BILLING CODE: 4910-81-P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

Small Shipyard Grant Program; Application Deadlines

AGENCY: Maritime Administration, Department of Transportation

ACTION: Notice of Small Shipyard Grants Application Deadlines

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SUMMARY: Under the Small Shipyard Grant Program, $19,600,000 is currently available for grants to: (1) make 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) provide training for workers in shipbuilding, ship repair, and associated industries.

This notice announces the intention of the Maritime Administration (MARAD) to provide for grants to small shipyards. Federal Assistance Listing Number: 20.814 (formerly known as the Catalog of Federal Domestic Assistance Number). Potential applicants are advised that it is expected, based on experience, that the number of applications will far exceed the funds available and that only a small percentage of applications will be funded. Historically, the program has selected roughly 15-30 applications for funding with an average grant amount of about $1 million.

Timing of Grant Applications

In accordance with the statutory requirement at 46 U.S.C. § 54101(f)(1) that applications must be submitted within 60 days of the Consolidated Appropriations Act, 2021 (Pub. L. 116-260, December 27, 2020), applications must be received by MARAD by 5:00 p.m. EST on February 25, 2021. 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, S.E., Washington, D.C. 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 Avenue, S.E., Washington, D.C. 20590; phone: (202) 366–5737; or fax: (202) 366–6988.

SUPPLEMENTARY INFORMATION: Grants under MARAD'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 National Defense Authorization Act for Fiscal Year 2020 (Pub. L. 116-92), 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. Federal Assistance Listing Number: 20.814 (formerly known as the Catalog of Federal Domestic Assistance Number). The Consolidated Appropriations Act, 2021, appropriated $20,000,000 to the Small Shipyard Grant Program. Per 46 U.S.C. § 54101, 2 percent of the funds may be set aside for grant administration. Therefore, the total amount available for grant awards is $19,600,000. 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, and grants will be awarded to further this purpose. Award recipients will be expected to comply with the performance goals and reporting requirements as outlined in the executed grant agreement, such as the completion of actions of the capital and related improvement projects or training projects completed.

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. MARAD intends to award the full amount of 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. MARAD will seek to obtain the maximum benefit from the available funding by awarding grants to as many of the worthiest projects as possible. MARAD 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 MARAD. MARAD 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. Refer to section D.5, *Funding Restrictions,* for more information.

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. Third-party in-kind contributions are not allowed to satisfy the matching requirement. 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. Refer to section D.2 for the documentation required to satisfy the matching requirement.

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.

4. Requirements for Products Produced in the United States

As expressed in Executive Orders 13788 of April 18, 2017 and 13858 of January 31, 2019, it is the policy of the executive branch to maximize, consistent with law, the use of goods, products,

and materials produced in the United States in the terms and conditions of Federal financial assistance awards. Section 3507 of the National Defense Authorization Act for Fiscal Year 2020 included a requirement for Small Shipyard Grantees to comply with Buy America requirements, codified at 46 U.S.C. § 54101(d)(2). Subject to few exceptions, these requirements state that no funds may be obligated by MARAD for this program unless each product or material purchased with these funds (including products and materials purchased by a grant recipient), and including any commercially available off-the-shelf item, is:

(i) An unmanufactured article, material, or supply that has been mined or produced in the United States; or

(ii) A manufactured article, material, or supply that has been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured in the United States.

Applications that use grant funds for domestic-content purchases will be viewed more favorably. If a project intends to use any product with foreign content or of foreign origin, this information should be listed and addressed in the application. Applications should expressly address how the applicant plans to comply with domestic-preference requirements. If an applicant anticipates any potential foreign-content issues with its proposed project, applications should demonstrate that the domestic source is not available and how that determination was achieved. If certain foreign content is granted an exception from the Buy America requirements, a Cargo Preference requirement may apply.

D. Application and Submission Information

1. Address to Request Application Package

This announcement contains all the information needed for applicants to apply for this funding opportunity. Applications must include the Standard Form 424 (Application for Federal Assistance), which is available on the Grants.gov website at *https://www.grants.gov/web/grants/forms/sf-424-family.html.*

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 and two USB flash drives 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 Avenue, S.E., Washington, D.C. 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 the following information as an addendum to the 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. § 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 with the 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 1,200 production employees (the shipyard officer must certify to either (i) or (ii));

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

(c) In accordance with the U.S. 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 (e.g., loan agreement, commitment from investors, and cash on balance sheet) and in the timeline 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.

