

1 **SEC. xxx. JONES ACT AMENDMENT.**

2 (a) DEFINITIONS.—Section 12101 of title 46, United States Code, is amended—

3 (1) by amending (a) to read as follows:

4 “(a) REBUILT IN THE UNITED STATES.—In this chapter, a vessel is deemed to have
5 been rebuilt in the United States only if the fabrication, construction, and addition of any
6 major component of the vessel’s hull or superstructure was done in the United States.”;

7 (2) by redesignating subsection (b) as subsection (f); and

8 (3) inserting after subsection (a) the following new subsections:

9 “(b) MAJOR COMPONENT.—In this chapter, the term ‘major component’ means an
10 identifiable unit (excluding engines, equipment, machinery and other outfitting)
11 constructed on or added to the vessel that comprises more than 1.5% of the vessel’s total
12 steel weight. Steelwork performed as a unit that is an identifiable unit that comprises less
13 than 1.5% of the vessel’s total steel weight, while not qualifying as a major component,
14 shall be counted toward the steelwork limit described in section 12132(b)(2).

15 “(c) IDENTIFIABLE UNIT.—In this chapter, the term ‘identifiable unit’ means an
16 item that is constructed on the vessel or added as a new and completely constructed unit.

17 “(d) STEEL WEIGHT.—In this chapter, the term ‘steel weight’ includes the total
18 weight of all steel and aluminum comprising the vessel’s hull and superstructure,
19 excluding engines, equipment, machinery and other outfitting.

20 “(e) STEELWORK.—In this chapter, the term ‘steelwork’ shall include work in
21 steel, aluminum, or both.”.

22 (b) LOSS OF COASTWISE TRADE PRIVILEGES.—Section 12132(b) of title 46, United
23 States Code, is amended to read as follows:

1 “(b) REBUILT OUTSIDE OF THE UNITED STATES.—(1) A vessel eligible to engage
2 in the coastwise trade is deemed rebuilt outside the United States and may not thereafter
3 engage in the coastwise trade whenever—

4 “(A) regardless of material of construction of the vessel—

5 “(i) a major component, as defined in section 12101(b), of the
6 vessel’s hull or superstructure, built in the United States, is added outside
7 of the United States; or

8 “(ii) a major component, as defined in section 12101(b), of the
9 vessel’s hull or superstructure, not built in the United States, is added,
10 regardless of the manner in which the major component is added; or

11 “(B) for a vessel of which the vessel’s hull or superstructure is constructed
12 of steel, aluminum, or a combination thereof, the work performed on its hull or
13 superstructure exceeds 7.5 percent of the vessel’s total steel weight, prior to the
14 work.

15 “(2) For the purposes of paragraph (1)(B), when calculating—

16 “(A) The vessel’s total steel weight, the vessel’s machinery, fluids,
17 furnishings, and other outfit items shall not be considered.

18 “(B) The work performed, the amount of steel or aluminum removed shall
19 be combined with the amount of steel and aluminum added.

20 “(C) For the purposes of paragraph (1)(B), the steelwork for a project in
21 which some of the steelwork is performed in a foreign shipyard and some in a
22 United States shipyard, both foreign and domestic steelwork shall be considered.

1 “(3) For the purposes of paragraph (1)(B), any subsequent steelwork performed
2 outside of the United States on the vessel’s hull or superstructure is to be aggregated,
3 over the life of the vessel, toward the 7.5 percent calculation described in paragraph
4 (1)(B).

5 “(4) Steelwork performed in a foreign shipyard shall not be considered under this
6 subchapter if the work is performed to effect repairs or replacements necessary to allow
7 the vessel to safely transit to the United States.”.