



U.S. Department
of Transportation
**Maritime
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

August 25, 2025

Mr. Eric P. Christiansen
Director of Regulatory Affairs
and Risk Management
Passenger Vessel Association
103 Oronoco Street, Suite 200
Alexandria, Virginia 22314

RE: Docket No. MARAD-2025-0095.

Dear Mr. Christiansen:

Thank you for your comments submitted in response to the Maritime Administration's notice titled *Request for Comments on the Renewal of a Previously Approved Collection: Application for Waiver of the Coastwise Trade Laws for Small Passenger Vessels*, 90 Fed. Reg. 24312 (June 9, 2025). Specifically, the Passenger Vessel Association (PVA) recommends that the Maritime Administration (MARAD) collect additional information in Questions 7, 8, and 9 of the application.

Regarding Question 7, PVA recommended collecting the Gross Regulatory Tons (GRT) since 46 Code of Federal Regulations (CFR) for commercial vessels refers to GRT and not Net Tons. Although GRT may be used under Part 388, the regulation provides other options for measurement if the unit of measurement is also provided.

Regarding Question 8, PVA recommended that MARAD provide new language as an example of the commercial use of the vessel. MARAD appreciates your position that by providing examples of GRT vessel measurements, it may encourage applicants to provide measurements of their vessels in GRT. This may allow U.S. vessel builders and U.S. businesses that use U.S. coastwise vessels in their businesses to make closer comparisons between their vessels and the applicants' vessels.

Lastly, regarding Question 9, PVA commented that the geographic areas of intended operation in many applications are too broad and recommended that MARAD require applicants to provide the States of intended operation. The application already requires such state related information, but it is true that such information is helpful in our review.

We thank you for taking the time to provide your input, however your comments relate to MARAD's application review and are outside the scope of our notice pertaining to the program's information collection. MARAD will however retain your comments for further consideration in any future regulatory update.

If you have any further questions, please contact Patricia Hagerty on my staff at Patricia.Hagerty@dot.gov.

Sincerely,

Lisa Burley, Director
Office of Cargo and Commercial Sealift
Maritime Administration
U.S. Department of Transportation



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August 6, 2025

Maritime Administration
U.S. Department of Transportation
Office of Cargo and Commercial Sealift
1200 New Jersey Avenue SE,
West Building, Room W12-140
Washington, DC 20590

Re: Docket No. MARAD-2025-0095

Ladies and Gentlemen:

The Passenger Vessel Association (PVA) is pleased to respond to the Collection of Information, OMB 2133-0529 (Application for Waiver of the Coastwise Trade Laws for Small Passenger Vessels) used to identify the effect of potential foreign-built small passenger vessel coastwise operations on U.S. vessel builders and coastwise trade businesses published in the *Federal Register* on June 9, 2025.

PVA is the national trade association for the U.S. flagged, Coast Guard inspected domestic passenger vessel industry. The association consists of 550 member companies representing ferries, excursion, sightseeing, dining, eco-tours, overnight, water taxis and other waterborne services for the public as well as the equipment manufacturers, shipyards and naval architecture firms that support vessel operators. Nearly all PVA vessel operating members qualify as small businesses.

The Passenger Vessel Services Act (section 55103 of title 46 *United States Code*) directs that a vessel must be U.S.-flagged, U.S.-owned, U.S.-crewed, and U.S.-built in order to carry passengers for hire from one U.S. point to another U.S. point.

Historically, exceptions to the U.S. coastwise trade laws—such as allowing foreign-built vessels to operate in domestic passenger service—required an act of Congress. However, in 1998, Senator John McCain of Arizona championed a legislative change that transferred this waiver authority, in limited circumstances, to the U.S. Maritime Administration (MARAD). Specifically, the law permits MARAD to consider and grant or deny waivers for “small passenger vessels” as defined by statute. This shift culminated in the publication of a final rule in February 2000, titled “*Administrative Waivers of the Coastwise Trade Laws for Eligible Vessels*,” which established the formal process for such waivers. The transfer of authority was intended to streamline administrative review while preserving the integrity of the Jones Act framework.

One of the basic functions of MARAD is to promote the well-being of the U.S.-flagged industry and the American shipyard industry. Therefore, we believe MARAD should not act in favor of someone who seeks to avoid a key feature (the U.S.-build requirement) of

the PVSA. One who wishes to have a business that carries passengers by water for hire from one U.S. point to another U.S. point can easily purchase a coastwise-qualified U.S.-built vessel on the secondary market or contract with one of dozens of U.S. shipyards to construct a new vessel. The current administration's focus on U.S. maritime dominance in shipping and ship building supports this position as well.

