

UNITED STATES OF AMERICA  
U.S. DEPARTMENT OF HOMELAND SECURITY  
**UNITED STATES COAST GUARD**

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UNITED STATES COAST GUARD

Complainant

vs.

GREGORY A. STEELE

Respondent

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Docket Number 2023-0486  
Enforcement Activity No.7833787

**CONSENT ORDER GRANTING UNITED STATES COAST GUARD'S**  
**MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT**

This matter comes before me on the United States Coast Guard's (Coast Guard) Motion for Consent Order and Approval of Settlement Agreement filed on December 4, 2024. As set forth below, after considering the Coast Guard's position and other relevant authority, I **GRANT** the Coast Guard's Motion.

On August 8, 2024, the Coast Guard filed its initial Motion for Approval of Settlement Agreement and Entry of Consent Order and attached a signed Settlement Agreement entered into by the Coast Guard and Respondent, Gregory Steele (Respondent). The attached Settlement Agreement provided the Respondent's MMC "is REVOKED; the revocation, however, will be STAYED for a period of 36 months." During the 36 months, Respondent's MMC was to be suspended outright for twelve (12) months followed by a probationary period of twenty-four (24) months.

On August 14, 2024, I denied the Coast Guard's Motion on the basis that I considered it to be contrary to law, as I believed there was no evidence to suggest that, in cases involving sexual assault as charged under 46 U.S.C. §7704a(b), an ALJ was permitted to issue a sanction

less than revocation, as the plain language of Section 7704a(b) clearly states that, if a mariner is found to be the subject of an official finding of sexual assault, the mariner's MMC "shall be revoked." In so finding, I also relied on Appeal Decision 2678 (SAVOIE) (2005), which permitted an ALJ to issue a sanction less than revocation in a case involving a mariner's conviction for possession of dangerous drug, because the authorizing statute permitted suspension or revocation. I further relied on the Rules of Practice, Procedure, and Evidence for Administrative Proceedings of the Coast Guard, 64 Fed. Reg. 28054, 28058–59 (May 24, 1999) and H.R. Conference Report 108-617, § 402, which concerned the legislative history underlying Congress' modification of 46 U.S.C. §7704(a) to permit suspension or revocation for violations of 46 U.S.C. §7704(a) and the Coast Guard's promulgation of 33 C.F.R. § 20.502. I found the absence of any discussion in the legislative history of 46 U.S.C. § 7704a pertaining to a sanction less than revocation to be meaningful, and, accordingly, I believed I was not permitted to issue a sanction less than revocation.

However, I find my initial inclination to rely on the three authorities cited above was misguided. As federal courts roundly recognize, legislative history should be consulted when there is an ambiguity in a statute. As explained by Justice Samuel Alito, before his elevation to the supreme court, when:

[I]nterpreting a statute, we must, of course, begin with the text. The Supreme Court has repeatedly explained that recourse to legislative history or underlying legislative intent is unnecessary when a statute's text is clear and does not lead to an absurd result. Furthermore, a court's policy preferences cannot override the clear meaning of a statute's text.

*Hay Grp., Inc. v. E.B.S. Acquisition Corp.*, 360 F.3d 404, 406 (3d Cir. 2004) (internal citations and quotations omitted). Further, as succinctly noted by Justice Gorsuch, only the words on the

page constitute the law adopted by Congress and approved by the President. *Bostock v. Clayton Cnty.*, Georgia, 590 U.S. 644, 654–55 (2020).

I therefore find the plain language of 46 U.S.C. § 7704a(b) contains no ambiguity as concerns when a judge must impose revocation. Indeed, 46 U.S.C. § 7704a(b) states:

**If it is shown at a hearing** under this chapter that a holder of a license, certificate of registry, or merchant mariner's document issued under this part, within 10 years before the beginning of the suspension and revocation proceedings, is the subject of an official finding of sexual assault, then the license, certificate of registry, or merchant mariner's document shall be revoked.

46 U.S.C. § 7704a(b) (emphasis added). A plain reading of the statute requires revocation only in the event that a violation of Section 7704a(b) has been “shown at a hearing.” Indeed, the statute’s plain language does not prohibit a settlement agreement involving a statute less than revocation prior to a hearing.

Further, while a court should decline to approve a settlement where it is unfair, inadequate or unreasonable, the courts should also pay deference to the judgment of the government agency which has negotiated and submitted a proposed settlement. In such cases, so long as the judgment is reasonable, it should be approved. *See S.E.C. v. Randolph*, 736 F. 2d. 525 (9th Cir. 1984).

Accordingly, I held a pre-hearing conference (PHC) in this matter on November 26, 2024, to discuss the issue of settlement. Andrew Myers, Esq., Daniel Schaefer, Esq., and Matthew Schirle appeared for the U.S. Coast Guard (Coast Guard) and Matthew Thomas, Esq. and Patrick Korody, Esq., appeared for the Respondent. During the PHC, the parties indicated that they were still interested in settling this matter, and I subsequently ordered the Coast Guard to refile a Motion for Approval of Settlement Agreement and Entry of Consent Order on or before December 12, 2024. The new Settlement Agreement entered into between the parties and

attached to the Motion provides that Respondent's MMC is suspended for a period of twelve (12) months beginning on January 1, 2025, to be followed by a probationary period of twenty-four (24) months.

I have considered the above-referenced provision regarding the proposed sanction of suspension, as well as the other terms of the Settlement Agreement, and I find the agreement is fair, reasonable, and in substantial compliance with 33 C.F.R. § 20.502. As such, having determined that nothing in the statutory language or legislative history of 46 U.S.C. § 7704a(b) prohibits me from approving a Settlement Agreement that imposes a sanction less than revocation prior to a hearing, I will approve the settlement in this matter.

### **ORDER**

Upon consideration of the record, it is hereby **ORDERED** that the Settlement Agreement is **APPROVED** in full and incorporated herein by reference.

This Consent Order shall constitute full, final, and complete adjudication of this proceeding.

**SO ORDERED.**

Done and dated this 19th day of December, 2024,  
at New Orleans, Louisiana



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HON. BRIAN J. CURLEY  
UNITED STATES COAST GUARD  
ADMINISTRATIVE LAW JUDGE