

Legislation Advances to Restrict Offshore Manning and Enforce Jones Act Requirements



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On March 2, 2022, the U.S. House Transportation and Infrastructure Committee reported favorably H.R. 6865, the Coast Guard Authorization Act of 2022, including the Graves/Garamendi offshore manning legislation, a required Coast Guard report on Jones Act enforcement, and a required report on the foreign oceanographic research vessels in U.S. waters. The Committee rejected an amendment offered by Rep. Scott Perry (R-PA) to exempt the movement of liquefied natural gas from Jones Act U.S.-build requirements.

The Graves/Garamendi legislation was introduced on February 15, 2022, and would restrict the citizenship of personnel manning vessels, rigs, platforms, and structures operating on the U.S. outer continental shelf in both the offshore wind and oil and gas industries. The legislation would modify the primary existing offshore manning exemption for foreign vessels to require such vessels to limit employment to U.S. citizens, permanent U.S. residents or citizens of the nation of vessel or structure registry. There is a further sub-limit applicable to permanent U.S. residents. In other words, a Panama-flag vessel could only employ U.S. citizens, U.S. residents or Panamanian citizens when working on the U.S. OCS.

Rep. Jake Auchincloss (D-MA) argued that the offshore manning legislation would harm the U.S. offshore wind industry because that industry will be relying on foreign installation and other vessels for the foreseeable future. Restricting manning therefore would likely impede the industry without increasing U.S. employment since there are no equivalent vessels under U.S.-flag. The manning amendment was nevertheless adopted by an overwhelming vote.

The legislation also requires the Coast Guard to produce a report (without a deadline) on any changes in its enforcement of the Jones Act or U.S. registry requirements resulting from the jurisdictional amendment adopted on January 1, 2021. That amendment made it clear that federal law, including the Jones Act, applies to offshore renewable energy projects on the U.S. outer continental shelf.

Finally, the legislation included a requirement that the Secretaries of Transportation and Homeland Security report within 180 days on the number of foreign vessels operating in U.S. waters as “oceanographic research vessels” for the last ten years. Such vessels were long ago exempted from certain inspection requirements by statute and from the Jones Act by interpretations of Customs and Border Protection. The Offshore Marine Service Association

alleged on November 15, 2021, that a foreign vessel was doing research work for an offshore wind farm project in violation of various laws including the Jones Act.

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