).

15 (b) INFORMATION DESCRIBED.—The information re-
16 ferred to in subsection (a), with respect to a covered voy-
17 age, is—

18 (1) the port of origin;

19 (2) the total distance traveled from the port of
20 origin to the final port of call;

21 (3) the total time spent traveling between the
22 port of origin and the final port of call;

23 (4) the total mass of each type of fuel con-
24 sumed between the port of origin and the final port
25 of call;

1 (5) the total mass of cargo or freight trans-
2 ported between the port of origin and the final port
3 of call;

4 (6) each port of call in the United States;

5 (7) each intermediate port;

6 (8) the final port of call;

7 (9) the mass of cargo or freight on board the
8 applicable vessel on leaving the port of origin;

9 (10) the percentage of cargo or freight (by
10 mass) offloaded or unloaded at any intermediate
11 port, as compared to the capacity of the applicable
12 vessel and the load of the applicable vessel;

13 (11) the ultimate destination (by country) of
14 cargo or freight offloaded at intermediate ports, as
15 compared to the capacity of the applicable vessel and
16 the load of the applicable vessel;

17 (12) the mass of cargo or freight on board the
18 applicable vessel on arrival at or departure from, as
19 applicable, each port of call in the United States;

20 (13) the total time spent in each port of call in
21 the United States;

22 (14) the total period of time that the applicable
23 vessel is connected to and reliant on the electrical
24 grid while in port at a port of call in the United
25 States;

1 (15) the total mass of each type of fuel con-
2 sumed—

3 (A) in any port of call in the United
4 States; and

5 (B) within the exclusive economic zone;

6 (16) the total period of time spent—

7 (A) north of 60 degrees north latitude; or

8 (B) south of 60 degrees south latitude;

9 (17) for each period described in paragraph
10 (16), the total mass of each type of fuel consumed
11 during that period; and

12 (18) any other information that the Adminis-
13 trator, the Commandant of the Coast Guard, and
14 the Commissioner of U.S. Customs and Border Pro-
15 tection, in conjunction with the Secretary of the
16 Treasury, determines is necessary to accurately de-
17 termine the amount of the fees assessed under sec-
18 tions 5 and 6.

19 (c) DEADLINE.—The operator of a covered voyage
20 shall submit the information required under subsection (a)
21 for each covered voyage of the operator that ended during
22 a calendar quarter by not later than 30 days after the
23 end of that calendar quarter.

1 **SEC. 5. FEE ON LIFECYCLE CARBON DIOXIDE-EQUIVALENT**
2 **EMISSIONS FROM CARGO VESSELS.**

3 (a) LIFECYCLE CO₂-E EMISSIONS PROFILE FOR
4 MARITIME FUELS.—Not later than January 1, 2024, the
5 Administrator shall develop a lifecycle carbon dioxide-
6 equivalent (CO₂-e) emissions profile for each fuel used in
7 maritime shipping to express the emissions from the com-
8 bustion of that fuel in carbon dioxide-equivalent per unit
9 mass combusted.

10 (b) ASSESSMENT OF FEE.—

11 (1) IN GENERAL.—Beginning on January 1,
12 2024, not later than 30 days after the date on which
13 the Administrator receives from the operator of a
14 covered voyage the information required to be sub-
15 mitted under section 4(a), the Administrator, in con-
16 junction with the Secretary of the Treasury, shall
17 assess on the operator a fee with respect to the cov-
18 ered voyage in an amount determined in accordance
19 with paragraph (2).

20 (2) AMOUNT OF FEE.—

21 (A) IN GENERAL.—Subject to subpara-
22 graph (B) and subsection (d), the amount of a
23 fee assessed under subsection (a) with respect
24 to a covered voyage shall be the total sum of,
25 for each type of fuel consumed during the cov-

1 ered voyage, the product obtained by multi-
2 plying—

3 (i) the total mass of the fuel con-
4 sumed during the covered voyage;

5 (ii) the carbon dioxide-equivalent
6 emissions of the fuel, expressed in metric
7 tons per unit mass of fuel consumed, as
8 determined under subsection (a); and

9 (iii) \$150.

10 (B) ADJUSTMENTS.—

11 (i) INFLATION.—Beginning in cal-
12 endar year 2025, the Administrator shall
13 annually increase the amount described in
14 subparagraph (A)(iii) by the percentage
15 that is equal to the sum obtained by add-
16 ing—

17 (I) the rate of inflation, as deter-
18 mined by the Administrator using the
19 changes for the 12-month period end-
20 ing the preceding November 30 in the
21 Consumer Price Index for All Urban
22 Consumers published by the Bureau
23 of Labor Statistics of the Department
24 of Labor; and

25 (II) 5 percentage points.

