

119TH CONGRESS  
1ST SESSION

# S. 2243

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 10, 2025

Mr. WHITEHOUSE (for himself, Mr. PADILLA, Mr. HEINRICH, and Mr. WELCH) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To require the Administrator of the Environmental Protection Agency to assess certain fees on shipping and other vessels, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “International Maritime  
5 Pollution Accountability Act of 2025”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the greenhouse gas emissions from the ma-  
9 rine shipping industry—

1 (A) account for nearly 3 percent of total  
2 global anthropogenic carbon dioxide emissions;  
3 and

4 (B) are increasing rapidly; and

5 (2) ports are a large source of air pollution and  
6 contribute to poor air quality in the neighborhoods  
7 surrounding the ports, leading to worse health out-  
8 comes for those who live in those neighborhoods.

9 **SEC. 3. DEFINITIONS.**

10 In this Act:

11 (1) ADMINISTRATOR.—The term “Adminis-  
12 trator” means the Administrator of the Environ-  
13 mental Protection Agency.

14 (2) CALENDAR QUARTER.—The term “calendar  
15 quarter” means a period of 3 calendar months that  
16 ends on, as applicable, March 31, June 30, Sep-  
17 tember 30, or December 31 of the applicable cal-  
18 endar year.

19 (3) CARGO OR FREIGHT.—The term “cargo or  
20 freight” does not include—

21 (A) passengers transported for compensa-  
22 tion or hire;

23 (B) fuel intended for use in propelling or  
24 powering a vessel;

25 (C) ship’s stores;

1 (D) sea stores; or

2 (E) the legitimate equipment necessary to  
3 the operation of a vessel.

4 (4) COVERED VOYAGE.—

5 (A) IN GENERAL.—The term “covered voy-  
6 age” means a voyage—

7 (i) made using a self-propelled vessel  
8 of 5,000 gross tonnage or more, the pri-  
9 mary purpose of which is transporting  
10 cargo or freight; and

11 (ii) that begins when the vessel leaves  
12 the port of origin and terminates when the  
13 offloading operations at the final port of  
14 call are completed.

15 (B) EXCEPTIONS.—The term “covered  
16 voyage” does not include a voyage—

17 (i) that has been included as an OCS  
18 source (as defined in subsection (a)(4) of  
19 section 328 of the Clean Air Act (42  
20 U.S.C. 7627)) because the voyage has the  
21 potential to emit any air pollutant as de-  
22 scribed in subparagraph (C)(i) of that sub-  
23 section and is, as a result, regulated pursu-  
24 ant to that section;

1 (ii) made for the purposes of trans-  
2 porting military cargo, food aid, or sup-  
3 plies for disaster or emergency relief; or

4 (iii) made using a Jones Act vessel.

5 (5) CRITERIA AIR POLLUTANT.—The term “cri-  
6 teria air pollutant” is within the meaning of the  
7 Clean Air Act (42 U.S.C. 7401 et seq.).

8 (6) EXCLUSIVE ECONOMIC ZONE.—The term  
9 “exclusive economic zone” has the meaning given  
10 the term in section 107 of title 46, United States  
11 Code.

12 (7) FINAL PORT OF CALL.—The term “final  
13 port of call”, with respect to a covered voyage,  
14 means, as applicable—

15 (A) the port in the United States where  
16 the vessel making the covered voyage offloaded  
17 the last of the cargo or freight of the vessel ul-  
18 timately bound for the United States that was  
19 onboard the vessel on departure from the port  
20 of origin; or

21 (B) if the last of the cargo or freight of the  
22 vessel ultimately bound for the United States  
23 that was onboard the vessel on departure from  
24 the port of origin is offloaded in a foreign port,  
25 the most recent port of call in the United

1 States prior to offloading the last of the cargo  
2 or freight of the vessel that is ultimately bound  
3 for the United States.

4 (8) IMPORTER.—The term “importer” means 1  
5 of the parties that qualifies as an importer of record  
6 under section 484(a)(2)(B) of the Tariff Act of  
7 1930 (19 U.S.C. 1484(a)(2)(B)).

8 (9) INTERMEDIATE PORT.—The term “inter-  
9 mediate port”, with respect to a covered voyage,  
10 means each foreign port of call of the vessel of the  
11 covered voyage between the port of origin and the  
12 initial port of call of the vessel in the United States.

13 (10) INTERNAL WATERS.—The term “internal  
14 waters” has the meaning given the term in section  
15 2.24 of title 33, Code of Federal Regulations (or  
16 successor regulations).

17 (11) JONES ACT VESSEL.—The term “Jones  
18 Act vessel” means a documented vessel (as defined  
19 in section 106 of title 46, United States Code) with  
20 a coastwise endorsement under section 12112 of  
21 that title.

22 (12) PORT OF ORIGIN.—

23 (A) IN GENERAL.—The term “port of ori-  
24 gin”, with respect to a covered voyage, means  
25 the first port of the vessel making the covered

1 voyage after departing which a majority (by  
2 mass) of the cargo or freight of the vessel is ul-  
3 timately bound for the United States.

4 (B) CLARIFICATION.—In the case in which  
5 a vessel, after departing a final port of call for  
6 a covered voyage, is carrying cargo the majority  
7 (by mass) of which is ultimately bound for the  
8 United States—

9 (i) the vessel shall be considered to be  
10 making a new covered voyage; and

11 (ii) the term “port of origin” for the  
12 new covered voyage shall be considered to  
13 be the same as the final port of call for the  
14 previous covered voyage.

15 (13) TERRITORIAL SEA.—The term “territorial  
16 sea” has the meaning given the term in section 2.22  
17 of title 33, Code of Federal Regulations (or suc-  
18 cessor regulations).