MARAD's regulations (section 388.4 of title 46 *Code of Federal Regulations*), allow for an administrative coastwise determination only if the agency determines that the employment of the vessel in the coastwise trade will not unduly adversely affect (1) U.S. vessel builders or (2) the coastwise trade business of any person (such as PVA vessel owners and operators) that employ vessels built in the U.S. in that business. This imposes an affirmative duty on MARAD to make the no unduly adverse effect determination.

MARAD requested comments on the following areas:

- Whether the proposed collection of information is reasonable for the Department's performance;
- The accuracy of the estimated burden;
- Ways for the Department to enhance the quality, utility, and clarity of the information collection; and
- Ways that the burden could be lessened without reducing the quality of the collected information.

We believe that there are several opportunities for MARAD to make policy changes within the application process that will improve data quality, clarify and streamline the process for the applicant, and aid domestic passenger vessel industry and public wishing to comment on the application.

Collection of Information for Department Performance

PVA believes that the information collected and the recommended policy changes below, are critical for MARAD to make the required coastwise determinations for foreign built vessel owners wishing to operate commercially in the U.S.

Accuracy of the Estimated Burden

PVA believes that the estimated burden of 1 hour to respond to the applicant in the Federal Register is accurate. In fact, PVA has developed a template for our members to comment on the impact of the proposed operation on their business so they can focus their effort on business impacts and not letter formatting.

Enhance Quality, Utility, and Clarity of the Information Collection

PVA requests that MARAD ask for the Gross Regulatory Tons (GRT) of the vessel in Question 7 of the application since the requirements in 46 Code of Federal Regulations for commercial vessels refer to GRT and not Net Tons.

PVA also requests that MARAD revise their application instructions to determine how a vessel owner will be using the vessel. Specifically, in the instructions for Question 8, PVA would like to see some clarity for the applicant and the public reviewing the application if the vessel intends to operate as:

- An uninspected vessel under 100 GRT carrying 6 or fewer passengers;
- An uninspected vessel equal to or over 100 GRT carrying up to 12 passengers;
- An inspected vessel under 100 GRT Coast Guard certified to carry up to 12 passengers

In reviewing some of the applications, it is apparent the applicant is unaware of the regulatory requirements associated with how they want to operate the vessel. As stated above, there are only three choices available for these foreign-built and or foreign flag vessels.

PVA proposes this additional language (**highlighted**) be added to Question 8 in the application for a coastwise determination:

8. Intended commercial use of the vessel: Tell us how you plan on using the vessel commercially (**e.g. uninspected passenger vessel carrying up to 6 passengers if under 100 Gross Regulatory Tones (GRT), uninspected passenger vessel carrying up to 12 passengers if equal to or over 100 GRT or Coast Guard inspected vessel under 100 GRT certified to carry up to 12 passengers**). Use for commercial purposes other than for carrying passengers for hire is not permitted. Please also refer to “BASIC ELIGIBILITY REQUIREMENTS.”

An application for an administrative coastwise waiver must designate the geographic area of operation, Question 9. We believe that the areas in many applications are far too broad; often encompassing an entire coastline of the U.S. PVA recommends that MARAD insist upon a discrete location (port or State), so that the economic impact on U.S flag operators can be easily ascertained. A new operation in one port may not have the same impact as in another port.

Lessoning the Burden Without Reducing the Quality of the Information Collected

PVA believes that the above recommendations will not only lesson the burden for MARAD staff in triaging applications to determine if an administrative coastwise determination is even needed for an applicant’s desired business, but it will allow U.S.

domestic passenger vessel operators and shipyards to quickly determine real or potential negative economic impact in their geographic area.

We appreciate the opportunity to submit these comments to improve the collection of information as MARAD continues to conduct administrative coastwise determinations for foreign built and/or foreign flagged vessels wishing to engage in commercial passenger operations in the U.S.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'EPC', with a long horizontal flourish extending to the right.

Eric P. Christensen
Director of Regulatory Affairs and
Risk Management

Comment from Anonymous

Posted by the **Maritime Administration** on Aug 8, 2025

[Docket Document \(MARAD-2025-0095-0001\)](#) Comment

Comment

I recommend no waiver be given since studies have shown deregulation costs the American taxpayer more to clean up, pay for damages and other costs from bad business practices.