1 (ii) VOYAGES IN POLAR REGIONS.—

2 For any portion of a covered voyage that
3 involves travel north of 60 degrees north
4 latitude or south of 60 degrees south lati-
5 tude, the amount described in subpara-
6 graph (A)(iii) with respect to fuel con-
7 sumed during that portion of the voyage,
8 after adjustment under clause (i), if appli-
9 cable, shall be tripled.

10 (3) DEADLINE.—A fee assessed under para-
11 graph (1) shall be due and payable to the Adminis-
12 trator not later than the later of—

13 (A) the date that is 30 days after the date
14 on which the fee is assessed; and

15 (B) the end of the calendar year in which
16 the fee is assessed.

17 (4) PENALTY.—Notwithstanding any other pro-
18 vision of law or any circumstances that jeopardize
19 the safety of a vessel the voyage of which is a cov-
20 ered voyage, the persons aboard such a vessel, or the
21 environment, if an operator fails to pay a fee as-
22 sessed under paragraph (1) by the date described in
23 paragraph (3)—

1 (A) the Administrator shall inform the
2 Commandant of the Coast Guard of the failure
3 of the operator to pay the fee; and

4 (B) the Commandant of the Coast Guard
5 shall, until the Administrator informs the Com-
6 mandant of the Coast Guard that all out-
7 standing fees assessed under paragraph (1)
8 have been paid, prohibit—

9 (i) the operator from operating within
10 the waters of the United States; and

11 (ii) vessels of the operator from dock-
12 ing at ports of call in the United States.

13 (c) ALTERNATE FEE FOR IMPORTED CARGO.—

14 (1) DEFINITION OF QUALIFIED IMPORTING
15 VOYAGE.—In this subsection, the term “qualified im-
16 porting voyage” means a voyage made using a ves-
17 sel—

18 (A) the primary purpose of which is trans-
19 porting cargo or freight; and

20 (B) that, at a foreign port of call, offloads
21 cargo or freight that is ultimately intended to
22 be transported to the United States by sea,
23 land, or air.

24 (2) REQUIREMENTS.—

25 (A) REPORTING.—

1 (i) IN GENERAL.—Beginning on Janu-
2 ary 1, 2024, each importer for which a
3 qualified importing voyage has cargo or
4 freight that is bound for the United States
5 shall submit to the Administrator the in-
6 formation described in subsection (b) of
7 section 4 in accordance with that section
8 (except as otherwise provided in this para-
9 graph).

10 (ii) TREATMENT.—For purposes of
11 clause (i), any reference contained in sec-
12 tion 4(b) to—

13 (I) the “final port of call” shall
14 be considered to be a reference to the
15 foreign port of call within which the
16 cargo or freight of the importer was
17 offloaded from the vessel;

18 (II) the “covered voyage” shall
19 be considered to be a reference to the
20 qualified importing voyage; and

21 (III) the “port of origin” shall be
22 considered to be a reference to the
23 port at which the cargo or freight
24 bound for the United States was
25 onboarded.

1 (B) FEE.—

2 (i) IN GENERAL.—Beginning on Janu-
3 ary 1, 2024, not later than 30 days after
4 the date on which the Administrator re-
5 ceives from an importer described in sub-
6 paragraph (A)(i) the information required
7 to be submitted under that subparagraph,
8 the Administrator, in conjunction with the
9 Secretary of the Treasury, shall assess on
10 the importer the fee described in sub-
11 section (b) in accordance with that sub-
12 section, but the amount of that fee shall be
13 adjusted as follows:

14 (I) The amount of the fee shall
15 be prorated for the share (by mass) of
16 the cargo or freight on the vessel
17 making the qualified importing voyage
18 that is ultimately bound for the
19 United States that is being imported
20 by the importer.

21 (II) After the adjustment de-
22 scribed in subclause (I), the amount
23 of the fee shall be reduced by the
24 amount of the fee, if any, otherwise

1 assessed on the qualified importing
2 voyage pursuant to subsection (b).

3 (ii) TREATMENT.—For purposes of
4 clause (i), any reference in subsection (b)
5 to the “covered voyage” shall be considered
6 to be a reference to the qualified importing
7 voyage.

