

February 28, 2017

Endorsed By: Marine Engineers Beneficial Association, Navy League, Seafarers International Union, Masters Mates and Pilots, Transportation Institute, and the Transportation Trades Department AFL-CIO

Dear Colleague,

Our U.S.-flag international fleet—commercial vessels documented under the laws of the U.S. and owned and operated by U.S. citizens—is in a state of precipitous decline. This important force has dwindled from 1,200 ships just after World War II, to less than 80 today, and only one percent of America’s ocean-going foreign trade travels on U.S.-flag vessels. This is a threat to our national security and a tremendous missed opportunity to put Americans to work. **Please join us in reversing this troubling trend by cosponsoring H.R. 1240, the Energizing American Maritime Act.**

With the lifting of crude oil export restrictions at the end of 2015 and increased domestic natural gas production, the U.S. has seen an increase in export of these two strategic energy assets. If we are to export crude oil and LNG, it should be on U.S.-flag vessels that employ American mariners. Our bill requires that 15% of exported crude oil and LNG travel on U.S.-flag vessels starting in 2020, with that number ramping up to 30% starting in 2025. It also requires that exporters provide training opportunities for U.S. mariners now to ensure they’re ready for these future job opportunities.

By 2020, the U.S. is expected to be the world’s third-largest producer of LNG for export, requiring about 100 or more LNG carriers. As well, crude oil exports could reach as high as 3.64 million barrels per day by 2025, which could require the use of between 180 and 380 oil tankers. Unless Congress takes action, ALL exported American LNG and crude oil traveling by ship will go on foreign-flag vessels operated by foreign crews. Our bill would grow the U.S.-flag fleet and create between 3,360 and 6,120 new mariner jobs, above and beyond the creation of new shipping company office and support jobs, port-related jobs, and jobs created all up and down the supply chain. Without this bill, ALL of those jobs will be outsourced to foreign flag competitors employing foreign crews.

There is strong precedent for this important policy. In 1995, Congress enacted the Alaska Power Administration Asset Sale and Termination Act (Public Law No. 104-58) to allow the export of crude oil from Alaska’s North Slope so long as it did not raise gasoline prices, and so long as it was exported on U.S.-flag vessels to preserve the U.S. tanker fleet essential to our national defense. It was good policy then, and it is good policy now.

The Department of Defense depends on the Merchant Marine for over 95% of our national defense sealift needs in times of war or national emergency. We cannot rely upon ships flagged in other countries to provide the necessary movement of strategic materials in times of war and peace. As a major world power, the U.S. must rebuild the capability of its fleet to meet our military and commercial needs, both critical to our national and economic security. To join as a cosponsor, please contact Emily Burns in Congressman Garamendi’s office at Emily.Burns@mail.house.gov or Don Walker in Congressman Duncan’s office at Don.Walker@mail.house.gov.

Sincerely,

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