118TH CONGRESS
1ST SESSION

S. _____

To amend the Clean Air Act to provide for the establishment of standards to limit the carbon intensity of the fuel used by certain vessels, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. PADILLA introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Clean Air Act to provide for the establishment of standards to limit the carbon intensity of the fuel used by certain vessels, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Clean Shipping Act of 2023''.

SEC. 2. MARINE ZERO GREENHOUSE GAS FUEL STANDARD.

The Clean Air Act is amended by inserting after section 212 (42 U.S.C. 7546) the following:

"SEC. 212A. MARINE ZERO GREENHOUSE GAS FUEL STANDARD.

"(a) MARINE VESSEL FUEL CARBON INTENSITY STANDARDS.—

"(1) STANDARDS.—The Administrator shall, by regulation and except as provided in paragraph (3), require each vessel on a covered voyage to comply with standards for the carbon intensity of the fuel used by that vessel so that the carbon intensity is—

"(A) in each of calendar years 2027 through 2029, at least 20 percent less than the carbon intensity baseline;

"(B) in each of calendar years 2030 through 2034, at least 45 percent less than the carbon intensity baseline;

"(C) in each of calendar years 2035 through 2039, at least 80 percent less than the carbon intensity baseline; and

"(D) in calendar year 2040 and each calendar year thereafter, 100 percent less than the carbon intensity baseline.

"(2) PROMULGATION OF STANDARDS.—The Administrator shall finalize—

"(A) the standard required by paragraph (1)(A) by not later than January 1, 2026; and

"(B) the standards required by each of subparagraphs (B) through (D) of paragraph (1) by not later than 2 years before the respective standard goes into effect.

"(3) TECHNOLOGICAL OR ECONOMIC FEASIBILITY.—

"(A) IN GENERAL.—If the Administrator determines that a reduction in carbon intensity required under paragraph (1) is not technologically or economically feasible by the applicable deadline under that paragraph, the Administrator, in lieu of promulgating the standard otherwise required by that paragraph, shall promulgate a standard that will achieve the maximum reduction in the carbon intensity of the fuel used by vessels on covered voyages that is technologically and economically feasible by the applicable deadline.

"(B) CONSIDERATIONS.—In determining technological and economic feasibility for purposes of subparagraph (A), the Administrator shall take into account the net reduction of emissions of greenhouse gases and potential adverse impacts on public health, safety, and the environment, including with respect to air qual-

ity, water quality, and the generation and disposal of solid waste.

''(4) HARMONIZATION WITH INTERNATIONAL STANDARDS.—If the Administrator determines that standards mandated by the International Maritime Organization for reduction of the carbon intensity of fuel used by vessels for a calendar year are equal to or more stringent than the standards under paragraph (1) for that calendar year, the Administrator may adopt those standards.

''(5) EXEMPTION.—Any vessel that is on covered voyages for 30 days or fewer during a calendar year shall be exempt from the standards promulgated under this subsection for that year.

''(6) COMMON OWNERSHIP OR CONTROL.—For purposes of determining compliance with any standard established under this subsection, the Administrator may allow the carbon intensity of the fuels used by vessels under common ownership or control to be averaged.

''(7) OVERCOMPLIANCE.—The Administrator may allow vessels to credit overcompliance with any standard established under this subsection towards demonstrating compliance with any future standard under this subsection.

''(b) MONITORING AND REPORTING.—

''(1) LIST OF METHODS.—

''(A) IN GENERAL.—The Administrator shall develop a list of acceptable methods for monitoring and reporting compliance with the standards established under subsection (a).

''(B) CONSISTENCY OF METHODS.—The Administrator, to the maximum extent practicable, shall ensure the consistency of the methods included in the list required under subparagraph (A) with similar reporting schemes developed by the European Union and the International Maritime Organization.

