NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS

33RD CONSTITUTIONAL REGULAR SESSION, 2012 BILL NO.: 17

P.L. 2012-4

AN ACT

to amend 102, 107, 109, 112, 203, 211, 303 of the Republic of the Marshall Islands Maritime Act (the "Act") and to add a new section 214A to the Act.

BE IT ENACTED BY THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS:

Section 1. **Short Title**

This Act may be cited as the Maritime (Amendment) Act, 2012.

Section 2. **Amendments**

(1) Section 102(2) of the Act is amended to read as follows:

§102. Statement of policy; application.

(1) This Title is intended, and shall be construed, to encourage and foster the growth and development of the foreign and domestic commerce; to promote and protect the national defense and security of the Republic of the Marshall Islands (hereinafter sometimes referred to as "the Republic"); to preserve and protect the marine environment; and to regulate a uniform national program of marine safety, inspection and documentation.

(2) Vessels engaged in foreign trade and vessels under construction not exclusively owned by natural persons who are citizens or nationals of the Republic shall be registered solely under Chapters 1 through 8 of this Title.

(3) Chapter 9 of this Title shall apply to any vessel operating exclusively within the waters of the Republic which is not duly and properly documented or registered elsewhere.

(4) All matters affecting the internal order and economy of vessels registered under the laws of the Republic engaged in foreign trade and domestic commerce, including labor relations, shall be governed by this Title.

(2) Section 107(d) of the Act is amended to read as follows:

§107. Records relating to vessels.

There shall be maintained at the central office of the Maritime Administrator in the United States of America a public register consisting of appropriate indexes where there shall be recorded or filed, in properly allocated and accessible form, all documents of the following nature:

(a) bills of sale and other instruments of conveyance of vessels;

(b) mortgages of vessels;

(c) assignments of mortgages;

(d) certificates of permanent and provisional registry and construction certificates of registry;

(e) licenses and certificates of officers and members of ship's crew;

(f) all other documents relating to vessels and which are entitled to recordation.

(3) Section 109 of the Act is amended to read as follows:

§109. Authority to issue licenses, certificates and other documents.

(1) The Commissioner, each Deputy Commissioner or their duly authorized agents on behalf of the Maritime Administrator are authorized to issue all such licenses, certificates, or

other documents for officers and ship's personnel on vessels of the Republic engaged in foreign trade that are subject to the International Convention on Standards of Training, Certification and Watchkeeping, 1978, as amended and revised from time to time (STCW Convention), necessary or proper for carrying out the purposes of this Title, and any Rule or Regulation promulgated in furtherance hereof or of any International Convention, Code or Agreement to which the Republic is or may become a party.

(2) In aid of licensing, certificating and up-grading of ship's officers and personnel, the Maritime Administrator shall, from time to time, establish such standards, Rules and Regulations as shall be deemed by it to be necessary and appropriate to carry out such purposes and maintain the high standards of the Merchant Marine of the Republic.

(3) Failure of an owner of a vessel of the Republic to file any required report relating to officers and other ship's personnel employed on the vessel shall result in an automatic fine of one thousand five hundred dollars (US$1,500) for each offense, and until paid each such fine shall constitute a maritime lien on the vessel.

(4) Failure of an owner of a vessel, other than a vessel under construction, of the Republic to ensure that each officer employed on the vessel is the holder of a valid license of competence of the Republic to fill the position held by him shall subject the owner to a fine of seven hundred fifty dollars (US$750) for each officer so employed who is not the holder of such license of the Republic. Where such failure is admitted or is established by any required report, the fine shall be automatic. If, however, a proper license of the Republic for each such officer is obtained within thirty (30) days of notice from the Maritime Administrator, the fine with respect

thereto shall be remitted. Until paid or remitted, each fine shall constitute a maritime lien on the vessel.

(4) Section 112 of the Act is amended by adding the following definitions in alphabetical order in relation to the current definitions and any other amendments to this section, renumbering the subsections accordingly:

§112. Definitions.