8 (C) DEADLINES.—

9 (i) IN GENERAL.—An importer de-
10 scribed in subparagraph (A)(i) may not
11 import the cargo or freight from a quali-
12 fied importing voyage into the United
13 States until the importer—

14 (I) submits the information re-
15 quired under subparagraph (A); and

16 (II) pays the fee assessed under
17 subparagraph (B).

18 (ii) PENALTY.—Notwithstanding any
19 other provision of law, if, at the time of
20 importation of the cargo or freight from a
21 qualifying importing voyage into the
22 United States, an importer described in
23 subparagraph (A)(i) cannot provide proof
24 of payment of the fee assessed under sub-
25 paragraph (B), the Commissioner of U.S.

1 Customs and Border Protection shall seize
2 the cargo or freight until the Adminis-
3 trator informs the Commissioner of U.S.
4 Customs and Border Protection that all
5 outstanding fees assessed under subpara-
6 graph (B) have been paid.

7 (d) RECOGNITION OF FOREIGN POLLUTION FEES.—
8 If a vessel with cargo or freight ultimately bound for the
9 United States, or an operator of such a vessel, is subject
10 to a pollution-based fee by the country of the port of origin
11 of the vessel, any fee assessed on the operator of the vessel
12 or an importer with cargo or freight on that vessel under
13 this section shall be—

14 (1) if the fee from the other country is equal
15 to or more than 50 percent of the fee that would
16 otherwise be assessed under this section, reduced by
17 50 percent; and

18 (2) if the fee from the other country is less
19 than 50 percent of the fee that would otherwise be
20 assessed under this section, reduced by an amount
21 equal to the amount of the fee from the other coun-
22 try.

23 (e) SUNSET PROVISION.—This section ceases to
24 apply on the date on which the Administrator publishes
25 in the Federal Register a determination that the Inter-

1 national Maritime Organization or another agency of the
2 United Nations has instituted and is enforcing a global
3 fee on lifecycle carbon dioxide-equivalent emissions from
4 operators of covered voyages that is in an amount equal
5 to or greater than the fees assessed for a covered voyage
6 under this section.

7 **SEC. 6. FEES ON CRITERIA AIR POLLUTANTS.**

8 (a) EMISSIONS PROFILE.—Not later than January 1,
9 2024, the Administrator shall develop a lifecycle emissions
10 profile for each fuel used in maritime shipping to express
11 the emissions from the combustion of that fuel of each
12 of nitrogen oxides, sulfur dioxide, and fine particulate
13 matter (PM_{2.5}) per unit mass combusted.

14 (b) ASSESSMENT OF FEE.—

15 (1) IN GENERAL.—Beginning on January 1,
16 2024, not later than 30 days after the date on which
17 the Administrator receives from the operator of a
18 covered voyage the information required to be sub-
19 mitted under section 4(a), the Administrator, in con-
20 junction with the Secretary of the Treasury, shall
21 assess on the operator a fee with respect to the cov-
22 ered voyage in an amount determined in accordance
23 with paragraph (2).

24 (2) AMOUNT OF FEE.—

1 (A) IN GENERAL.—Subject to subpara-
2 graph (B), the amount of a fee assessed under
3 subsection (a) shall be the total sum of, for
4 each type of fuel consumed during the covered
5 voyage—

6 (i) the product obtained by multi-
7 plying—

8 (I) the total mass of the fuel con-
9 sumed during the covered voyage
10 within the exclusive economic zone;

11 (II) the quantity of nitrogen ox-
12 ides emitted by the consumption of
13 the fuel, expressed in pounds per unit
14 mass of fuel consumed, as determined
15 under subsection (a); and

16 (III) \$6.30;

17 (ii) the product obtained by multi-
18 plying—

19 (I) the total mass of the fuel con-
20 sumed during the covered voyage
21 within the exclusive economic zone;

22 (II) the quantity of sulfur dioxide
23 emitted by the consumption of the
24 fuel, expressed in pounds per unit

1 mass of fuel consumed, as determined
2 under subsection (a); and

3 (III) \$18; and

4 (iii) the product obtained by multi-
5 plying—

6 (I) the total mass of the fuel con-
7 sumed during the covered voyage
8 within the exclusive economic zone;

9 (II) the quantity of fine particu-
10 late matter emitted by the consump-
11 tion of the fuel, expressed in pounds
12 per unit mass of fuel consumed, as
13 determined under subsection (a); and

14 (III) \$38.90.

