BILLING CODE:

DEPARTMENT OF TRANSPORTATION

Maritime Administration

Small Shipyard Grant Program; Application Deadlines

AGENCY: Maritime Administration, Department of Transportation

ACTION: Notice of Small Shipyard Grant Application Deadlines

SUMMARY: Under the Small Shipyard Grant Program, $19,600,000 is currently available for grants for capital and related improvements to qualified shipyard facilities that will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration. This notice announces the intention of the Maritime Administration to provide grants to small shipyards. Catalog of Federal Domestic Assistance Number: 20.814. Potential applicants are advised that it is expected, based on experience, that the aggregate amount of requested funding among all applicants will far exceed the funds available and that only a small percentage of applications will be funded. It is anticipated that roughly 10-20 applications will be selected for funding with an average grant amount of about $1 million.

TIMING OF GRANTS: In accordance with the statutory requirement that applications must be submitted within 60 days of the Consolidated Appropriations Act, 2019 (Pub. L. 116-6), applications must be received by the Maritime Administration by 5:00 p.m. EDT on April 16, 2019. Applications received later than this time will not be considered. The Administrator shall award grants under this section not later than 120 days after the date of the enactment of the appropriations Act for the fiscal year concerned.

ADDRESSES: Grant Applications should be sent to the Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Avenue, SE, Washington, DC 20590. Only applicants who comply with all submission requirements described in this notice will be eligible for award.

FOR FURTHER INFORMATION CONTACT: For further information concerning this notice, please contact David M. Heller, Director, Office of Shipyards and Marine Engineering, Maritime Administration, Room W21-318, 1200 New Jersey Ave., SE, Washington, DC 20590; phone: (202) 366–5737; or fax: (202) 366–6988.

SUPPLEMENTARY INFORMATION: Grants under the Maritime Administration's Small Shipyard Grant Program may not be used to construct buildings or other physical facilities or to acquire land. Grant funds may be used for maritime training programs to foster employee skills and enhanced productivity related to shipbuilding, ship repair, and associated industries. Grants for such training programs may only be awarded to "Eligible Applicants" as described below, but training programs can be established through vendors to such applicants.

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A. Program Description

The Small Shipyard Grant Program was authorized under Section 3501 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232), codified at 46 U.S.C. § 54101. The statute authorizes the Maritime Administrator to provide assistance in the form of grants to make capital and related improvements in small shipyards and to provide training for workers in shipbuilding, ship repair, and associated industries. The Consolidated Appropriations Act, 2019, appropriated $20,000,000 to the Small Shipyard Grant Program. The purpose of the Program is to foster efficiency, competitive operations, and quality ship construction, repair, and reconfiguration in small shipyards across the United States in addition to fostering employee skills and enhanced productivity related to shipbuilding, ship repair, and associated industries.

B. Federal Award Information

Under the Small Shipyard Grant Program, $19,600,000 is available for grants for: (1) capital and related improvements to qualified shipyard facilities that will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration; and (2) training projects that would be effective in fostering employee skills and enhanced productivity related to shipbuilding, ship repair, and associated industries. The Maritime Administration intends to award the full amount of the available funding through grants to the extent that there are worthy applications. No more than 25 percent of the funds available will be awarded to shipyard facilities in one geographic location that have more than 600 production employees. The Maritime Administration will seek to obtain the maximum benefit from the available funding by awarding grants to as many of the worthiest projects as possible. The Maritime Administration may partially fund applications by selecting parts of the total project.

The start date and period of performance for each award will depend on the specific project and must be agreed to by the Maritime Administration. The Maritime Administration will administer each Small Shipyard Grant pursuant to a grant agreement with the Small Shipyard Grant recipient. Amounts awarded as a grant under this notice that are not expended by the recipient shall remain available to the Administrator for use for grants under this program, either in the same or different fiscal year as this notice.

C. Eligibility Information

To be selected for a Small Shipyard Grant, an applicant must be an Eligible Applicant and the project must be an Eligible Project.