''(2) ANNUAL REPORTING REQUIREMENTS.—For each calendar year, a vessel shall report to the Administrator—

''(A) the carbon intensity of the fuel used for each covered voyage;

''(B) the amount of fuel used for each covered voyage; and

''(C) the total greenhouse gas emissions measured in carbon dioxide equivalent for all covered voyages.

''(3) ANNUAL REPORT.—Not later than 180 days after the end of each annual reporting period

under paragraph (2), the Administrator, in consultation with the Secretary of Transportation and the Commandant of the Coast Guard, shall publish a report that—

''(A) compiles the data reported under paragraph (2); and

''(B) includes an explanation intended to facilitate public understanding of—

''(i) the carbon dioxide equivalent emissions of vessels on covered voyages; and

''(ii) the carbon intensity of fuels used by those vessels.

''(c) ENFORCEMENT.—The standards established under subsection (a) and the annual reporting requirements of subsection (b)(2) shall be considered an emission standard or limitation for purposes of section 304(a)(1).

''(d) DEFINITIONS.—In this section:

''(1) CARBON DIOXIDE EQUIVALENT.—The term 'carbon dioxide equivalent' means the number of metric tons of carbon dioxide emissions with the same global warming potential as 1 metric ton of another greenhouse gas, as calculated using Equation A–1 in section 98.2(b) of title 40, Code of Fed-

eral Regulations (as in effect on the date of enactment of this section).

''(2) CARBON INTENSITY.—The term 'carbon intensity' means the quantity of lifecycle greenhouse gas emissions per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule.

''(3) CARBON INTENSITY BASELINE.—The term 'carbon intensity baseline' means the average carbon intensity of the fuel used by all vessels on covered voyages in calendar year 2024.

''(4) COVERED VOYAGE.—The term 'covered voyage' means any voyage of a vessel for the purpose of transporting passengers or cargo for commercial purposes—

''(A) that is between any ports of call under the jurisdiction of the United States; or

''(B) that is between a port of call under the jurisdiction of the United States and a port of call under the jurisdiction of a foreign country.

''(5) GREENHOUSE GAS.—The term 'greenhouse gas' means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

''(6) LIFECYCLE GREENHOUSE GAS EMISSIONS.—The term 'lifecycle greenhouse gas emissions' has the meaning given the term in section 211(o)(1).

''(7) PORT OF CALL.—The term 'port of call' means the port where a vessel stops to load or unload cargo or to embark or disembark passengers.

''(8) VESSEL.—The term 'vessel' means a vessel of 400 gross tonnage or more.''.

SEC. 3. IN-PORT MARINE VESSEL ZERO EMISSION STANDARDS.

Section 213 of the Clean Air Act (42 U.S.C. 7547) is amended by adding at the end the following:

''(e) IN-PORT MARINE VESSEL ZERO EMISSION STANDARDS.—

''(1) STANDARDS.—Except as provided in paragraph (2) and not later than January 1, 2026, the Administrator shall promulgate (and from time to time revise) standards to eliminate, by not later than January 1, 2030, emissions of greenhouse gases and air pollutants for which air quality criteria have been issued under section 108 from vessels at anchorage or at berth in the contiguous zone of the United States (as described in Presidential Proclamation

7219 (43 U.S.C. 1331 note; 64 Fed. Reg. 48701, 49844)).

''(2) EXCEPTION.—If the Administrator determines that standards required by paragraph (1) are not technologically or economically feasible, the Administrator shall promulgate standards that achieve the maximum reduction of the emissions described in that paragraph from the vessels described in that paragraph that is technologically and economically feasible.

''(3) CONSIDERATIONS.—In determining technological and economic feasibility under paragraph (2), the Administrator shall take into account the net reduction of emissions of greenhouse gases, the net reduction of emissions of air pollutants for which air quality criteria have been issued under section 108, and potential adverse impacts on public health, safety, and the environment, including with respect to air quality, water quality, and the generation and disposal of solid waste.''.