15 (B) INFLATION ADJUSTMENT.—Beginning
16 in calendar year 2025, the Administrator shall
17 annually increase the amounts described in
18 clauses (i)(III), (ii)(III), and (iii)(III) of sub-
19 paragraph (A) by the percentage that is equal
20 to the sum obtained by adding—

21 (i) the rate of inflation, as determined
22 by the Administrator using the changes for
23 the 12-month period ending the preceding
24 November 30 in the Consumer Price Index
25 for All Urban Consumers published by the

1 Bureau of Labor Statistics of the Depart-
2 ment of Labor; and

3 (ii) 5 percentage points.

4 (3) DEADLINE.—A fee assessed under para-
5 graph (1) shall be due and payable to the Adminis-
6 trator not later than the later of—

7 (A) the date that is 30 days after the date
8 on which the fee is assessed; and

9 (B) the end of the calendar year in which
10 the fee is assessed.

11 (4) PENALTY.—Notwithstanding any other pro-
12 vision of law or any circumstances that jeopardize
13 the safety of a vessel the voyage of which is a cov-
14 ered voyage, the persons aboard such a vessel, or the
15 environment, if an operator fails to pay a fee as-
16 sessed under paragraph (1) by the date described in
17 paragraph (3)—

18 (A) the Administrator shall inform the
19 Commandant of the Coast Guard of the failure
20 of the operator to pay the fee; and

21 (B) the Commandant of the Coast Guard
22 shall, until the Administrator informs the Com-
23 mandant of the Coast Guard that all out-
24 standing fees assessed under paragraph (1)
25 have been paid, prohibit—

- 1 (i) the operator from operating within
2 the waters of the United States; and
3 (ii) vessels of the operator from dock-
4 ing at ports of call in the United States.

5 **SEC. 7. DECARBONIZING SHIPPING AND PORTS.**

6 (a) MODERNIZING THE JONES ACT FLEET.—

7 (1) DEFINITIONS.—In this subsection:

8 (A) ADMINISTRATOR.—The term “Admin-
9 istrator” means the Administrator of the Mari-
10 time Administration.

11 (B) JONES ACT VESSEL.—The term
12 “Jones Act vessel” means a documented vessel
13 (as defined in section 106 of title 46, United
14 States Code) with a coastwise endorsement
15 under section 12112 of that title.

16 (C) LOW-CARBON FUEL.—The term “low-
17 carbon fuel” means a marine fuel the lifecycle
18 carbon dioxide-equivalent emissions of which is
19 at least 90 percent less than the lifecycle carbon
20 dioxide-equivalent emissions of marine fuel oil.

21 (D) PROGRAM.—The term “program”
22 means the program established under para-
23 graph (2).

24 (E) VESSEL OF THE UNITED STATES.—
25 The term “vessel of the United States” has the

1 meaning given the term in section 116 of title
2 46, United States Code.

3 (2) ESTABLISHMENT.—For fiscal year 2026
4 and each fiscal year thereafter, there are appro-
5 priated, out of any funds in the Treasury not other-
6 wise appropriated, to the Maritime Administration
7 an amount equal to 25 percent of the amounts col-
8 lected pursuant to fees assessed under sections 5
9 and 6 during the previous calendar year to award
10 grants, rebates, and low-interest loans, as deter-
11 mined appropriate by the Administrator, to eligible
12 entities—

13 (A) to replace existing Jones Act vessels
14 that use marine fuel oil for propulsion power
15 with vessels that are propelled using batteries
16 or low-carbon fuels; or

17 (B) to retrofit existing Jones Act vessels
18 that use marine fuel oil for propulsion power
19 into vessels that are propelled using batteries or
20 low-carbon fuels.

21 (3) MODELED OFF DIESEL EMISSIONS REDUC-
22 TION ACT.—To the extent practicable, the Adminis-
23 trator shall administer the program in a manner
24 similar to the national grant program of the Admin-
25 istrator of the Environmental Protection Agency

1 under subtitle G of title VII of the Energy Policy
2 Act of 2005 (42 U.S.C. 16131 et seq.).

3 (4) ELIGIBLE ENTITIES.—An entity eligible for
4 an award under the program is an owner of a Jones
5 Act vessel that currently uses marine fuel oil for
6 propulsion power.

7 (5) SELECTION.—

8 (A) APPLICATION.—An eligible entity seek-
9 ing an award under the program shall submit
10 to the Administrator an application at such
11 time, in such manner, and containing such in-
12 formation as the Administrator may require,
13 which shall include a certification that an award
14 under the program will be used, as applicable—

15 (i) to purchase, or enter into a con-
16 tract for the construction of, a vessel that
17 exclusively uses a battery or low-carbon
18 fuels for all propulsion power; or

19 (ii) to retrofit an existing Jones Act
20 vessel that uses marine fuel oil for propul-
21 sion power into a vessel that is propelled
22 using batteries or low-carbon fuels.

