

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO COMMITTEE PRINT
OFFERED BY MR. GARAMENDI OF CALIFORNIA**

At the end of the bill, add the following:

1 **SEC. ____ . ENERGIZING AMERICAN SHIPBUILDING.**

2 (a) NATIONAL POLICY ON STRATEGIC ENERGY
3 ASSET EXPORT TRANSPORTATION.—

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).

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

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

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

12 “(C) In each of the 10th and 11th cal-
13 endar years following the calendar year in
14 which this subsection is enacted, not less than
15 4 percent.

16 “(D) In each of the 12th and 13th cal-
17 endar years following the calendar year in
18 which this subsection is enacted, not less than
19 6 percent.

20 “(E) In each of the 14th and 15th cal-
21 endar years following the calendar year in
22 which this subsection is enacted, not less than
23 7 percent.

24 “(F) In each of the 16th and 17th cal-
25 endar years following the calendar year in

1 which this subsection is enacted, not less than
2 9 percent.

3 “(G) In each of the 18th and 19th cal-
4 endar years following the calendar year in
5 which this subsection is enacted, not less than
6 11 percent.

7 “(H) In each of the 20th and 21st cal-
8 endar years following the calendar year in
9 which this subsection is enacted, not less than
10 13 percent.

11 “(I) In the 22nd calendar year after the
12 calendar year in which this subsection is en-
13 acted and each calendar year thereafter, not
14 less than 15 percent.

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

18 “(A) with respect to each of the 5 calendar
19 years following the calendar year in which this
20 subsection is enacted—

21 “(i) if—

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

1 “(II) with respect to any retrofit
2 work necessary for the vessel to ex-
3 port natural gas—

4 “(aa) such work is done in a
5 shipyard in the United States;
6 and

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

12 “(ii) if—

13 “(I) the vessel is built in the
14 United States;

15 “(II) the vessel is documented
16 under the laws of the United States;

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

1 “(IV) the components of the ves-
2 sel listed in paragraph (4) are manu-
3 factured in the United States; and

4 “(B) with respect to the 6th calendar year
5 following the calendar year in which this sub-
6 section is enacted, and each calendar year
7 thereafter, if the vessel meets the requirements
8 of subparagraph (A)(ii).

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

11 “(A) Air circuit breakers.

12 “(B) Welded shipboard anchor and moor-
13 ing chain.

14 “(C) Powered and non-powered valves in
15 Federal Supply Classes 4810 and 4820 used in
16 piping.

17 “(D) Machine tools in the Federal Supply
18 Classes for metal-working machinery numbered
19 3405, 3408, 3410 through 3419, 3426, 3433,
20 3438, 3441 through 3443, 3445, 3446, 3448,
21 3449, 3460, and 3461.

22 “(E) Auxiliary equipment for shipboard
23 services, including pumps.

1 “(F) Propulsion equipment, including en-
2 gines, propulsion motors, reduction gears, and
3 propellers.

4 “(G) Shipboard cranes.

5 “(H) Spreaders for shipboard cranes.

6 “(I) Rotating electrical equipment, includ-
7 ing electrical alternators and motors.

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

11 “(5) WAIVER AUTHORITY.—The Commission
12 may waive the requirement under clause (i)(II)(bb)
13 or (ii)(IV), as applicable, of paragraph (3)(A) with
14 respect to a component of a vessel if the Maritime
15 Administrator determines that—

16 “(A) application of the requirement
17 would—

18 “(i) result in an increase of 25 per-
19 cent or more in the cost of the component
20 of the vessel; or

21 “(ii) cause unreasonable delays to be
22 incurred in building or retrofitting the ves-
23 sel; or

24 “(B) such component is not manufactured
25 in the United States in sufficient and reason-

1 ably available quantities of a satisfactory qual-
2 ity.

3 “(6) OPPORTUNITIES FOR CREDENTIALLED MER-
4 CHANT MARINERS.—Except as provided in para-
5 graph (7), the Commission shall include, in any
6 order issued under subsection (a) that authorizes a
7 person to export natural gas, a condition that the
8 person provide opportunities for individuals with a
9 merchant mariner credential (as defined in section
10 2101 of title 46, United States Code) to receive ex-
11 perience and training necessary to become
12 credentialed in working on a vessel transporting nat-
13 ural gas.

14 “(7) EXCEPTION.—The Commission may not
15 include in any order issued under subsection (a) au-
16 thorizing a person to export natural gas to a nation
17 with which there is in effect a free trade agreement
18 requiring national treatment for trade in natural gas
19 a condition described in paragraph (1), or a condi-
20 tion described in paragraph (6), if the United States
21 Trade Representative certifies to the Commission, in
22 writing, that such condition would violate obligations
23 of the United States under such free trade agree-
24 ment.

