## Congress of the United States Washington, DC 20515

March 19, 2018

The Honorable Mario Diaz-Balart, Chairman
Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable David Price, Ranking Member
Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Chairman Diaz-Balart and Ranking Member Price:

We are writing to request \$300,000,000 for the Maritime Security Program (MSP) when you develop your FY 2019 appropriations bill. \$300,000,000 is the amount authorized by Congress for FY 2019 for the program. Unfortunately, the Administration only requested \$214,000,000 for FY 2019. This amount is well below the required amount to maintain a viable U.S.-flag commercial merchant fleet. In 2016, the MARAD administrator testified before the Seapower and Projection Forces subcommittee and stated that the "cost to operate a U.S.-flag vessel versus a foreign-flag vessel...was between \$5 and \$7 million." He went on to say that, "the entire global industry is losing money as are the operators that are participating in the MSP program." The \$300 million already authorized by Congress is the minimum amount needed to maintain the needed 60 ship fleet.

MSP is a vital component of our military strategic sealift and global response capability. It is designed to ensure that the United States has the U.S.-flag commercial sealift capability and trained U.S. citizen merchant mariners available in times of war or national emergencies. MSP also ensures that the U.S. can provide our troops overseas with the supplies and equipment necessary to do their jobs on behalf of our nation.

In fact, on January 17, 2016, General Darren McDew, Commander, United States Transportation Command, stated: "As a military professional and senior leader, I think about and plan for what the future may hold, and I would tell you we must prepare for the real possibility we will not enjoy the uncontested seas and broad international support experienced in 1991. If either of those possibilities becomes reality, and if we remain committed to responding to security incidents around the globe, the only way of guaranteeing we decisively meet our national objectives is with U.S. ships operated by U.S. mariners."

Equally important, MSP is a public-private partnership between the U.S. government and the U.S.-flag shipping industry. It provides the Department of Defense (DOD) with assured access to privately-owned commercial shipping assets, related global intermodal systems, and the active pool of U.S citizen mariners necessary to support America's defense objectives around the world. This cost-effective program utilizes existing U.S. maritime private sector capabilities at a fraction of the cost of what it would take if the Federal government were to replicate the vessel capacity and global intermodal systems made available to DOD by MSP contractors who continuously develop and maintain modern logistics systems for commercial and defense purposes. The cost to the Federal government of replicating just the vessel capacity is estimated at \$13 billion. The United States Transportation Command has estimated an additional cost of \$52 billion to replicate the global intermodal system that is made available to the DOD by MSP participants. In contrast, the MSP, at the funding level authorized by Public Law 114-113, will provide DOD with U.S.-flag, U.S. crewed militarily-useful commercial vessels and worldwide logistics systems at a fraction of the estimated \$65 billion it would cost the Federal government to do this job itself.

Since 2009, privately-owned U.S.-flag commercial vessels and their civilian U.S. citizen crews have transported more than 90 percent of the sustainment cargo needed to support U.S. military operations and rebuilding programs in Iraq and Afghanistan. Significantly, U.S.-flag vessels enrolled in MSP carried 99 percent of these cargoes. Without a viable U.S.-flag commercial fleet and the American merchant mariners this fleet supports, the United States would be unable to deploy its military forces on a global basis and to deliver the supplies and equipment American troops need to do their job on behalf of the American people.

In November 2015, Rear Admiral Thomas Shannon, Commander, Military Sealift Command, stated that "without a strong U.S.-flagged merchant marine, we cannot answer the call and carry our nation to war." He went on to express strong support for the MSP as a key component necessary to help maintain our U.S.-flag merchant marine, stating that "[MSP] is a bargain." For these reasons, we urge you to provide the amount of \$300 million for FY 2019.

Thank you for your consideration of this request.

Sincerely,

Joe Courtney

Member of Congress

Rob Wittman

Member of Congress

Engel Eliot L. Engel **Brian Higgins Bob Gibbs** Member of Congress Member of Congress Member of Congress Frederica S. Wilson Suzan K. DelBene Madeleine Z. Bordallo Member of Congress Member of Congress Member of Congress John Garamendi Duncan Hunter Member of Congress Member of Congress Member of Congress Rosa L. DeLauro Gregorio Kilili Camacho Christopher H. Smith Member of Congress Sablan Member of Congress Member of Congress Michael R. Turner Richard M. Nolan Al Green Member of Congress Member of Congress Member of Congress Daniel W. Lipinski Albio Sires Walter B. Jones Member of Congress Member of Congress Member of Congress Linda T. Sánchez Don Young Member of Congress Member of Congress Member of Congress

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