19 (14) ULTIMATELY BOUND FOR THE UNITED  
20 STATES.—The term “ultimately bound for the  
21 United States”, with respect to cargo or freight, in-  
22 cludes—

23 (A) all cargo or freight that is offloaded in  
24 the United States by a vessel making a covered  
25 voyage; and

- 1 (B) all cargo or freight that is—  
2 (i) initially offloaded at an inter-  
3 mediate port; and  
4 (ii) subsequently transported to the  
5 United States by sea, land, or air.

6 **SEC. 4. REPORTING REQUIREMENTS.**

7 (a) IN GENERAL.—Beginning on January 1, 2027,  
8 the operator of each covered voyage shall submit to the  
9 Administrator the information described in subsection (b).

10 (b) INFORMATION DESCRIBED.—The information re-  
11 ferred to in subsection (a), with respect to a covered voy-  
12 age, is—

- 13 (1) the port of origin;  
14 (2) the total distance traveled from the port of  
15 origin to the final port of call;  
16 (3) the total time spent traveling between the  
17 port of origin and the final port of call;  
18 (4) the total mass of each type of fuel con-  
19 sumed between the port of origin and the final port  
20 of call; and  
21 (5) the total mass of cargo or freight trans-  
22 ported between the port of origin and the final port  
23 of call;  
24 (6) each port of call in the United States;  
25 (7) each intermediate port;

1 (8) the final port of call;

2 (9) the mass of cargo or freight on-board the  
3 applicable vessel on leaving the port of origin;

4 (10) the percentage of cargo or freight (by  
5 mass) offloaded or unloaded at any intermediate  
6 port, as compared to the capacity of the applicable  
7 vessel and the load of the applicable vessel;

8 (11) the ultimate destination (by country) of  
9 cargo or freight offloaded at intermediate ports;

10 (12) the mass of cargo or freight on-board the  
11 applicable vessel on arrival at or departure from, as  
12 applicable, each port of call in the United States;

13 (13) the total time spent in each port of call in  
14 the United States;

15 (14) the total period of time that the applicable  
16 vessel is connected to and reliant on the electrical  
17 grid while in port at a port of call in the United  
18 States;

19 (15) the total mass of each type of fuel con-  
20 sumed—

21 (A) in any port of call in the United  
22 States; and

23 (B) within the exclusive economic zone, the  
24 territorial sea, and the internal waters of the  
25 United States;

1 (16) the total period of time spent—

2 (A) north of 60 degrees north latitude; or

3 (B) south of 60 degrees south latitude;

4 (17) for each period described in paragraph  
5 (16), the total mass of each type of fuel consumed  
6 during that period; and

7 (18) any other information that the Adminis-  
8 trator determines is necessary to accurately deter-  
9 mine the amount of the fees assessed under sections  
10 5 and 6.

11 (c) DEADLINE.—The operator of a covered voyage  
12 shall submit the information required under subsection (a)  
13 for each covered voyage of the operator that ended during  
14 a calendar quarter by not later than 30 days after the  
15 end of that calendar quarter.

16 **SEC. 5. FEE ON LIFECYCLE CARBON DIOXIDE-EQUIVALENT**  
17 **EMISSIONS FROM CARGO VESSELS.**

18 (a) LIFECYCLE CO<sub>2</sub>-E EMISSIONS PROFILE FOR  
19 MARITIME FUELS.—Not later than January 1, 2027, the  
20 Administrator shall develop a lifecycle carbon dioxide-  
21 equivalent (CO<sub>2</sub>-e) emissions profile for each fuel used in  
22 maritime shipping to express the emissions from the com-  
23 bustion of that fuel in carbon dioxide-equivalent per unit  
24 mass combusted.

25 (b) ASSESSMENT OF FEE.—

1           (1) IN GENERAL.—Beginning on January 1,  
2           2027, not later than 30 days after the date on which  
3           the Administrator receives from the operator of a  
4           covered voyage the information required to be sub-  
5           mitted under section 4(a), the Administrator shall  
6           assess on the operator a fee with respect to the cov-  
7           ered voyage in an amount determined in accordance  
8           with paragraph (2).

9           (2) AMOUNT OF FEE.—

10           (A) IN GENERAL.—Subject to subpara-  
11           graph (B) and subsection (d), the amount of a  
12           fee assessed under paragraph (1) with respect  
13           to a covered voyage shall be the total sum of,  
14           for each type of fuel consumed during the cov-  
15           ered voyage, the product obtained by multi-  
16           plying—

17                   (i) the total mass of the fuel con-  
18                   sumed during the covered voyage;

19                   (ii) the CO<sub>2</sub>-e emissions of the fuel,  
20                   expressed in metric tons per unit mass of  
21                   fuel consumed, as determined under sub-  
22                   section (a); and

23                   (iii) \$150.

24           (B) ADJUSTMENTS.—

1 (i) INFLATION.—Beginning in cal-  
2 endar year 2028, the Administrator shall  
3 annually increase the amount described in  
4 subparagraph (A)(iii) by the percentage  
5 that is equal to the sum obtained by add-  
6 ing—

7 (I) the rate of inflation, as deter-  
8 mined by the Administrator using the  
9 changes for the 12-month period end-  
10 ing the preceding November 30 in the  
11 Consumer Price Index for All Urban  
12 Consumers published by the Bureau  
13 of Labor Statistics of the Department  
14 of Labor; and

15 (II) 5 percentage points.