1. Eligible Applicants

Section 54101, Title 46, United States Code, provides that shipyards can apply for grants. The shipyard facility for which a grant is sought must be in a single geographic location and may not have more than 1,200 production employees. The applicant must be the operating company of the shipyard facility. The shipyard facility must construct, repair, or reconfigure vessels 40 feet

in length or greater for commercial or government use, or construct, repair, or reconfigure vessels 100 feet in length or greater for non-commercial vessels.

2. Cost Sharing or Matching

The Federal funds for any eligible project will not exceed 75 percent of the total cost of such project. The remaining portion of the cost shall be paid in funds from or on behalf of the recipient. The applicant is required to submit detailed financial statements and supporting documentation demonstrating how and when such matching requirement is proposed to be funded as described below. The recipient's entire matching requirement must be paid prior to payment of any Federal funds for the project.

3. Eligible Projects

Eligible projects include: (1) capital and related improvement projects that will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration; and (2) training projects that will be effective in fostering employee skills and enhanced productivity related to shipbuilding, ship repair, and associated industries. For capital improvement projects, all items proposed for funding must be new and to be owned by the applicant. For both capital improvement and training projects, all project costs, including the recipient's share, must be incurred after the date of the grant agreement.

D. Application and Submission Information

1. Address for Application

Applications must be filed on standard form SF-424, which is available on the Maritime Administration's website at www.marad.dot.gov.

2. Content and Form of Application Submission

Although the form is available electronically, the application must be filed in hard copy as indicated below due to the amount of information requested. Applicants must submit an original paper copy of the application, one additional paper copy of the application, and two CDs each containing a complete electronic version of the application in PDF format to: Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Ave., SE, Washington, DC 20590. A shipyard facility in a single geographic location applying for multiple projects must do so in a single application. The application for a grant must include all of the following information as an addendum to form SF–424. The information should be organized in sections as described below:

Section 1: A description of the shipyard including (a) location of the shipyard; (b) a description of the shipyard facilities; (c) years in operation; (d) ownership; (e) customer base; (f) current

order book including type of work; (g) vessels delivered (or major projects) over last 5 years; and (h) website address, if any.

Section 2: For each project proposed for funding the following must be included:

(a) A comprehensive detailed description of the project, including a statement of whether the project will replace existing equipment, and if so, the disposition of the replaced equipment.

(b) A description of the need for the project in relation to shipyard operations and business plan and an explanation of how the project will fulfill this need.

(c) A quantitative analysis demonstrating how the project will be effective in fostering efficiency, competitive operations, and quality ship construction, repair, or reconfiguration (for capital improvement projects) or how the project will be effective in fostering employee skills and enhanced productivity related to shipbuilding, ship repair, and associated industries. The analysis should quantify the benefits of the projects in terms of man-hours saved, dollars saved, percentages, or other meaningful metrics. The methodology of the analysis should be explained with assumptions used, identified, and justified.

(d) A detailed methodology and timeline for implementing the project.

(e) A detailed itemization of the cost of the project together with supporting documentation, including current vendor quotes and estimates of installation costs.

(f) A statement explaining if any elements of the project require action under the National Environmental Policy Act (42 U.S.C. sec. 4321, *et seq.*) or require any licenses or permits.

Items 2(a) thru 2(f) should be repeated, in order, for each separate project included in the application.

Section 3: A table with a prioritized list of projects and total cost and Federal government share (in dollars) for each.

Section 4: A description of any existing programs or arrangements, if any, which will be used to supplement or leverage the Federal grant assistance.

Section 5: Shipyard company officer's certification of each of the following requirements:

(a) That the shipyard facility for which a grant is sought is in a single geographic location and (i) the shipyard facility has no more than 600 production employees, or (ii) the shipyard facility has more than 600 production employees, but less than 1200 production employees (the shipyard officer must certify to one or the other of (i) or (ii));

(b) That the applicant has the authority to carry out the proposed project; and

(c) In accordance with the Department of Transportation's regulation restricting lobbying, 49 CFR Part 20, that the applicant has not, and will not, make any prohibited payments out of the requested grant. Certifications are not required to be notarized.

Section 6: Unique entity identifier of shipyard's parent company (when applicable): Data Universal Numbering System (DUNS + 4 number) (when applicable).

