

SENATE BILL REPORT

SHJM 4014

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 20, 1996

Brief Description: Requesting that federal law be amended to allow foreign-flagged cruise ships between U.S. ports.

Sponsors: House Committee on Trade & Economic Development (originally sponsored by Representatives Valle, Van Luven, Sheldon, D. Schmidt, Mason, Hickel, Veloria, Hatfield, Kessler, Blanton and Radcliff).

Brief History:

Committee Activity: Labor, Commerce & Trade: 2/15/96, 2/20/96 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Deccio, Franklin, Fraser, Newhouse and Wojahn.

Staff: Jack Brummel (786-7428).

Background: The Federal Passenger Service Act of 1886 prohibits foreign-flagged vessels from transporting passengers between United States ports. The original intent of the act was to protect domestic passenger vessels from foreign competition. At the present time, the only two domestic-flagged cruise ships currently in operation sail the Hawaiian islands.

The northwest cruise-ship trade, which features Alaska, does not include ports in the state of Washington.

Congress is currently working to develop legislation to establish a United States coastal cruise-ship trade through the use of financial incentives and operating provisions.

Summary of Bill: The President and Congress are requested to establish a United States cruise-ship industry using necessary financial incentives and operating provisions.

Appropriation: None.

Fiscal Note: Not requested.

Testimony For: A cruise ship industry in the state could bring in \$100 million to the state. The memorial encourages Congress to take action to amend the 1886 Passenger Service Act and promote a domestic cruise ship industry.

Testimony Against: None.

Testified: Representative Valle, original prime sponsor (pro); Rich Berkowitz, Transportation Institute (pro); David Freiboth, Inland Boatman's Union (pro).