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

3 “(A) shall use information made available
4 by—

5 “(i) the Energy Information Adminis-
6 tration; or

7 “(ii) any other Federal agency or enti-
8 ty the Commission determines appropriate;
9 and

10 “(B) may use information made available
11 by a private entity only if applicable informa-
12 tion described in subparagraph (A) is not avail-
13 able.”.

14 (2) CONFORMING AMENDMENT.—Section 3(c)
15 of the Natural Gas Act (15 U.S.C. 717b(c)) is
16 amended by striking “or the exportation of natural
17 gas” and inserting “or, subject to subsection (g), the
18 exportation of natural gas”.

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

22 (1) in subsection (b), by striking “subsections
23 (c) and (d)” and inserting “subsections (c), (d), and
24 (f)”; and

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

1 “(f) TRANSPORTATION OF EXPORTS OF CRUDE OIL
2 ON VESSELS DOCUMENTED UNDER LAWS OF THE
3 UNITED STATES.—

4 “(1) IN GENERAL.—Notwithstanding any other
5 provision of law and except as provided in paragraph
6 (6), as a condition to export crude oil, the President
7 shall require that a person exporting crude oil trans-
8 port the crude oil on a vessel that meets the require-
9 ments described in paragraph (3).

10 “(2) PURPOSE.—The purpose of the require-
11 ment under paragraph (1) is to ensure that, of all
12 crude oil exported by vessel in a calendar year, the
13 following percentage is exported by a vessel that
14 meets the requirements described in paragraph (3):

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

18 “(B) In each of the 8th, 9th, and 10th cal-
19 endar years following the calendar year in
20 which this subsection is enacted, not less than
21 6 percent.

22 “(C) In each of the 11th, 12th, and 13th
23 calendar years following the calendar year in
24 which this subsection is enacted, not less than
25 8 percent.

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

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

8 “(A) with respect to each of the 4 calendar
9 years following the calendar year in which this
10 subsection is enacted—

11 “(i) if—

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

15 “(II) with respect to any retrofit
16 work necessary for the vessel to ex-
17 port crude oil—

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

21 “(bb) any component of the
22 vessel listed in paragraph (4)
23 that is installed during the
24 course of such work is manufac-
25 tured in the United States; or

1 “(ii) if—

2 “(I) the vessel is built in the
3 United States;

4 “(II) the vessel is documented
5 under the laws of the United States;

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

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

16 “(B) with respect to the 5th calendar year
17 following the calendar year in which this sub-
18 section is enacted and each calendar year there-
19 after, if the vessel meets the requirements of
20 subparagraph (A)(ii).

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

23 “(A) Air circuit breakers.

24 “(B) Welded shipboard anchor and moor-
25 ing chain.

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

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

9 “(E) Auxiliary equipment for shipboard
10 services, including pumps.

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

14 “(G) Shipboard cranes.

15 “(H) Spreaders for shipboard cranes.

16 “(I) Rotating electrical equipment, includ-
17 ing electrical alternators and motors.

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

23 “(A) application of the requirement
24 would—

1 “(i) result in an increase of 25 per-
2 cent or more in the cost of the component
3 of the vessel; or

4 “(ii) cause unreasonable delays to be
5 incurred in building or retrofitting the ves-
6 sel; or

7 “(B) such component is not manufactured
8 in the United States in sufficient and reason-
9 ably available quantities of a satisfactory qual-
10 ity.

11 “(6) EXCEPTION.—The President may not,
12 under paragraph (1), condition the export of crude
13 oil to a nation with which there is in effect a free
14 trade agreement requiring national treatment for
15 trade in crude oil if the United States Trade Rep-
16 resentative certifies to the President, in writing, that
17 such condition would violate obligations of the
18 United States under such free trade agreement.

19 “(7) OPPORTUNITIES FOR CREDENTIALLED MER-
20 CHANT MARINERS.—The Maritime Administrator
21 shall ensure that the owner or operator of a vessel
22 transporting crude oil provides opportunities for in-
23 dividuals with a merchant mariner credential (as de-
24 fined in section 2101 of title 46, United States

1 Code) to receive experience and training necessary to
2 become credentialed in working on such vessels.

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

5 “(A) shall use information made available
6 by—

7 “(i) the Energy Information Adminis-
8 tration; or

9 “(ii) any other Federal agency or enti-
10 ty the Commission determines appropriate;
11 and

12 “(B) may use information made available
13 by a private entity only if applicable informa-
14 tion described in subparagraph (A) is not avail-
15 able.

16 (c) ENERGY INFORMATION ADMINISTRATION INFOR-
17 MATION.—The Secretary of Energy, acting through the
18 Administrator of the Energy Information Administration
19 (referred to in this section as the “Secretary”), shall col-
20 lect, and make readily available to the public on the inter-
21 net website of the Energy Information Administration, in-
22 formation on exports by vessel of natural gas and crude
23 oil, including—

24 (1) forecasts for, and data on, those exports for
25 the calendar year following the calendar year in

1 which this Act is enacted and each calendar year
2 thereafter; and

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