Section 12: Consistent with the Department's R.O.U.T.E.S. Initiative (https://www.transportation.gov/rural), a strong transportation network is critical to the functioning and growth of the American economy. The nation's industry depends on the transportation network to move the goods that it produces, and facilitate the movements of the workers who are responsible for that production. When the nation's highways, railways, and ports function well, that infrastructure connects people to jobs, increases the efficiency of delivering goods and thereby cuts the costs of doing business, reduces the burden of commuting, and improves overall well-being. Rural transportation networks play a vital role in supporting our national economic vitality. Addressing the deteriorating conditions and disproportionately high fatality rates on our rural

transportation infrastructure is of critical interest to the Department, as rural transportation networks face unique challenges in safety, infrastructure condition, and passenger and freight usage. Consistent with the R.O.U.T.E.S. Initiative, the Department encourages applicants to consider how the project will address the challenges faced by rural areas.

Applicants should also state whether a project is located in a Qualified Opportunity Zone designated pursuant to 26 U.S.C. § 1400Z-1.

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

Section 13: If a project intends to use any product with foreign content or of foreign origin, the application should expressly address how the applicant plans to comply with domestic preference requirements as described in section C.4 of this notice and 46 U.S.C. § 54101(d)(2). If an applicant anticipates any potential foreign-content issues with its proposed project, applications should demonstrate that the domestic source is not available and how that determination was achieved.

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

MARAD 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 at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. Applicants may register with the SAM at www.SAM.gov. MARAD may not make a Federal award until the applicant has complied with all applicable unique entity

identifier and SAM requirements and, if an applicant has not complied with the requirements by the time MARAD is ready to make a Federal award, MARAD may determine that the applicant is not qualified to receive a Federal 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 MARAD by 5:00 p.m. EST on February 25, 2021. Applications received later than this time will not be considered. MARAD 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 MARAD's Small Shipyard Grant Program may not be used to construct buildings or other physical facilities or to acquire land.

Federal award recipients and subrecipients are prohibited from obligating or expending grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. See Section 889 of Public Law 115-232 (National Defense Authorization Act 2019).

6. Other Submission Requirements

Applicants must submit an original paper copy of the application, and two USB flash drives 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 Avenue, S.E., Washington, D.C. 20590.

E. Application Review Information

1. Selection Criteria

This section specifies the criteria that MARAD 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), MARAD will evaluate the applications based on 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.

As a secondary criterion, 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.

2. Additional Considerations

(A) Opportunity Zones

MARAD may also consider whether a project is located in a Qualified Opportunity Zone designated pursuant to 26 U.S.C. § 1400Z-1.

(B) R.O.U.T.E.S.

Consistent with the R.O.U.T.E.S. Initiative, the Department will consider how the project will address the challenges faced by rural areas under the Small Shipyard Grant Program. Rural transportation networks play a vital role in supporting our national economic vitality. Addressing the deteriorating conditions and disproportionately high fatality rates on our rural transportation infrastructure is of critical interest to the Department, as rural transportation networks face unique challenges in safety, infrastructure condition, and passenger and freight usage. The Department's R.O.U.T.E.S. Initiative can be found at (https://www.transportation.gov/rural).

2. Review and Selection Process

MARAD 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 MARAD'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. In addition, 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.

The Department will review and consider applications for funding pursuant to this notice in accordance with the President's September 2, 2020 memorandum, entitled *Memorandum on Reviewing Funding to State and Local Government Recipients of Federal Funds That Are Permitting Anarchy, Violence, and Destruction in American Cities*, consistent with guidance from the Office of Management and Budget and the Attorney General, and with all applicable laws.

3. Federal Awardee Performance and Integrity Information System (FAPIIS) Check

MARAD 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. MARAD 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, MARAD will announce awarded projects by posting a list of selected projects at https://www.maritime.dot.gov/grants-finances/small-shipyard-grants. Following the announcement,

MARAD 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 MARAD.

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 MARAD 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.

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 Avenue, S.E., Washington, D.C. 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 MARAD 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. MARAD protects such information from disclosure to the extent allowed under applicable law. In the event MARAD receives a Freedom of Information Act (FOIA) request for the information, MARAD will follow the procedures described in the Department of Transportation FOIA regulations at 49 CFR 7.29. 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, 2021, Public Law No. 116-260, December 27, 2020.)

Dated: January 6, 2020

By Order of the Maritime Administrator:

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T. Mitchell Hudson, Jr.

Secretary, Maritime Administration