16 (ii) VOYAGES IN POLAR REGIONS.—  
17 For any portion of a covered voyage that  
18 involves travel north of 60 degrees north  
19 latitude or south of 60 degrees south lati-  
20 tude, the amount described in subpara-  
21 graph (A)(iii) with respect to fuel con-  
22 sumed during that portion of the voyage,  
23 after adjustment under clause (i), if appli-  
24 cable, shall be tripled.

1 (iii) CREDITING AMOUNTS PAID  
2 UNDER GLOBAL ECONOMIC MEASURE.—

3 (I) DEFINITIONS.—In this  
4 clause:

5 (aa) ANNEX VI.—The term  
6 “Annex VI” means Annex VI of  
7 the International Convention for  
8 the Prevention of Pollution from  
9 Ships, 1973 (if amended in a  
10 substantially similar manner, as  
11 determined by the Administrator,  
12 to the draft regulations described  
13 in Circular Letter No. 5005 of  
14 the International Maritime Orga-  
15 nization, dated April 11, 2025).

16 (bb) REMEDIAL UNIT; SUR-  
17 PLUS UNIT.—The terms “reme-  
18 dial unit” and “surplus unit”  
19 have the meanings given those  
20 terms under section 3 of Regula-  
21 tion 2 of Annex VI.

22 (II) ADJUSTMENT.—For any  
23 CO<sub>2</sub>-e emissions resulting from a cov-  
24 ered voyage for which the operator  
25 owes a fee under Annex VI, or would

1                   owe a fee under Annex VI but for any  
2                   surplus units obtained by the operator  
3                   for the covered voyage, the amount  
4                   described in subparagraph (A)(iii),  
5                   after adjustment under clauses (i) and  
6                   (ii), if applicable, shall be reduced by  
7                   the applicable Tier 1 or Tier 2 reme-  
8                   dial unit cost owed by the operator, or  
9                   that would be owed by the operator  
10                  but for the surplus units, for that por-  
11                  tion of the covered voyage under  
12                  Annex VI.

13                  (3) DEADLINE.—A fee assessed under para-  
14                  graph (1) shall be due and payable to the Adminis-  
15                  trator not later than the later of—

16                         (A) the date that is 30 days after the date  
17                         on which the fee is assessed; and

18                         (B) the end of the calendar year in which  
19                         the fee is assessed.

20                  (4) PENALTY.—If an operator fails to pay a fee  
21                  assessed under paragraph (1) by the date described  
22                  in paragraph (3)—

23                         (A) the amount of the fee shall be in-  
24                         creased by 20 percent; and

1 (B) for each consecutive 30-day period be-  
2 ginning after the date described in paragraph  
3 (3), the amount of the fee shall be increased by  
4 an additional 20 percent until the date on  
5 which the fee is paid to the Administrator.

6 (c) ALTERNATE FEE FOR IMPORTED CARGO.—

7 (1) DEFINITION OF QUALIFIED IMPORTING  
8 VOYAGE.—In this subsection, the term “qualified im-  
9 porting voyage” means a voyage made using a ves-  
10 sel—

11 (A) the primary purpose of which is trans-  
12 porting cargo or freight; and

13 (B) that, at a foreign port of call, offloads  
14 cargo or freight that is ultimately intended to  
15 be transported to the United States by sea,  
16 land, or air.

17 (2) REQUIREMENTS.—

18 (A) REPORTING.—

19 (i) IN GENERAL.—Beginning on Janu-  
20 ary 1, 2027, each importer for which a  
21 qualified importing voyage has cargo or  
22 freight that is bound for the United States  
23 shall submit to the Administrator the in-  
24 formation described in subsection (b) of  
25 section 4 in accordance with that section

1 (except as otherwise provided in clause  
2 (ii)).

3 (ii) TREATMENT.—For purposes of  
4 clause (i), any reference contained in sec-  
5 tion 4(b) to—

6 (I) the “final port of call” shall  
7 be considered to be a reference to the  
8 foreign port of call within which the  
9 cargo or freight of the importer was  
10 offloaded from the vessel;

11 (II) the “covered voyage” shall  
12 be considered to be a reference to the  
13 qualified importing voyage; and

14 (III) the “port of origin” shall be  
15 considered to be a reference to the  
16 port at which the cargo or freight  
17 bound for the United States was  
18 onboarded.

19 (B) FEE.—

20 (i) IN GENERAL.—Beginning on Janu-  
21 ary 1, 2027, not later than 30 days after  
22 the date on which the Administrator re-  
23 ceives from an importer described in sub-  
24 paragraph (A)(i) the information required  
25 to be submitted under that subparagraph,

1 the Administrator shall assess on the im-  
2 porter the fee described in subsection (b)  
3 in accordance with that subsection, but the  
4 amount of that fee shall be adjusted as fol-  
5 lows:

6 (I) The amount of the fee shall  
7 be prorated for the share (by mass) of  
8 the cargo or freight on the vessel  
9 making the qualified importing voyage  
10 that is ultimately bound for the  
11 United States that is being imported  
12 by the importer.

13 (II) After the adjustment de-  
14 scribed in subclause (I), the amount  
15 of the fee shall be reduced by the  
16 amount of the fee, if any, otherwise  
17 assessed on the qualified importing  
18 voyage pursuant to subsection (b).

19 (ii) TREATMENT.—For purposes of  
20 clause (i), any reference in subsection (b)  
21 to the “covered voyage” shall be considered  
22 to be a reference to the qualified importing  
23 voyage.

24 (C) ENFORCEMENT.—An importer de-  
25 scribed in subparagraph (A)(i) may not import

1 the cargo or freight from a qualified importing  
2 voyage into the United States until the im-  
3 porter—

4 (i) submits the information required  
5 under subparagraph (A); and

6 (ii) pays the fee assessed under sub-  
7 paragraph (B).

