

118TH CONGRESS  
1ST SESSION

# H. R. 6724

To require a certain percentage of natural gas and crude oil exports be transported on United States-built and United States-flag vessels, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2023

Mr. GARAMENDI (for himself, Mr. WITTMAN, and Mr. FITZPATRICK) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To require a certain percentage of natural gas and crude oil exports be transported on United States-built and United States-flag 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 “Energizing American  
5 Shipbuilding Act of 2023”.

1 **SEC. 2. NATIONAL POLICY ON STRATEGIC ENERGY ASSET**  
2 **EXPORT TRANSPORTATION.**

3 (a) LNG EXPORTS.—

4 (1) REQUIREMENT FOR TRANSPORTATION OF  
5 EXPORTS OF NATURAL GAS ON VESSELS DOCU-  
6 MENTED UNDER LAWS OF THE UNITED STATES.—

7 Section 3 of the Natural Gas Act (15 U.S.C. 717b)  
8 is amended by adding at the end the following:

9 “(g) TRANSPORTATION OF EXPORTS OF NATURAL  
10 GAS ON VESSELS DOCUMENTED UNDER LAWS OF THE  
11 UNITED STATES.—

12 “(1) CONDITION FOR APPROVAL.—Except as  
13 provided in paragraph (7), with respect to an appli-  
14 cation to export natural gas under subsection (a),  
15 the Commission shall include in the order issued for  
16 that application the condition that the person trans-  
17 port the natural gas on a vessel that meets the re-  
18 quirements described in paragraph (3).

19 “(2) PURPOSE.—The purpose of the require-  
20 ment under paragraph (1) is to ensure that, of all  
21 natural gas exported by vessel in a calendar year,  
22 the following percentage is exported by a vessel that  
23 meets the requirements described in paragraph (3):

24 “(A) In each of the 7 calendar years fol-  
25 lowing the calendar year in which this sub-  
26 section is enacted, not less than 2 percent.

1           “(B) In each of the 8th and 9th calendar  
2 years following the calendar year in which this  
3 subsection is enacted, not less than 3 percent.

4           “(C) In each of the 10th and 11th cal-  
5 endar years following the calendar year in  
6 which this subsection is enacted, not less than  
7 4 percent.

8           “(D) In each of the 12th and 13th cal-  
9 endar years following the calendar year in  
10 which this subsection is enacted, not less than  
11 6 percent.

12           “(E) In each of the 14th and 15th cal-  
13 endar years following the calendar year in  
14 which this subsection is enacted, not less than  
15 7 percent.

16           “(F) In each of the 16th and 17th cal-  
17 endar years following the calendar year in  
18 which this subsection is enacted, not less than  
19 9 percent.

20           “(G) In each of the 18th and 19th cal-  
21 endar years following the calendar year in  
22 which this subsection is enacted, not less than  
23 11 percent.

24           “(H) In each of the 20th and 21st cal-  
25 endar years following the calendar year in

1           which this subsection is enacted, not less than  
2           13 percent.

3           “(I) In the 22nd calendar year after the  
4           calendar year in which this subsection is en-  
5           acted and each calendar year thereafter, not  
6           less than 15 percent.

7           “(3) REQUIREMENTS FOR VESSELS.—A vessel  
8           meets the requirements described in this para-  
9           graph—

10           “(A) with respect to each of the 5 calendar  
11           years following the calendar year in which this  
12           subsection is enacted—

13           “(i) if—

14           “(I) the vessel is documented  
15           under the laws of the United States;  
16           and

17           “(II) with respect to any retrofit  
18           work necessary for the vessel to ex-  
19           port natural gas—

20           “(aa) such work is done in a  
21           shipyard in the United States;  
22           and

23           “(bb) any component of the  
24           vessel listed in paragraph (4)  
25           that is installed during the

1 course of such work is manufac-  
2 tured in the United States; or

3 “(ii) if—

4 “(I) the vessel is built in the  
5 United States;

6 “(II) the vessel is documented  
7 under the laws of the United States;

8 “(III) all major components of  
9 the hull or superstructure of the ves-  
10 sel are manufactured (including all  
11 manufacturing processes from the ini-  
12 tial melting stage through the applica-  
13 tion of coatings for iron or steel prod-  
14 ucts) in the United States; and

15 “(IV) the components of the ves-  
16 sel listed in paragraph (4) are manu-  
17 factured in the United States; and

18 “(B) with respect to the 6th calendar year  
19 following the calendar year in which this sub-  
20 section is enacted, and each calendar year  
21 thereafter, if the vessel meets the requirements  
22 of subparagraph (A)(ii).

23 “(4) COMPONENTS.—The components of a ves-  
24 sel listed in this paragraph are the following:

25 “(A) Air circuit breakers.

1           “(B) Welded shipboard anchor and moor-  
2           ing chain.

3           “(C) Powered and non-powered valves in  
4           Federal Supply Classes 4810 and 4820 used in  
5           piping.