23 (B) PRIORITY.—In selecting the recipients
24 of awards under the program, the Adminis-
25 trator shall give priority to entities the replace-

1 ment of whose vessels with vessels that use bat-
2 teries or low-carbon fuels for all propulsion
3 power would—

4 (i) maximize the reduction of green-
5 house gas emissions;

6 (ii) maximize the public health bene-
7 fits from the reduction of criteria air pol-
8 lutants;

9 (iii) maximize water quality in ports
10 and other bodies of water;

11 (iv) maximize public health and envi-
12 ronmental benefits from every dollar spent
13 under the program; and

14 (v) alleviate air pollution in poor air
15 quality areas, including—

16 (I) areas identified by the Ad-
17 ministrators of the Environmental Pro-
18 tection Agency as in nonattainment or
19 maintenance of national ambient air
20 quality standards promulgated under
21 section 109 of the Clean Air Act (42
22 U.S.C. 7409) for criteria air pollut-
23 ants; and

24 (II) other areas that receive a
25 disproportionate quantity of air pollu-

1 tion, as determined by the Adminis-
2 trator of the Environmental Protec-
3 tion Agency.

4 (6) CLAWBACK.—If the Administrator deter-
5 mines that the recipient of an award under the pro-
6 gram has violated the certification required under
7 paragraph (5)(A), the Administrator shall seek reim-
8 bursement of the full amount of the award provided
9 to the recipient.

10 (7) MODERNIZING VESSELS OF THE UNITED
11 STATES.—If the Administrator determines that no
12 existing Jones Act vessels are eligible to receive
13 funding under the program, for the duration of that
14 determination, paragraphs (2) through (6) shall be
15 applied by substituting “vessel of the United States”
16 for “Jones Act vessel”.

17 (b) RESEARCH AND DEVELOPMENT FOR LOW-CAR-
18 BON MARITIME FUELS AND LOW-EMISSION MARITIME
19 TECHNOLOGIES.—

20 (1) DEFINITION OF ELIGIBLE ENTITY.—In this
21 subsection, the term “eligible entity” means—

22 (A) a State (including the District of Co-
23 lumbia and territories of the United States), re-
24 gional, local, or Tribal government;

1 (B) a maritime shipping or logistics com-
2 pany;

3 (C) a port authority;

4 (D) an accredited institution of higher edu-
5 cation;

6 (E) a research institution;

7 (F) a person engaged in the production,
8 transportation, blending, or storage of sustain-
9 able maritime fuel in the United States or feed-
10 stocks in the United States that may be used
11 to produce sustainable maritime fuel;

12 (G) a person engaged in the development,
13 demonstration, or application of low-emission
14 maritime technologies; and

15 (H) a nonprofit entity or nonprofit consor-
16 tium with experience in sustainable maritime
17 fuels, low-emission maritime technologies, or
18 other clean transportation research programs.

19 (2) ESTABLISHMENT.—For fiscal year 2026
20 and each fiscal year thereafter, there are appro-
21 priated, out of any funds in the Treasury not other-
22 wise appropriated, to the Department of Energy an
23 amount equal to 25 percent of the amounts collected
24 pursuant to fees assessed under sections 5 and 6
25 during the previous calendar year to award competi-

1 tive grants to eligible entities to carry out projects
2 in the United States—

3 (A) to produce, transport, blend, or store
4 low-carbon maritime fuels; or

5 (B) to develop, demonstrate, or apply low-
6 emission maritime technologies.

7 (3) PRIORITY.—In awarding grants under the
8 program established under paragraph (2), the Sec-
9 retary of Energy shall give priority to projects that
10 maximize—

11 (A) the domestic production and deploy-
12 ment of sustainable maritime fuels or the use of
13 low-emission maritime technologies in commer-
14 cial maritime;

15 (B) reductions in greenhouse gas emis-
16 sions;

17 (C) public health benefits from criteria air
18 pollutant reductions;

19 (D) water quality in ports and other bodies
20 of water;

21 (E) public health and environmental bene-
22 fits from every dollar spent under that pro-
23 gram; and

24 (F) the creation of new jobs in the United
25 States.

