



May 21, 2013

Dear Representative:

On behalf of the undersigned organizations representing American workers in the maritime, longshore and transportation industries, we ask that you join us in strong opposition to HR 1983, legislation that would implement the Administration's proposal to end the effective and transparent PL 480 Food for Peace Program. HR 1983 would replace this Program, which is predicated on the donation of American-produced agricultural commodities, with a program that sends American tax dollars overseas so they can be used to purchase foreign produced agricultural commodities, foreign shipping services, or for any other purpose the foreign recipient of American tax dollars chooses.

Under the existing PL 480 Food for Peace Program, U.S. grown agricultural commodities are transported to American ports, processed, bagged and loaded onto American ships by American workers, and carried by U.S.-flag, U.S.-crewed vessels to those in need. Under HR 1983, this system would end, the U.S. economic activity generated by the PL 480 Program would be lost to foreign companies, and the associated American jobs, including the jobs of American workers our organizations represent, would, like the American tax dollars, be sent overseas.

Despite what the proponents of this legislation and the Administration's proposal contend, ending the PL 480 Food for Peace Program **will** diminish our nation's U.S.-flag sealift capability and **will** result in the loss of American jobs. It is the privately-owned U.S.-flag maritime industry that is called upon by the Department of Defense to deliver the supplies and equipment needed to support our troops and their mission overseas. In fact, more than 95 percent of all the cargo sent to Iraq and Afghanistan has been carried by U.S.-flag, U.S.-crewed vessels.

In 2011, then-Commander of the Department of Defense Transportation Command General Duncan McNabb told Congress that "The movement of international food aid has been a major contributor to the cargo we have moved under the cargo preference law that our U.S. commercial sealift industry depends on." He warned Congress that "Any reductions will have to be offset in other ways to maintain current DOD readiness."

Significantly, General McNabb's statement was made prior to the time the Administration set its policy to eliminate the PL 480 Food for Peace Program, and prior to the time the Department of Defense and all Federal agencies were obligated to express support for this policy. When DOD

was free to look objectively at the impact that reductions in food aid cargoes for the U.S.-flag merchant marine would have on DOD readiness, their conclusion was that readiness would be adversely affected. As recently stated by the Navy League of the United States, "to recreate the capacity it obtains from the U.S.-flag commercial industry, the Department of Defense would have to incur an additional \$9 billion in capital costs and \$1 billion in annual operating costs."

Consequently, not only will HR 1983 reduce America's commercial sealift capability but it will increase Federal spending as the Department of Defense will have to spend significantly more to replace the commercial sealift capability provided today by the U.S.-flag maritime industry.

Finally, we urge that you not be misled by the Administration's claim that this adverse impact can be offset through a new \$25 million appropriation for affected U.S.-flag vessels. Simply put, it is the combination of the Maritime Security Program and the cargoes provided under the Food for Peace Program that keep U.S.-flag vessels in operation, keep American mariners employed, and guarantee the commercial sealift capability needed by DOD.

In fact, simply looking at whether or not a particular vessel is itself considered "militarily useful," is not and should not be the determining factor. Rather, it is important to understand that every U.S.-flag vessel, regardless of type and regardless of what it carries and where it operates, contributes to America's commercial sealift capability by providing employment for the American merchant mariners needed by DOD. The operation of U.S.-flag ships ensures that there is a reserve pool of qualified American mariners readily available to man the privately owned and government owned vessels needed by DOD in time of war or other emergency. Justifying the elimination of this important base of food aid cargo because vessels that are not themselves deemed "militarily useful" is at best misleading and inaccurate.

HR 1983 and the Administration's proposal are bad for the American farmer, bad for the domestic transportation industry, American ports and their workforce; bad for U.S.-flag maritime industry and the men and women who crew these ships; bad for our nation's commercial sealift capability; and bad for the American taxpayer. We again ask that you oppose HR 1983 and the Administration's proposal to end the PL 480 Food for Peace Program.

Sincerely,

American Maritime Officers
International Longshoremen's Association
International Organization of Masters, Mates & Pilots
Marine Engineers' Beneficial Association
Marine Firemen's Union
Maritime Trades Department, AFL-CIO
Sailors' Union of the Pacific
Seafarers International Union
Transportation Trades Department, AFL-CIO