8 (d) RECOGNITION OF FOREIGN POLLUTION FEES.—

9 If a vessel with cargo or freight ultimately bound for the  
10 United States, or an operator of such a vessel, is subject  
11 to a pollution-based fee by the country of the port of origin  
12 of the vessel, any fee assessed on the operator of the vessel  
13 or an importer with cargo or freight on that vessel under  
14 this section shall be—

15 (1) if the fee from the other country is equal  
16 to or more than 50 percent of the fee that would  
17 otherwise be assessed under this section, reduced by  
18 50 percent; and

19 (2) if the fee from the other country is less  
20 than 50 percent of the fee that would otherwise be  
21 assessed under this section, reduced by an amount  
22 equal to the amount of the fee from the other coun-  
23 try.

24 (e) SUNSET PROVISION.—This section ceases to  
25 apply on the date on which the Administrator publishes

1 in the Federal Register a determination that the Inter-  
2 national Maritime Organization or another agency of the  
3 United Nations has instituted and is enforcing a global  
4 fee on lifecycle CO<sub>2</sub>-e emissions from operators of covered  
5 voyages that is in an amount equal to or greater than the  
6 fees assessed for a covered voyage under this section.

7 **SEC. 6. FEES ON CRITERIA AIR POLLUTANTS.**

8 (a) EMISSIONS PROFILE.—Not later than January 1,  
9 2027, the Administrator shall develop a lifecycle emissions  
10 profile for each fuel used in maritime shipping to express  
11 the emissions from the combustion of that fuel of each  
12 of nitrogen oxides, sulfur dioxide, and fine particulate  
13 matter (PM<sub>2.5</sub>) per unit mass combusted.

14 (b) ASSESSMENT OF FEE.—

15 (1) IN GENERAL.—Beginning on January 1,  
16 2027, not later than 30 days after the date on which  
17 the Administrator receives from the operator of a  
18 covered voyage the information required to be sub-  
19 mitted under section 4(a), the Administrator shall  
20 assess on the operator a fee with respect to the cov-  
21 ered voyage in an amount determined in accordance  
22 with paragraph (2).

23 (2) AMOUNT OF FEE.—

24 (A) IN GENERAL.—Subject to subpara-  
25 graph (B), the amount of a fee assessed under

1 paragraph (1) shall be the total sum of, for  
2 each type of fuel consumed during the covered  
3 voyage—

4 (i) the product obtained by multi-  
5 plying—

6 (I) the total mass of the fuel con-  
7 sumed during the covered voyage  
8 within the exclusive economic zone,  
9 the territorial sea, and the internal  
10 waters of the United States;

11 (II) the quantity of nitrogen ox-  
12 ides emitted by the consumption of  
13 the fuel, expressed in pounds per unit  
14 mass of fuel consumed, as determined  
15 under subsection (a); and

16 (III) \$6.30;

17 (ii) the product obtained by multi-  
18 plying—

19 (I) the total mass of the fuel con-  
20 sumed during the covered voyage  
21 within the exclusive economic zone,  
22 the territorial sea, and the internal  
23 waters of the United States;

24 (II) the quantity of sulfur dioxide  
25 emitted by the consumption of the

1 fuel, expressed in pounds per unit  
2 mass of fuel consumed, as determined  
3 under subsection (a); and

4 (III) \$18; and

5 (iii) the product obtained by multi-  
6 plying—

7 (I) the total mass of the fuel con-  
8 sumed during the covered voyage  
9 within the exclusive economic zone,  
10 the territorial sea, and the internal  
11 waters of the United States;

12 (II) the quantity of fine particu-  
13 late matter emitted by the consump-  
14 tion of the fuel, expressed in pounds  
15 per unit mass of fuel consumed, as  
16 determined under subsection (a); and

17 (III) \$38.90.

18 (B) INFLATION ADJUSTMENT.—Beginning  
19 in calendar year 2028, the Administrator shall  
20 annually increase the amounts described in  
21 clauses (i)(III), (ii)(III), and (iii)(III) of sub-  
22 paragraph (A) by the percentage that is equal  
23 to the sum obtained by adding—

24 (i) the rate of inflation, as determined  
25 by the Administrator using the changes for

1 the 12-month period ending the preceding  
2 November 30 in the Consumer Price Index  
3 for All Urban Consumers published by the  
4 Bureau of Labor Statistics of the Depart-  
5 ment of Labor; and

6 (ii) 5 percentage points.

7 (3) DEADLINE.—A fee assessed under para-  
8 graph (1) shall be due and payable to the Adminis-  
9 trator not later than the later of—

10 (A) the date that is 30 days after the date  
11 on which the fee is assessed; and

12 (B) the end of the calendar year in which  
13 the fee is assessed.

14 (4) PENALTY.—If an operator fails to pay a fee  
15 assessed under paragraph (1) by the date described  
16 in paragraph (3)—

17 (A) the amount of the fee shall be in-  
18 creased by 20 percent; and

19 (B) for each consecutive 30-day period be-  
20 ginning after the date described in paragraph  
21 (3), the amount of the fee shall be increased by  
22 an additional 20 percent until the date on  
23 which the fee is paid to the Administrator.

24 **SEC. 7. DECARBONIZING SHIPPING AND PORTS.**

25 (a) MODERNIZING THE JONES ACT FLEET.—

1 (1) DEFINITIONS.—In this subsection:

2 (A) ADMINISTRATOR.—The term “Admin-  
3 istrator” means the Administrator of the Mari-  
4 time Administration.