(1) The words "construction contract", as used throughout this Title, shall mean a contract for the building, construction, or other fabrication of a vessel.

(2) The words "vessel under construction", as used throughout this Title, shall mean a hull or one or more other structures, assemblies, components, modules, or other property on which physical construction or assembly work has begun or commenced pursuant to a construction contract to which the applicant for registration is a party as evidenced by the laying of the keel or similar act as may be determined in Rules and Regulations promulgated by the Maritime Administrator, which hull, structure(s), assembly(ies), component(s), modules, or other property is or are designed and intended cumulatively to become and be, upon completion, one single vessel, and shall also mean and include all materials, parts, components, equipment, or other property (1) incorporated therein or attached thereto, or (2) in the possession or control of the builder and either (i) identified thereto or to the vessel construction contract by markings, physical segregation, records, or otherwise, or (ii) otherwise intended to be incorporated in or attached to the completed vessel pursuant to the terms of the vessel c.0onstruction contract collectively comprising the whole of the vessel.

(5) Section 203 of the Act is amended to read as follows:

§203. Vessels eligible to be documented and re-documented.

Vessels of the following classes are eligible to be documented or re-documented under the provisions of this Chapter:

(a) any sea-going vessel engaged in foreign trade, wherever built, owned by a citizen or national of the Republic, or a foreign maritime entity qualified in the Republic.

(b) any decked commercial fishing vessel of 24 meters or more in length, engaged in foreign trade, wherever built, owned by a citizen or national of the Republic, or a foreign maritime entity qualified in the Republic.

(c) any commercial yacht of 24 meters or more in length owned by a citizen or national of the Republic, or a foreign maritime entity qualified in the Republic.

(d) any private yacht of 12 meters or more in length owned by a citizen or national of the Republic, or a foreign maritime entity qualified in the Republic.

(e) vessels referred to in paragraphs (a), (b), (c) or (d) of this Section will not be eligible for initial documentation or re-documentation if, on January 1 of the year in which initial documentation or re-documentation is sought, such vessels are over 20 years of age, computed from completion of first construction.

(f) any vessel under construction provided, that, a vessel under construction may only be registered in the name of the party making application for such registration provided that:

recordation of instruments under Chapter 3, and for good cause shown, permit such vessels to be documented under this Chapter or cause such instruments to be recorded under Chapter 3.

(6) Section 211(1) of the Act is amended to read as follows:

§211. Forms of documents.

(1) The Maritime Administrator or its duly authorized agent may prescribe and furnish forms of Provisional and Permanent Certificates of Registry and Construction Certificates of Registry. A vessel's documents shall be in the form prescribed by the Maritime Administrator.

(2) The Maritime Administrator or its duly authorized agent may prescribe endorsements that may be made on vessel documents from time to time, with or without issuance of a new document or surrender of the old document.

(7) A new section 214A is added immediately following current section 214 of the Act to read as follows:

§214A. Conditions precedent to issuance of Construction Certificate.

(1) Upon receipt by the office of the Maritime Administrator of the written application of an owner of a vessel under construction eligible for documentation under the laws of the Republic and requesting the issuance of a Construction Certificate of Registry for the vessel and upon payment of the prescribed fees to the officer receiving said application, the Maritime Administrator or any issuing official listed in Section 213 of this Chapter, may issue a Construction Certificate of Registry for the vessel, provided the owner shall furnish proof satisfactory to the Maritime Administrator or officer receiving said application:

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CERTIFICATE

I hereby certify:

1. That Nitijela Bill No.17 was passed by the Nitijela of the Republic of the Marshall Islands on the 5th day of October, 2012; and

2. That I am satisfied that Nitijela Bill No.17 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 16th day of October 2012.

Attest:

Hon. Donald F. Capelle	**Tadashi Lometo**
Speaker	Clerk
Nitijela of the Marshall Island	Nitijela of the Marshall Islands