6           “(D) Machine tools in the Federal Supply  
7           Classes for metal-working machinery numbered  
8           3405, 3408, 3410 through 3419, 3426, 3433,  
9           3438, 3441 through 3443, 3445, 3446, 3448,  
10          3449, 3460, and 3461.

11          “(E) Auxiliary equipment for shipboard  
12          services, including pumps.

13          “(F) Propulsion equipment, including en-  
14          gines, propulsion motors, reduction gears, and  
15          propellers.

16          “(G) Shipboard cranes.

17          “(H) Spreaders for shipboard cranes.

18          “(I) Rotating electrical equipment, includ-  
19          ing electrical alternators and motors.

20          “(J) Compressors, pumps, and heat ex-  
21          changers used in managing and re-liquefying  
22          boil-off gas from liquefied natural gas.

23          “(5) WAIVER AUTHORITY.—The Commission  
24          may waive the requirement under clause (i)(II)(bb)  
25          or (ii)(IV), as applicable, of paragraph (3)(A) with

1 respect to a component of a vessel if the Maritime  
2 Administrator determines that—

3 “(A) application of the requirement  
4 would—

5 “(i) result in an increase of 25 per-  
6 cent or more in the cost of the component  
7 of the vessel; or

8 “(ii) cause unreasonable delays to be  
9 incurred in building or retrofitting the ves-  
10 sel; or

11 “(B) such component is not manufactured  
12 in the United States in sufficient and reason-  
13 ably available quantities of a satisfactory qual-  
14 ity.

15 “(6) OPPORTUNITIES FOR LICENSED AND UNLI-  
16 CENSED MARINERS.—Except as provided in para-  
17 graph (7), the Commission shall include, in any  
18 order issued under subsection (a) that authorizes a  
19 person to export natural gas, a condition that the  
20 person provide opportunities for United States li-  
21 censed and unlicensed mariners to receive experience  
22 and training necessary to become credentialed in  
23 working on a vessel transporting natural gas.

24 “(7) EXCEPTION.—The Commission may not  
25 include in any order issued under subsection (a) au-

1       thorizing a person to export natural gas to a nation  
2       with which there is in effect a free trade agreement  
3       requiring national treatment for trade in natural gas  
4       a condition described in paragraph (1), or a condi-  
5       tion described in paragraph (6), if the United States  
6       Trade Representative certifies to the Commission, in  
7       writing, that such condition would violate obligations  
8       of the United States under such free trade agree-  
9       ment.

10           “(8) USE OF FEDERAL INFORMATION.—In car-  
11       rying out paragraph (1), the Commission—

12                   “(A) shall use information made available  
13       by—

14                           “(i) the Energy Information Adminis-  
15       tration; or

16                           “(ii) any other Federal agency or enti-  
17       ty the Commission determines appropriate;  
18       and

19                   “(B) may use information made available  
20       by a private entity only if applicable informa-  
21       tion described in subparagraph (A) is not avail-  
22       able.”.

23           (2) CONFORMING AMENDMENT.—Section 3(c)  
24       of the Natural Gas Act (15 U.S.C. 717b(c)) is  
25       amended by striking “or the exportation of natural



1 gas” and inserting “or, subject to subsection (g), the  
2 exportation of natural gas”.

3 (b) CRUDE OIL.—Section 101 of title I of division  
4 O of the Consolidated Appropriations Act, 2016 (42  
5 U.S.C. 6212a) is amended—

6 (1) in subsection (b), by striking “subsections  
7 (c) and (d)” and inserting “subsections (c), (d), and  
8 (f)”; and

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

10 “(f) TRANSPORTATION OF EXPORTS OF CRUDE OIL  
11 ON VESSELS DOCUMENTED UNDER LAWS OF THE  
12 UNITED STATES.—

13 “(1) IN GENERAL.—Except as provided in para-  
14 graph (6), as a condition to export crude oil, the  
15 President shall require that a person exporting crude  
16 oil transport the crude oil on a vessel that meets the  
17 requirements described in paragraph (3).

18 “(2) PURPOSE.—The purpose of the require-  
19 ment under paragraph (1) is to ensure that, of all  
20 crude oil exported by vessel in a calendar year, the  
21 following percentage is exported by a vessel that  
22 meets the requirements described in paragraph (3):

23 “(A) In each of the 7 calendar years fol-  
24 lowing the calendar year in which this sub-  
25 section is enacted, not less than 3 percent.

1           “(B) In each of the 8th, 9th, and 10th cal-  
2           endar years following the calendar year in  
3           which this subsection is enacted, not less than  
4           6 percent.

5           “(C) In each of the 11th, 12th, and 13th  
6           calendar years following the calendar year in  
7           which this subsection is enacted, not less than  
8           8 percent.

9           “(D) In the 14th calendar year following  
10          the calendar year in which this subsection is en-  
11          acted and each calendar year thereafter, not  
12          less than 10 percent.