5 (B) LOW-CARBON FUEL.—The term “low-  
6 carbon fuel” means a marine fuel the lifecycle  
7 CO<sub>2</sub>-e emissions of which is at least 90 percent  
8 less than the lifecycle CO<sub>2</sub>-e emissions of ma-  
9 rine fuel oil.

10 (C) PROGRAM.—The term “program”  
11 means the program established under para-  
12 graph (2).

13 (D) VESSEL OF THE UNITED STATES.—  
14 The term “vessel of the United States” has the  
15 meaning given the term in section 116 of title  
16 46, United States Code.

17 (2) ESTABLISHMENT.—For fiscal year 2029  
18 and each fiscal year thereafter, there are appro-  
19 priated, out of any funds in the Treasury not other-  
20 wise appropriated, to the Maritime Administration  
21 an amount equal to 25 percent of the amounts col-  
22 lected pursuant to fees assessed under sections 5  
23 and 6 during the previous calendar year to award  
24 grants, rebates, and low-interest loans, as deter-

1 mined appropriate by the Administrator, to eligible  
2 entities—

3 (A) to replace existing Jones Act vessels  
4 that use marine fuel oil for propulsion power  
5 with vessels that are exclusively propelled using  
6 batteries, low-carbon fuels, or other zero-emis-  
7 sions technologies; or

8 (B) to retrofit existing Jones Act vessels  
9 that use marine fuel oil for propulsion power  
10 into vessels that are exclusively propelled using  
11 batteries, low-carbon fuels, or other zero-emis-  
12 sions technologies.

13 (3) MODELED OFF DIESEL EMISSIONS REDUC-  
14 TION ACT.—To the extent practicable, the Adminis-  
15 trator shall develop an application process, provide  
16 public notification, inform eligible entities of zero-  
17 emissions technologies, and submit to Congress an  
18 evaluation and report on the efficacy of the program  
19 in a manner similar to the national grant program  
20 of the Administrator of the Environmental Protec-  
21 tion Agency under subtitle G of title VII of the En-  
22 ergy Policy Act of 2005 (42 U.S.C. 16131 et seq.).

23 (4) ELIGIBLE ENTITIES.—An entity eligible for  
24 an award under the program is an owner of a Jones

1 Act vessel that currently uses marine fuel oil for  
2 propulsion power.

3 (5) SELECTION.—

4 (A) APPLICATION.—An eligible entity seek-  
5 ing an award under the program shall submit  
6 to the Administrator an application at such  
7 time, in such manner, and containing such in-  
8 formation as the Administrator may require,  
9 which shall include a certification that an award  
10 under the program will be used, as applicable—

11 (i) to purchase, or enter into a con-  
12 tract for the construction of, a vessel that  
13 exclusively uses a battery or low-carbon  
14 fuels for all propulsion power; or

15 (ii) to retrofit an existing Jones Act  
16 vessel that uses marine fuel oil for propul-  
17 sion power into a vessel that is propelled  
18 using batteries or low-carbon fuels.

19 (B) PRIORITY.—In selecting the recipients  
20 of awards under the program, the Adminis-  
21 trator shall give priority to entities the replace-  
22 ment or retrofit of whose vessels would—

23 (i) maximize the reduction of green-  
24 house gas emissions;

1 (ii) maximize the public health bene-  
2 fits from the reduction of criteria air pol-  
3 lutants;

4 (iii) maximize water quality in ports  
5 and other bodies of water;

6 (iv) maximize public health and envi-  
7 ronmental benefits from every dollar spent  
8 under the program; and

9 (v) alleviate air pollution in poor air  
10 quality areas, including—

11 (I) areas identified by the Ad-  
12 ministrator of the Environmental Pro-  
13 tection Agency as in nonattainment or  
14 maintenance of national ambient air  
15 quality standards promulgated under  
16 section 109 of the Clean Air Act (42  
17 U.S.C. 7409) for criteria air pollut-  
18 ants; and

19 (II) other areas that receive a  
20 disproportionate quantity of air pollu-  
21 tion, as determined by the Adminis-  
22 trator of the Environmental Protec-  
23 tion Agency.

24 (6) CLAWBACK.—If the Administrator deter-  
25 mines that the recipient of an award under the pro-

1       gram has violated the certification required under  
2       paragraph (5)(A), the Administrator shall seek reim-  
3       bursement of the full amount of the award provided  
4       to the recipient.

5               (7) MODERNIZING VESSELS OF THE UNITED  
6       STATES.—If the Administrator determines that no  
7       existing Jones Act vessels are eligible to receive  
8       funding under the program, for the duration of that  
9       determination, paragraphs (2) through (6) shall be  
10      applied by substituting “vessel of the United States”  
11      for “Jones Act vessel”.

12              (8) PROGRAM ADMINISTRATION.—Of the  
13      amounts made available under paragraph (2) each  
14      fiscal year, the Administrator may use not more  
15      than 1 percent for the management and oversight of  
16      the program.

17              (b) RESEARCH AND DEVELOPMENT FOR LOW-CAR-  
18      BON MARITIME FUELS AND LOW-EMISSION MARITIME  
19      TECHNOLOGIES.—

20              (1) DEFINITION OF ELIGIBLE ENTITY.—In this  
21      subsection, the term “eligible entity” means—

22                      (A) a State (including the District of Co-  
23                      lumbia and territories of the United States), re-  
24                      gional, local, or Tribal government;

1 (B) a maritime shipping or logistics com-  
2 pany;

3 (C) a port authority;

4 (D) an accredited institution of higher edu-  
5 cation;

6 (E) a research institution;

7 (F) a person engaged in the production,  
8 transportation, blending, or storage of sustain-  
9 able maritime fuel in the United States or feed-  
10 stocks in the United States that may be used  
11 to produce sustainable maritime fuel;

12 (G) a person engaged in the development,  
13 demonstration, or application of low-emission  
14 maritime technologies; and

15 (H) a nonprofit entity or nonprofit consor-  
16 tium with experience in sustainable maritime  
17 fuels, low-emission maritime technologies, or  
18 other clean transportation research programs.

