

PROPOSED AGENDA ITEMS AND TOPICS FOR DISCUSSION

In conjunction with the Maritime Administration's *National Maritime Strategy Symposium: Cargo Opportunities and Sealift Capacity* scheduled for January 14 – 16, 2014, the International Organization of Masters, Mates & Pilots and the Marine Engineers' Beneficial Association submit the following topics and ideas for discussion to be included on the agenda:

- **Reaffirming Federal Government support for the Maritime Security Program.** More specifically, positive, public and vocal support for this program from the highest levels of the Administration, along with a clear demand for full funding for the Maritime Security Program in order to prevent the loss of U.S.-flag vessels, American maritime jobs and sealift readiness, are essential to ensure the resources are in fact available to maintain the program's full 60-ship maritime security fleet.
- **Reaffirming Federal Government support for existing U.S.-flag shipping cargo preference requirements.** More specifically, the need for a Presidential Directive to all Federal shipper agencies reaffirming the policy of the United States that privately-owned U.S.-flag vessels should and must be used for the carriage of U.S. government generated exports and imports as required by law. In addition, the Maritime Administration should initiate and/or support efforts to restore the percentage share of food aid cargoes carried by U.S.-flag vessels to 75 percent.
- **Ensuring full compliance with existing U.S.-flag shipping cargo preference requirements.** More specifically, in order to achieve full compliance as well as the timely and efficient transportation of U.S. government cargoes, the Maritime Administration should exercise its statutory authority as the final arbiter when questions regarding the applicability and implementation of cargo preference requirements arise.
- **Factors impeding an increase in the amount of U.S. commercial cargoes transported by U.S.-flag commercial vessels.** More specifically, the differences between the regulatory and tax treatment of U.S.-flag vessels (including but not limited to the expanded applicability of the existing

tonnage tax for U.S.-flag vessels) and their American crews (including but not limited to the inapplicability of section 911 of the Internal Revenue Code to American mariners) as compared to that of foreign flag vessels and foreign crews, and what can and should be done by the Administration and/or the Congress to eliminate such economic disincentives for the utilization of U.S.-flag vessels and the employment of American mariners.

- **Encouraging the utilization of U.S.-flag vessels for the carriage of Liquefied Natural Gas (LNG) and Liquefied Petroleum Gas (LPG) exports from the United States, and the employment of American mariners on foreign flag LNG and LPG vessels operating in the U.S. – foreign trades.** More specifically, eliminating the regulatory and tax measures that discourage the operation of LNG and LPG vessels under the U.S.-flag and adopting those measures that enhance the economic and competitive viability of U.S.-flag LNG and LPG ships and American mariners.
- **Encouraging the development of a marine highway system that facilitates the efficient and economical transportation of cargoes along America's coasts.** More specifically, the regulatory and tax impediments to the development of this industry, including but not limited to the unfair double taxation applying to waterborne transportation under the existing harbor maintenance tax, should be addressed, along with a discussion of the steps necessary to improve the availability and coordination of intermodal transportation to ensure the efficient and timely transportation of cargo from ports to its ultimate destination.
- **Reaffirming Federal government support for the Jones Act.** More specifically, the government's unequivocal support for the full enforcement of the Jones Act and a clear statement that waivers will be granted only when there is an imminent national security demand are necessary to better enable vessel owners to secure the private resources they need to upgrade and modernize their fleets. In addition, a discussion of the existing Title XI ship construction guarantee program and the existing Capital Construction Fund program is necessary to determine what can and should

be done to ensure that these programs are used to assist vessel owners expand, modernize and upgrade their fleets.

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