1 (c) WORKFORCE DEVELOPMENT.—

2 (1) DEFINITIONS.—In this subsection:

3 (A) LOW-CARBON FUEL.—The term “low-
4 carbon fuel” means a marine fuel the lifecycle
5 carbon dioxide-equivalent emissions of which is
6 at least 90 percent less than the lifecycle carbon
7 dioxide-equivalent emissions of marine fuel oil.

8 (B) MARITIME ACADEMY.—The term
9 “maritime academy” means—

10 (i) the United States Merchant Ma-
11 rine Academy;

12 (ii) a State maritime academy; and

13 (iii) a center of excellence for domestic
14 maritime workforce training and education
15 designated under section 51706(a) of title
16 46, United States Code.

17 (C) PROGRAM.—The term “program”
18 means the program established under para-
19 graph (2).

20 (D) ZERO-EMISSION PORT EQUIPMENT OR
21 TECHNOLOGY.—The term “zero-emission port
22 equipment or technology” has the meaning
23 given the term in section 133(d) of the Clean
24 Air Act (42 U.S.C. 7433(d)).

1 (2) ESTABLISHMENT.—For fiscal year 2026
2 and each fiscal year thereafter, there are appro-
3 priated, out of any funds in the Treasury not other-
4 wise appropriated, to the Environmental Protection
5 Agency an amount equal to 5 percent of the
6 amounts collected pursuant to fees assessed under
7 sections 5 and 6 during the previous calendar year
8 to award grants and rebates to support workforce
9 training and development for the maintenance and
10 operation of zero-emission port equipment or tech-
11 nology and vessels that are propelled using batteries
12 or low-carbon fuels, including training, program-
13 ming, and curriculum development at maritime
14 academies on the maintenance and operation of
15 zero-emission port equipment or technology and ves-
16 sels that are propelled using batteries or low-carbon
17 fuels.

18 (3) ELIGIBLE ENTITIES.—An entity eligible to
19 receive an award under the program is—

20 (A) a State (including the District of Co-
21 lumbia and territories of the United States), re-
22 gional, local, or Tribal agency that has jurisdic-
23 tion over a port authority or a port;

24 (B) a port authority;

25 (C) an air pollution control agency;

1 (D) a maritime academy; and

2 (E) a private entity that—

3 (i) applies for a grant under this sub-
4 section in partnership with an entity de-
5 scribed in any of subparagraphs (A)
6 through (D); and

7 (ii) owns, operates, or uses—

8 (I) vessels, the primary purpose
9 of which are transporting cargo or
10 freight, that are propelled using bat-
11 teries or low-carbon fuels; or

12 (II) the facilities, cargo-handling
13 equipment, transportation equipment,
14 or related technology of a port.

15 (4) APPLICATION.—An eligible entity seeking
16 an award under the program shall submit to the Ad-
17 ministrator an application at such time, in such
18 manner, and containing such information as the Ad-
19 ministrator may require.

20 (d) HARBOR CRAFT ELECTRIFICATION.—

21 (1) ESTABLISHMENT.—For fiscal year 2026
22 and each fiscal year thereafter, there are appro-
23 priated, out of any funds in the Treasury not other-
24 wise appropriated, to the Environmental Protection
25 Agency an amount equal to 10 percent of the

1 amounts collected pursuant to fees assessed under
2 sections 5 and 6 during the previous calendar year
3 to award grants, rebates, or low-interest loans, as
4 determined appropriate by the Administrator—

5 (A) to replace existing harbor craft, except
6 for ferry vessels, with vessels that use batteries
7 for all propulsion power; and

8 (B) to support workforce development and
9 training to support the maintenance, charging,
10 fueling, and operation of vessels described in
11 subparagraph (A).

12 (2) MODELED OFF DIESEL EMISSIONS REDUC-
13 TION ACT.—To the extent practicable, the Adminis-
14 trator shall administer the program established
15 under paragraph (1) in a manner similar to the na-
16 tional grant program of the Administrator under
17 subtitle G of title VII of the Energy Policy Act of
18 2005 (42 U.S.C. 16131 et seq.).

19 (3) ELIGIBLE ENTITIES.—An entity eligible to
20 receive an award under the program established
21 under paragraph (1) is—

22 (A) a State (including the District of Co-
23 lumbia and territories of the United States), re-
24 gional, local, or Tribal agency that has jurisdic-
25 tion over a port authority or a port;

1 (B) a port authority; and

2 (C) a private entity that—

3 (i) applies for an award under this
4 subsection in partnership with an entity
5 described in subparagraph (A) or (B); and

6 (ii) owns, operates, or uses harbor
7 craft, except for ferry vessels.