19 (2) ESTABLISHMENT.—For fiscal year 2029  
20 and each fiscal year thereafter, there are appro-  
21 priated, out of any funds in the Treasury not other-  
22 wise appropriated, to the Department of Energy an  
23 amount equal to 25 percent of the amounts collected  
24 pursuant to fees assessed under sections 5 and 6  
25 during the previous calendar year to award competi-

1       tive grants to eligible entities to carry out projects  
2       in the United States—

3               (A) to produce, transport, blend, or store  
4       low-carbon maritime fuels; or

5               (B) to develop, demonstrate, or apply low-  
6       emission maritime technologies.

7       (3) PRIORITY.—In awarding grants under the  
8       program established under paragraph (2), the Sec-  
9       retary of Energy shall give priority to projects that  
10      maximize—

11              (A) the domestic production and deploy-  
12      ment of sustainable maritime fuels or the use of  
13      low-emission maritime technologies in commer-  
14      cial maritime;

15              (B) reductions in greenhouse gas emis-  
16      sions;

17              (C) public health benefits from criteria air  
18      pollutant reductions;

19              (D) water quality in ports and other bodies  
20      of water;

21              (E) public health and environmental bene-  
22      fits from every dollar spent under that pro-  
23      gram; and

24              (F) the creation of new jobs in the United  
25      States.

1           (4) PROGRAM ADMINISTRATION.—Of the  
2 amounts made available under paragraph (2) each  
3 fiscal year, the Administrator may use not more  
4 than 1 percent for the management and oversight of  
5 the program established under that paragraph.

6           (c) WORKFORCE DEVELOPMENT.—

7           (1) DEFINITIONS.—In this subsection:

8           (A) LOW-CARBON FUEL.—The term “low-  
9 carbon fuel” means a marine fuel the lifecycle  
10 CO<sub>2</sub>-e emissions of which is at least 90 percent  
11 less than the lifecycle CO<sub>2</sub>-e emissions of ma-  
12 rine fuel oil.

13           (B) MARITIME ACADEMY.—The term  
14 “maritime academy” means—

15           (i) the United States Merchant Ma-  
16 rine Academy;

17           (ii) a State maritime academy; and

18           (iii) a center of excellence for domestic  
19 maritime workforce training and education  
20 designated under section 51706(a) of title  
21 46, United States Code.

22           (C) PROGRAM.—The term “program”  
23 means the program established under para-  
24 graph (2).

1           (D) ZERO-EMISSION PORT EQUIPMENT OR  
2           TECHNOLOGY.—The term “zero-emission port  
3           equipment or technology” has the meaning  
4           given the term in section 133(d) of the Clean  
5           Air Act (42 U.S.C. 7433(d)) (as in effect on  
6           January 1, 2025).

7           (2) ESTABLISHMENT.—For fiscal year 2029  
8           and each fiscal year thereafter, there are appro-  
9           priated, out of any funds in the Treasury not other-  
10          wise appropriated, to the Environmental Protection  
11          Agency an amount equal to 5 percent of the  
12          amounts collected pursuant to fees assessed under  
13          sections 5 and 6 during the previous calendar year  
14          to award grants and rebates to support workforce  
15          training and development for the maintenance and  
16          operation of zero-emission port equipment or tech-  
17          nology and vessels that are propelled using batteries  
18          or low-carbon fuels, including training, program-  
19          ming, and curriculum development at maritime  
20          academies on the maintenance and operation of  
21          zero-emission port equipment or technology and ves-  
22          sels that are propelled using batteries or low-carbon  
23          fuels.

24          (3) ELIGIBLE ENTITIES.—An entity eligible to  
25          receive an award under the program is—

1 (A) a State (including the District of Co-  
2 lumbia and territories of the United States), re-  
3 gional, local, or Tribal agency that has jurisdic-  
4 tion over a port authority or a port;

5 (B) a port authority;

6 (C) an air pollution control agency;

7 (D) a maritime academy; and

8 (E) a private entity that—

9 (i) applies for a grant under this sub-  
10 section in partnership with an entity de-  
11 scribed in any of subparagraphs (A)  
12 through (D); and

13 (ii) owns, operates, or uses—

14 (I) vessels, the primary purpose  
15 of which are transporting cargo or  
16 freight, that are propelled using bat-  
17 teries or low-carbon fuels; or

18 (II) the facilities, cargo-handling  
19 equipment, transportation equipment,  
20 or related technology of a port.

21 (4) APPLICATION.—An eligible entity seeking  
22 an award under the program shall submit to the Ad-  
23 ministrator an application at such time, in such  
24 manner, and containing such information as the Ad-  
25 ministrator may require.

1           (5) PROGRAM ADMINISTRATION.—Of the  
2 amounts made available under paragraph (2) each  
3 fiscal year, the Administrator may use not more  
4 than 1 percent for the management and oversight of  
5 the program.