Section 7: The most recent year-end audited, reviewed, or compiled financial statements, prepared by a certified public accountant (CPA), per U.S. generally accepted accounting principles (not tax-based accounting financial statements). If CPA prepared financial statements are not available, provide the most recent financial statement for the entity. Do not provide tax returns.

Section 8: Statement regarding the relationship between applicants and any parents, subsidiaries or affiliates, if any such entity is going to provide a portion of the match.

Section 9: Evidence documenting applicant's ability to make proposed matching requirement (loan agreement, commitment from investors, cash on balance sheet, etc.) and in the times outlined in 2(d) above.

Section 10: Pro-forma financial statements reflecting (a) financial condition beginning of period; (b) effect on balance sheet of grant and matching funds (e.g. a decrease in cash or increase in debt, additional equity and an increase in fixed assets); and (c) impact on company's projected financial condition (balance sheet) of completion of project, showing that company will have sufficient financial resources to remain in business.

Section 11: Statement whether during the past five years, the applicant or any predecessor or related company has been in bankruptcy or in reorganization under Chapter 11 of the Bankruptcy Code, or in any insolvency or reorganization proceedings, and whether any substantial property of the applicant or any predecessor or related company has been acquired in any such proceeding or has been subject to foreclosure or receivership during such period. If so, give details.

Additional information may be requested as deemed necessary by the Maritime Administration to facilitate and complete its review of the application. If such information is not provided, the Maritime Administration may deem the application incomplete and cease processing it.

3. Unique Entity Identifier and System for Award Management (SAM)

The Maritime Administration may not make a Small Shipyard Grant Award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements. Each applicant must be registered in SAM before submitting its application, provide a valid unique entity identifier number in its application, and maintain an active SAM registration with current information throughout the period of the award. Applicants may register with the SAM at www.SAM.gov. If an applicant has not fully complied with the requirements by the

submission deadline, the Maritime Administration may determine the applicant is not qualified to receive an award and use that determination as a basis for making a Federal award to another applicant.

4. Submission Dates and Times

Applications must be received by the Maritime Administration by 5:00 p.m. EDT on April 16, 2019. Applications received later than this time will not be considered. The Maritime Administration encourages applicants to submit applications using a carrier and method that will provide proof and time of delivery. The Administrator shall award grants under this section not later than 120 days after the date of the enactment of the appropriations Act for the fiscal year concerned.

5. Funding Restrictions

Grants under the Maritime Administration's Small Shipyard Grant Program may not be used to construct buildings or other physical facilities or to acquire land.

6. Other Submission Requirements

Applicants must submit an original paper copy of the application, one additional paper copy of the application, and two compact discs (CDs) each containing a complete electronic version of the application in PDF format to: Associate Administrator for Business and Finance Development, Room W21-318, Maritime Administration, 1200 New Jersey Ave., SE, Washington, DC 20590.

E. Application Review Information

1. Selection Criteria

This section specifies the criteria that the Maritime Administration will use to evaluate and award applications for Small Shipyard grants. The criteria incorporate the statutory eligibility requirements for this Program, which are specified in this notice as relevant.

Consistent with the requirements of 46 U.S.C. § 54101(b)(1), the Maritime Administration will evaluate the applications on the basis of how effective the project will be in fostering efficiency, competitive operations, and quality ship construction, repair, and reconfiguration (for capital improvement projects) or how effective the project will be in fostering employee skills and enhancing productivity related to shipbuilding, ship repair, and associated industries.

After applying the above preferences, the Maritime Administrator will consider the following key Departmental objectives:

(A) Supporting economic vitality at the national and regional level;

(B) Utilizing alternative funding sources and innovative financing models to attract non-Federal sources of infrastructure investment;

(C) Accounting for the life-cycle costs of the project to promote the state of good repair;

(D) Using innovative approaches to improve safety and expedite project delivery; and,

(E) Holding grant recipients accountable for their performance and achieving specific, measurable outcomes identified by grant applicants.