8 (4) SELECTION.—

9 (A) APPLICATION.—An eligible entity seek-
10 ing an award under the program established
11 under paragraph (1) shall submit to the Admin-
12 istrator an application at such time, in such
13 manner, and containing such information as the
14 Administrator may require, which shall include
15 a certification that an award under the program
16 will be used to purchase a vessel that exclu-
17 sively uses a battery for all propulsion power.

18 (B) PRIORITY.—In selecting the recipients
19 of awards under the program established under
20 paragraph (1), the Administrator shall give pri-
21 ority to entities the replacement of whose har-
22 bor crafts with vessels that use batteries for all
23 propulsion power would—

24 (i) maximize the reduction of green-
25 house gas emissions;

1 (ii) maximize the public health bene-
2 fits from the reduction of criteria air pol-
3 lutants;

4 (iii) maximize water quality in ports
5 and other bodies of water;

6 (iv) maximize public health and envi-
7 ronmental benefits from every dollar spent
8 under the program; and

9 (v) alleviate air pollution in poor air
10 quality areas, including—

11 (I) areas identified by the Ad-
12 ministrator as in nonattainment or
13 maintenance of national ambient air
14 quality standards promulgated under
15 section 109 of the Clean Air Act (42
16 U.S.C. 7409) for criteria air pollut-
17 ants; and

18 (II) other areas that receive a
19 disproportionate quantity of air pollu-
20 tion, as determined by the Adminis-
21 trator.

22 (5) CLAWBACK.—If the Administrator deter-
23 mines that the recipient of an award under the pro-
24 gram established under paragraph (1) has violated
25 the certification required under paragraph (4)(A),

1 the Administrator shall seek reimbursement of the
2 full amount of the award provided to the recipient.

3 (e) FERRY ELECTRIFICATION.—

4 (1) ESTABLISHMENT.—For fiscal year 2026
5 and each fiscal year thereafter, there are appro-
6 priated, out of any funds in the Treasury not other-
7 wise appropriated, to the Environmental Protection
8 Agency an amount equal to 10 percent of the
9 amounts collected pursuant to fees assessed under
10 sections 5 and 6 during the previous calendar year
11 to award grants, rebates, or low-interest loans, as
12 determined appropriate by the Administrator—

13 (A) to replace existing ferry or crew vessels
14 with vessels that use batteries for all propulsion
15 power; and

16 (B) to support workforce development and
17 training to support the maintenance, charging,
18 fueling, and operation of vessels described in
19 subparagraph (A) that use batteries for all pro-
20 pulsion power.

21 (2) MODELED OFF DIESEL EMISSIONS REDUC-
22 TION ACT.—To the extent practicable, the Adminis-
23 trator shall administer the program established
24 under paragraph (1) in a manner similar to the na-
25 tional grant program of the Administrator under

1 subtitle G of title VII of the Energy Policy Act of
2 2005 (42 U.S.C. 16131 et seq.).

3 (3) ELIGIBLE ENTITIES.—An entity eligible to
4 receive an award under the program established
5 under paragraph (1) is—

6 (A) a State (including the District of Co-
7 lumbia and territories of the United States), re-
8 gional, local, or Tribal agency that has jurisdic-
9 tion over a ferry line;

10 (B) a port authority; and

11 (C) a private entity that—

12 (i) applies for an award under this
13 subsection in partnership with an entity
14 described in subparagraph (A) or (B); and

15 (ii) owns, operates, or uses ferry or
16 crew vessels.

17 (4) SELECTION.—

18 (A) APPLICATION.—An eligible entity seek-
19 ing an award under the program established
20 under paragraph (1) shall submit to the Admin-
21 istrator an application at such time, in such
22 manner, and containing such information as the
23 Administrator may require, which shall include
24 a certification that an award under the program

1 will be used to purchase a vessel that exclu-
2 sively uses a battery for all propulsion power.