6           (d) HARBOR CRAFT ELECTRIFICATION.—

7           (1) ESTABLISHMENT.—For fiscal year 2029  
8 and each fiscal year thereafter, there are appro-  
9 priated, out of any funds in the Treasury not other-  
10 wise appropriated, to the Environmental Protection  
11 Agency an amount equal to 10 percent of the  
12 amounts collected pursuant to fees assessed under  
13 sections 5 and 6 during the previous calendar year  
14 to award grants, rebates, or low-interest loans, as  
15 determined appropriate by the Administrator—

16                   (A) to replace or retrofit existing harbor  
17 craft, except for ferry vessels, with vessels that  
18 use batteries for all propulsion power; and

19                   (B) to support workforce development and  
20 training to support the maintenance, charging,  
21 fueling, and operation of vessels described in  
22 subparagraph (A).

23           (2) MODELED OFF DIESEL EMISSIONS REDUC-  
24 TION ACT.—To the extent practicable, the Adminis-  
25 trator shall develop an application process, provide

1 public notification, inform eligible entities of zero-  
2 emissions technologies, and submit to Congress an  
3 evaluation and report on the efficacy of the program  
4 established under paragraph (1) in a manner similar  
5 to the national grant program of the Administrator  
6 under subtitle G of title VII of the Energy Policy  
7 Act of 2005 (42 U.S.C. 16131 et seq.).

8 (3) ELIGIBLE ENTITIES.—An entity eligible to  
9 receive an award under the program established  
10 under paragraph (1) is—

11 (A) a State (including the District of Co-  
12 lumbia and territories of the United States), re-  
13 gional, local, or Tribal agency that has jurisdic-  
14 tion over a port authority or a port;

15 (B) a port authority; and

16 (C) a private entity that—

17 (i) applies for an award under this  
18 subsection in partnership with an entity  
19 described in subparagraph (A) or (B); and

20 (ii) owns, operates, or uses harbor  
21 craft, except for ferry vessels.

22 (4) SELECTION.—

23 (A) APPLICATION.—An eligible entity seek-  
24 ing an award under the program established  
25 under paragraph (1) shall submit to the Admin-

1           istrator an application at such time, in such  
2           manner, and containing such information as the  
3           Administrator may require, which shall include  
4           a certification that an award under the program  
5           will be used to purchase a vessel that exclu-  
6           sively uses a battery for all propulsion power.

7           (B) PRIORITY.—In selecting the recipients  
8           of awards under the program established under  
9           paragraph (1), the Administrator shall give pri-  
10          ority to entities the replacement or retrofit of  
11          whose harbor crafts with vessels that use bat-  
12          teries for all propulsion power would—

13                 (i) maximize the reduction of green-  
14                 house gas emissions;

15                 (ii) maximize the public health bene-  
16                 fits from the reduction of criteria air pol-  
17                 lutants;

18                 (iii) maximize water quality in ports  
19                 and other bodies of water;

20                 (iv) maximize public health and envi-  
21                 ronmental benefits from every dollar spent  
22                 under the program; and

23                 (v) alleviate air pollution in poor air  
24                 quality areas, including—

1 (I) areas identified by the Ad-  
2 ministrator as in nonattainment or  
3 maintenance of national ambient air  
4 quality standards promulgated under  
5 section 109 of the Clean Air Act (42  
6 U.S.C. 7409) for criteria air pollut-  
7 ants; and

8 (II) other areas that receive a  
9 disproportionate quantity of air pollu-  
10 tion, as determined by the Adminis-  
11 trator.

12 (5) CLAWBACK.—If the Administrator deter-  
13 mines that the recipient of an award under the pro-  
14 gram established under paragraph (1) has violated  
15 the certification required under paragraph (4)(A),  
16 the Administrator shall seek reimbursement of the  
17 full amount of the award provided to the recipient.

18 (6) PROGRAM ADMINISTRATION.—Of the  
19 amounts made available under paragraph (1) each  
20 fiscal year, the Administrator may use not more  
21 than 1 percent for the management and oversight of  
22 the program established under that paragraph.

23 (e) FERRY ELECTRIFICATION.—

24 (1) ESTABLISHMENT.—For fiscal year 2029  
25 and each fiscal year thereafter, there are appro-

1        appropriated, out of any funds in the Treasury not other-  
2        wise appropriated, to the Environmental Protection  
3        Agency an amount equal to 10 percent of the  
4        amounts collected pursuant to fees assessed under  
5        sections 5 and 6 during the previous calendar year  
6        to award grants, rebates, or low-interest loans, as  
7        determined appropriate by the Administrator—

8                (A) to replace or retrofit existing ferry or  
9                crew vessels with vessels that use batteries for  
10              all propulsion power; and

11              (B) to support workforce development and  
12              training to support the maintenance, charging,  
13              fueling, and operation of vessels described in  
14              subparagraph (A) that use batteries for all pro-  
15              pulsion power.

16              (2) MODELED OFF DIESEL EMISSIONS REDUC-  
17              TION ACT.—To the extent practicable, the Adminis-  
18              trator shall develop an application process, provide  
19              public notification, inform eligible entities of zero-  
20              emissions technologies, and submit to Congress an  
21              evaluation and report on the efficacy of the program  
22              established under paragraph (1) in a manner similar  
23              to the national grant program of the Administrator  
24              under subtitle G of title VII of the Energy Policy  
25              Act of 2005 (42 U.S.C. 16131 et seq.).

1           (3) ELIGIBLE ENTITIES.—An entity eligible to  
2 receive an award under the program established  
3 under paragraph (1) is—

4           (A) a State (including the District of Co-  
5 lumbia and territories of the United States), re-  
6 gional, local, or Tribal agency that has jurisdic-  
7 tion over a ferry line;

8           (B) a port authority; and

9           (C) a private entity that—

10           (i) applies for an award under this  
11 subsection in partnership with an entity  
12 described in subparagraph (A) or (B); and

13           (ii) owns, operates, or uses ferry or  
14 crew vessels.