2. Review and Selection Process

The Maritime Administration reviews all eligible applications received before the deadline. The Small Shipyard Grant review and selection process consists of three phases: Technical Review, Senior Review, and Final Selection. In the Technical Review phase, a Review Panel made up of technical experts, including naval architects and engineers from the Maritime Administration's Office of Shipyards and Marine Engineering will review all timely applications. Additional input may be provided to the Review Panel on economic issues by the Office of Financial Approvals, on environmental issues by the Office of Environment, and on legal issues by the Office of Chief Counsel. The Review Panel will assign a rating of "Highly Recommended," "Recommended," or "Not Recommended" based on how well the applications align with the selection criteria. As a secondary criteria, higher considerations for award shall be made if applicants' percentage match contribution toward the overall project is greater than the minimum and greater than other competing grant applications.

In the second review phase, the Senior Review Team, which is led by the Maritime Administrator, will consider applications based upon the input of the Review Panel. The Senior Review Team will determine which projects to advance to the Secretary. In the third phase, the Secretary selects projects for final award.

3. FAPIIS Check

The Maritime Administration is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently FAPIIS) (see 41 U.S.C. 2313). An applicant, at its option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about itself that a Federal awarding agency previously entered and is currently in the designated integrity and performance system accessible through SAM. The Maritime

Administration will consider any comments by the applicant, in addition to the other information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants.

F. Federal Award Administration Information

1. Federal Award Notices

Following the evaluation outlined in Section E, and after the required notice to Congress, the Maritime Administration will announce awarded projects by posting a list of selected projects at www.marad.dot.gov/ships-and-shipping/small-shipyard-grants. Following the announcement, the Maritime Administration will contact the point of contact listed in the SF-424 to initiate development of the grant agreement.

2. Administrative and National Policy Requirements

All awards must be administered pursuant to applicable Federal laws, rules, and regulations of the Maritime Administration.

Federal wage rate requirements included in Subchapter IV of Chapter 31 of Title 40, United States Code, apply to all projects receiving funds under this Program, and apply to all parts of the project, whether funded with Small Shipyard Grant funds, other Federal funds, or non-Federal funds.

3. Reporting

Each applicant selected for a Small Shipyard capital or training grant will be required to work with the Maritime Administration on the development and implementation of a plan to collect information and report on the project's performance with respect to the relevant long-term outcomes that are expected to be achieved through the capital project or training. Performance indicators will not include formal goals or targets, but will require analysis of post-project outcomes, which will inform the Small Shipyard Grant Program in working towards best practices, programmatic performance measures, and future decision-making guidelines.

4. Requirements for Products Produced in the United States

Consistent with the requirements of Section 410 of Division G—Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2019, of the Consolidated Appropriations Act, 2019, (Pub. L. 116-6), the Buy American requirements of 41 U.S.C. Chapter 83 apply to funds made available under this notice.

G. Federal Awarding Agency Contacts

For further information concerning this notice please contact David M. Heller, Director, Office of Shipyards and Marine Engineering, Maritime Administration, Room W21-318, 1200 New Jersey Ave., SE, Washington, DC 20590; phone: (202) 366–5737; or fax: (202) 366–6988. To ensure applicants receive accurate information about eligibility or the Program, you are encouraged to contact the Maritime Administration directly, rather than through intermediaries or third parties, with questions.

H. Other Information

All information submitted as part of or in support of any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the application includes information you consider to be a trade secret or confidential commercial or financial information, you should do the following: (1) note on the front cover that the submission "Contains Confidential Business Information (CBI);" (2) mark each affected page "CBI;" and (3) highlight or otherwise denote the CBI portions. The Maritime Administration protects such information from disclosure to the extent allowed under applicable law. In the event the Maritime Administration receives a Freedom of Information Act (FOIA) request for the information, the Maritime Administration will follow the procedures described in the Department of Transportation FOIA regulations at 49 CFR § 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

(Authority: 46 U.S.C. § 54101 and the Consolidated Appropriations Act, 2019, Public Law No. 116-6)

Dated: _____

By Order of the Maritime Administrator:

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T. Mitchell Hudson, Jr.

Secretary, Maritime Administration.