13          “(3) REQUIREMENTS FOR VESSELS.—A vessel  
14          meets the requirements described in this para-  
15          graph—

16                 “(A) with respect to each of the 4 calendar  
17                 years following the calendar year in which this  
18                 subsection is enacted—

19                         “(i) if—

20                                 “(I) the vessel is documented  
21                                 under the laws of the United States;  
22                                 and

23                                 “(II) with respect to any retrofit  
24                                 work necessary for the vessel to ex-  
25                                 port crude oil—

1                   “(aa) such work is done in a  
2                   shipyard in the United States;  
3                   and

4                   “(bb) any component of the  
5                   vessel listed in paragraph (4)  
6                   that is installed during the  
7                   course of such work is manufac-  
8                   tured in the United States; or

9                   “(ii) if—

10                   “(I) the vessel is built in the  
11                   United States;

12                   “(II) the vessel is documented  
13                   under the laws of the United States;

14                   “(III) all major components of  
15                   the hull or superstructure of the ves-  
16                   sel are manufactured (including all  
17                   manufacturing processes from the ini-  
18                   tial melting stage through the applica-  
19                   tion of coatings for iron or steel prod-  
20                   ucts) in the United States; and

21                   “(IV) the components of the ves-  
22                   sel listed in paragraph (4) are manu-  
23                   factured in the United States; and

24                   “(B) with respect to the 5th calendar year  
25                   following the calendar year in which this sub-

1 section is enacted and each calendar year there-  
2 after, if the vessel meets the requirements of  
3 subparagraph (A)(ii).

4 “(4) COMPONENTS.—The components of a ves-  
5 sel listed in this paragraph are the following:

6 “(A) Air circuit breakers.

7 “(B) Welded shipboard anchor and moor-  
8 ing chain.

9 “(C) Powered and non-powered valves in  
10 Federal Supply Classes 4810 and 4820 used in  
11 piping.

12 “(D) Machine tools in the Federal Supply  
13 Classes for metal-working machinery numbered  
14 3405, 3408, 3410 through 3419, 3426, 3433,  
15 3438, 3441 through 3443, 3445, 3446, 3448,  
16 3449, 3460, and 3461.

17 “(E) Auxiliary equipment for shipboard  
18 services, including pumps.

19 “(F) Propulsion equipment, including en-  
20 gines, propulsion motors, reduction gears, and  
21 propellers.

22 “(G) Shipboard cranes.

23 “(H) Spreaders for shipboard cranes.

24 “(I) Rotating electrical equipment, includ-  
25 ing electrical alternators and motors.

1           “(5) WAIVER AUTHORITY.—The President may  
2 waive the requirement under clause (i)(II)(bb) or  
3 clause (ii)(IV), as applicable, of paragraph (3)(A)  
4 with respect to a component of a vessel if the Mari-  
5 time Administrator determines that—

6           “(A) application of the requirement  
7 would—

8           “(i) result in an increase of 25 per-  
9 cent or more in the cost of the component  
10 of the vessel; or

11           “(ii) cause unreasonable delays to be  
12 incurred in building or retrofitting the ves-  
13 sel; or

14           “(B) such component is not manufactured  
15 in the United States in sufficient and reason-  
16 ably available quantities of a satisfactory qual-  
17 ity.

18           “(6) EXCEPTION.—The President may not,  
19 under paragraph (1), condition the export of crude  
20 oil to a nation with which there is in effect a free  
21 trade agreement requiring national treatment for  
22 trade in crude oil if the United States Trade Rep-  
23 resentative certifies to the President, in writing, that  
24 such condition would violate obligations of the  
25 United States under such free trade agreement.

1           “(7) OPPORTUNITIES FOR LICENSED AND UNLI-  
2           CENSED MARINERS.—The Maritime Administrator  
3           shall ensure that each exporter of crude oil by vessel  
4           provides opportunities for United States licensed and  
5           unlicensed mariners to receive experience and train-  
6           ing necessary to become credentialed in working on  
7           such vessels.

8           “(8) USE OF FEDERAL INFORMATION.—In car-  
9           rying out paragraph (1), the President—

10           “(A) shall use information made available  
11           by—

12           “(i) the Energy Information Adminis-  
13           tration; or

14           “(ii) any other Federal agency or enti-  
15           ty the Commission determines appropriate;  
16           and

17           “(B) may use information made available  
18           by a private entity only if applicable informa-  
19           tion described in subparagraph (A) is not avail-  
20           able.”.

21 **SEC. 3. ENERGY INFORMATION ADMINISTRATION INFOR-**  
22 **MATION.**

23           The Secretary of Energy, acting through the Admin-  
24           istrator of the Energy Information Administration (re-  
25           ferred to in this section as the “Secretary”), shall collect,

1 and make readily available to the public on the internet  
2 website of the Energy Information Administration, infor-  
3 mation on exports by vessel of natural gas and crude oil,  
4 including—

5           (1) forecasts for, and data on, those exports for  
6           the calendar year following the calendar year in  
7           which this Act is enacted and each calendar year  
8           thereafter; and

9           (2) forecasts for those exports for multiyear pe-  
10          riods after the date of enactment of this Act, as de-  
11          termined appropriate by the Secretary.

○