15           (4) SELECTION.—

16           (A) APPLICATION.—An eligible entity seek-  
17 ing an award under the program established  
18 under paragraph (1) shall submit to the Admin-  
19 istrator an application at such time, in such  
20 manner, and containing such information as the  
21 Administrator may require, which shall include  
22 a certification that an award under the program  
23 will be used to purchase a vessel that exclu-  
24 sively uses a battery for all propulsion power.

1 (B) PRIORITY.—In selecting the recipients  
2 of awards under the program established under  
3 paragraph (1), the Administrator shall give pri-  
4 ority to entities the replacement or retrofit of  
5 whose ferry or crew vessels with vessels that use  
6 batteries for all propulsion power would—

7 (i) maximize the reduction of green-  
8 house gas emissions;

9 (ii) maximize the public health bene-  
10 fits from the reduction of criteria air pol-  
11 lutants;

12 (iii) maximize water quality in ports  
13 and other bodies of water;

14 (iv) maximize public health and envi-  
15 ronmental benefits from every dollar spent  
16 under the program; and

17 (v) alleviate air pollution in poor air  
18 quality areas, including—

19 (I) areas identified by the Ad-  
20 ministrator as in nonattainment or  
21 maintenance of national ambient air  
22 quality standards promulgated under  
23 section 109 of the Clean Air Act (42  
24 U.S.C. 7409) for criteria air pollut-  
25 ants; and

1 (II) other areas that receive a  
2 disproportionate quantity of air pollu-  
3 tion, as determined by the Adminis-  
4 trator.

5 (5) CLAWBACK.—If the Administrator deter-  
6 mines that the recipient of an award under the pro-  
7 gram established under paragraph (1) has violated  
8 the certification required under paragraph (4)(A),  
9 the Administrator shall seek reimbursement of the  
10 full amount of the award provided to the recipient.

11 (6) PROGRAM ADMINISTRATION.—Of the  
12 amounts made available under paragraph (1) each  
13 fiscal year, the Administrator may use not more  
14 than 1 percent for the management and oversight of  
15 the program established under that paragraph.

16 (f) INCREASED AIR MONITORING IN PORT COMMU-  
17 NITIES.—

18 (1) ESTABLISHMENT.—For fiscal year 2029  
19 and each fiscal year thereafter, there are appro-  
20 priated, out of any funds in the Treasury not other-  
21 wise appropriated, to the Environmental Protection  
22 Agency an amount equal to 5 percent of the  
23 amounts collected pursuant to fees assessed under  
24 sections 5 and 6 during the previous calendar year  
25 to provide grants, rebates, or low-interest loans, as

1 determined appropriate by the Administrator, to cre-  
2 ate fenceline air monitoring at port boundaries and  
3 in communities located within 1 mile of a port  
4 boundary.

5 (2) ELIGIBLE ENTITIES.—An entity eligible to  
6 receive an award under the program established  
7 under paragraph (1) is—

8 (A) a State (including the District of Co-  
9 lumbia and territories of the United States), re-  
10 gional, local, or Tribal government;

11 (B) a State (including the District of Co-  
12 lumbia and territories of the United States), re-  
13 gional, local, or Tribal agency that has jurisdic-  
14 tion over a port authority or port;

15 (C) a port authority;

16 (D) an air pollution control agency; and

17 (E) a nonprofit entity or nonprofit consor-  
18 tium with experience in air pollution moni-  
19 toring.

20 (3) APPLICATION.—An eligible entity seeking  
21 an award under the program established under para-  
22 graph (1) shall submit to the Administrator an ap-  
23 plication at such time, in such manner, and con-  
24 taining such information as the Administrator may  
25 require.

1           (4) PROGRAM ADMINISTRATION.—Of the  
2 amounts made available under paragraph (1) each  
3 fiscal year, the Administrator may use not more  
4 than 1 percent for the management and oversight of  
5 the program established under that paragraph.

6 (g) FUNDING OF EXISTING PROGRAMS.—

7           (1) CLEAN PORTS PROGRAM.—For fiscal year  
8 2029 and each fiscal year thereafter, there are ap-  
9 propriated, out of any funds in the Treasury not  
10 otherwise appropriated, to the Environmental Pro-  
11 tection Agency an amount equal to 15 percent of the  
12 amounts collected pursuant to fees assessed under  
13 sections 5 and 6 during the previous calendar year  
14 to carry out the program established under section  
15 133 of the Clean Air Act (42 U.S.C. 7433).

16           (2) OCEANS AND COASTAL SECURITY.—For fis-  
17 cal year 2029 and each fiscal year thereafter, there  
18 are appropriated, out of any funds in the Treasury  
19 not otherwise appropriated, to the National Oceanic  
20 and Atmospheric Administration an amount equal to  
21 3 percent of the amounts collected pursuant to fees  
22 assessed under sections 5 and 6 during the previous  
23 calendar year for deposit into the National Oceans  
24 and Coastal Security Fund established under section

1 904(a) of the National Oceans and Coastal Security  
2 Act (16 U.S.C. 7503(a)).

3 (3) MARINE DEBRIS FOUNDATION.—For fiscal  
4 year 2029 and each fiscal year thereafter, there are  
5 appropriated, out of any funds in the Treasury not  
6 otherwise appropriated, to the Department of Com-  
7 merce an amount equal to 2 percent of the amounts  
8 collected pursuant to fees assessed under sections 5  
9 and 6 during the previous calendar year to carry out  
10 subtitle B of title I of the Save Our Seas 2.0 Act  
11 (33 U.S.C. 4211 et seq.).

○