

Coast Guard Issues Key Jones Act Rebuild Determination



JUNE 18, 2013

U.S.-flag vessels eligible for the U.S. coastwise (Jones Act) trade cannot be “rebuilt” outside the United States without losing permanently their Jones Act eligibility. Pursuant to its regulations, the U.S. Coast Guard issues preliminary determinations to vessel owners seeking to have foreign work done on their vessel so as to confirm that such work will not constitute a “rebuilding” of the vessel and thereby deprive the vessel of further Jones Act eligibility. On June 14, 2013, the U.S. Coast Guard issued a key rebuild determination to Horizon Lines Inc. with respect to the vessels *Horizon Spirit* and *Horizon Reliance*. As indicated in the Coast Guard’s description of the project, Horizon Lines intends to convert the vessels from steam propulsion to dual-fuel LNG/diesel propulsion. The Coast Guard concluded that the complete removal of the existing engines and all of the associated steel work required to accomplish that task plus the installation of new engines and related systems and equipment would not constitute a foreign “rebuilding.”

This entry has been created for information and planning purposes. It is not intended to be, nor should it be substituted for, legal advice, which turns on specific facts.

1 Min Read

Author

[Charlie Papavizas](#)

Related Topics

Jones Act

Related Capabilities

This entry has been created for information and planning purposes. It is not intended to be, nor should it be substituted for, legal advice, which turns on specific facts.