3 (B) PRIORITY.—In selecting the recipients
4 of awards under the program established under
5 paragraph (1), the Administrator shall give pri-
6 ority to entities the replacement of whose ferry
7 or crew vessels with vessels that use batteries
8 for all propulsion power would—

9 (i) maximize the reduction of green-
10 house gas emissions;

11 (ii) maximize the public health bene-
12 fits from the reduction of criteria air pol-
13 lutants;

14 (iii) maximize water quality in ports
15 and other bodies of water;

16 (iv) maximize public health and envi-
17 ronmental benefits from every dollar spent
18 under the program; and

19 (v) alleviate air pollution in poor air
20 quality areas, including—

21 (I) areas identified by the Ad-
22 ministrator as in nonattainment or
23 maintenance of national ambient air
24 quality standards promulgated under
25 section 109 of the Clean Air Act (42

1 U.S.C. 7409) for criteria air pollut-
2 ants; and

3 (II) other areas that receive a
4 disproportionate quantity of air pollu-
5 tion, as determined by the Adminis-
6 trator.

7 (5) CLAWBACK.—If the Administrator deter-
8 mines that the recipient of an award under the pro-
9 gram established under paragraph (1) has violated
10 the certification required under paragraph (4)(A),
11 the Administrator shall seek reimbursement of the
12 full amount of the award provided to the recipient.

13 (f) INCREASED AIR MONITORING IN PORT COMMU-
14 NITIES.—

15 (1) ESTABLISHMENT.—For fiscal year 2026
16 and each fiscal year thereafter, there are appro-
17 priated, out of any funds in the Treasury not other-
18 wise appropriated, to the Environmental Protection
19 Agency an amount equal to 3 percent of the
20 amounts collected pursuant to fees assessed under
21 sections 5 and 6 during the previous calendar year
22 to provide grants, rebates, or low-interest loans, as
23 determined appropriate by the Administrator, to cre-
24 ate fenceline air monitoring at port boundaries and

1 in communities located within 1 mile of a port
2 boundary.

3 (2) ELIGIBLE ENTITIES.—An entity eligible to
4 receive an award under the program established
5 under paragraph (1) is—

6 (A) a State (including the District of Co-
7 lumbia and territories of the United States), re-
8 gional, local, or Tribal government;

9 (B) a State (including the District of Co-
10 lumbia and territories of the United States), re-
11 gional, local, or Tribal agency that has jurisdic-
12 tion over a port authority or port;

13 (C) a port authority;

14 (D) an air pollution control agency; and

15 (E) a nonprofit entity or nonprofit consor-
16 tium with experience in air pollution moni-
17 toring.

18 (3) APPLICATION.—An eligible entity seeking
19 an award under the program established under para-
20 graph (1) shall submit to the Administrator an ap-
21 plication at such time, in such manner, and con-
22 taining such information as the Administrator may
23 require.

24 (g) FUNDING OF EXISTING PROGRAMS.—

1 (1) CLEAN PORTS PROGRAM.—For fiscal year
2 2026 and each fiscal year thereafter, there are ap-
3 propriated, out of any funds in the Treasury not
4 otherwise appropriated, to the Environmental Pro-
5 tection Agency an amount equal to 10 percent of the
6 amounts collected pursuant to fees assessed under
7 sections 5 and 6 during the previous calendar year
8 to carry out the program established under section
9 133 of the Clean Air Act (42 U.S.C. 7433).

10 (2) PORT INFRASTRUCTURE DEVELOPMENT
11 PROGRAM.—For fiscal year 2026 and each fiscal
12 year thereafter, there are appropriated, out of any
13 funds in the Treasury not otherwise appropriated, to
14 the Department of Transportation an amount equal
15 to 7 percent of the amounts collected pursuant to
16 fees assessed under sections 5 and 6 during the pre-
17 vious calendar year to carry out the program estab-
18 lished under section 54301 of title 46, United States
19 Code.

20 (3) OCEANS AND COASTAL SECURITY.—For fis-
21 cal year 2026 and each fiscal year thereafter, there
22 are appropriated, out of any funds in the Treasury
23 not otherwise appropriated, to the National Oceanic
24 and Atmospheric Administration an amount equal to
25 3 percent of the amounts collected pursuant to fees

1 assessed under sections 5 and 6 during the previous
2 calendar year for deposit into the National Oceans
3 and Coastal Security Fund established under section
4 904(a) of the National Oceans and Coastal Security
5 Act (16 U.S.C. 7503).

6 (4) MARINE DEBRIS FOUNDATION.—For fiscal
7 year 2026 and each fiscal year thereafter, there are
8 appropriated, out of any funds in the Treasury not
9 otherwise appropriated, to the Department of Com-
10 merce an amount equal to 2 percent of the amounts
11 collected pursuant to fees assessed under sections 5
12 and 6 during the previous calendar year to carry out
13 subtitle B of title I of the Save Our Seas 2.0 Act
14 (33 U.S.C. 4211 et seq.).

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