



James L. Henry
Chairman

April 28, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230, The Capitol
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, The Capitol
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy and Leader Schumer: :

On behalf of the undersigned maritime labor organizations and U.S.-flag shipping companies belonging to the USA Maritime Coalition and operating and crewing all U.S.-flag vessels enrolled in the Maritime Security Program we respectfully ask Congress for urgently needed assistance to sustain our industry's essential role in protecting and enhancing our nation's economic and military security, and to ensure the continued retention and employment of the essential American maritime workforce who crew our U.S.-flag vessels. Assistance as requested below will ensure that the militarily-useful commercial vessels enrolled in the Maritime Security Program (MSP) and their U.S. citizen crews remain in a state of operational readiness available to provide the commercial sealift readiness capability as needed by the Department of Defense. We respectfully ask that such assistance be a priority as Congress considers the next Coronavirus Aid, Relief and Economic Security Act.

The worldwide impact of COVID-19 is having a significant and extremely negative effect on the operation of U.S.-flag vessels in the international trades. The Covid-19 emergency has essentially stopped the global commercial seaborne trade and halted most U.S. military and civilian government cargo on which the U.S. maritime industry largely depends. This situation, which shows no realistic signs of ending any time in the immediate future, puts at severe risk the ongoing ability of our industry to provide the sealift readiness capability and surge support relied upon by the Department of Defense and to support American troops deployed anywhere in the world. Moreover, without the assistance we are requesting, there is a serious risk that the already dangerous shortfall in the number of trained and qualified American merchant mariners will worsen, thereby jeopardizing sealift readiness.

As you know, Congress has repeatedly reaffirmed its strong support for the Maritime Security Program and the critical importance of maintaining its maritime security fleet of 60 militarily-useful United States-flag and United States citizen crewed commercial vessels. Congress has demonstrated this support most recently by including language in the last national defense authorizations legislation to extend the program through fiscal year 2035. Equally important, at the same time Congress adjusted the annual stipend that supplements the revenue derived through the carriage of commercial and government cargoes in order to ensure the continued operation of the vessels enrolled in the maritime security fleet. Taken together, these three components – the annual stipend available under MSP, the carriage of commercial cargo, and the carriage of government cargoes - are the primary means by which the U.S.-flag international fleet ensures that our country can depend on the U.S.-flag vessels, worldwide intermodal logistics networks and U.S. citizen crews needed to provide the requisite commercial sealift readiness capability when needed by our nation.

Absent significant action by Congress, vessels enrolled in the MSP are facing protracted lay-up, and the American mariners who crew these vessels are facing long-term unemployment. The assistance we are requesting will significantly mitigate the impact of the coronavirus on the U.S.-flag international fleet, the U.S. citizen merchant mariners who have been recognized as part of America's essential workforce, and the commercial sealift capability provided by our industry under the Maritime Security Program. While the stipend plus an emergency relief payment will leave significant carrier expenses uncovered, including those related to the worldwide coronavirus pandemic, the emergency readiness payment will permit the MSP vessels to remain 100% militarily ready, including full crewing, during the crisis.

Specifically, we respectfully ask Congress to approve an emergency relief payment to offset the negative impacts of COVID-19. This payment is essential to maintain the U.S.-flag vessels enrolled in the MSP in a constant state of operational readiness, which includes the continued full employment of a vessel's crew. We urge Congress to authorize and appropriate \$109.8 million to provide \$1.83 million to each MSP vessel for the period April 1, 2020 to the end of the current fiscal year, as well as to authorize \$1.82 million per vessel with a total authorization of \$109 million for the period October 1, 2020 to March 31, 2021 to be appropriated as needed.

Without this additional assistance, coupled with the loss of revenue associated with the carriage of commercial and government cargoes, vessel operators will not be able to maintain laid-up vessels in the readiness status needed by the Department of Defense, and the licensed and unlicensed American merchant mariners will be facing protracted unemployment.

Maritime labor and the U.S.-flag shipping companies stand together during this difficult time for our industry and our country. We will continue to do what we can to meet this current challenge. However, we need your help and we again ask Congress to provide the financial assistance discussed above to protect the jobs of American merchant mariners and to ensure the continued viability and effectiveness of the Maritime Security Program and the international U.S.-flag shipping industry.

We stand ready to provide whatever additional information you may need.

Thank you and regards.

American Maritime Congress
American Maritime Officers

Liberty Global Logistics LLC
Maersk Line, Limited

American Maritime Officers Service
American Roll-on Roll-off Carrier, LLC
American President Lines LLC
Bold Ocean LLC
Farrell Lines, Inc.
Hapag-Lloyd USA, LLC
International Organization of Masters, Mates & Pilots

Marine Engineers' Beneficial Association
Maritime Institute (MIRAID)
Overseas Shipholding Group, Inc.
Sailors' Union of the Pacific
Seafarers International Union
Transportation Institute
U.S. Ocean.
Waterman Logistics, Inc.

cc: The Honorable Steny Hoyer, Majority Leader
The Honorable James Clyburn, Majority Whip
The Honorable Richard Durbin, Minority Whip
The Honorable Steve Scalise, Minority Whip
The Honorable Richard Shelby, Chairman, Committee on Appropriations
The Honorable Nita Lowey, Chairwoman, Committee on Appropriations
The Honorable Patrick Leahy, Ranking, Committee on Appropriations
The Honorable Kay Granger, Ranking, Committee on Appropriations
The Honorable David Price, Chairman, Subcommittee on Transportation
The Honorable Susan Collins, Chairwoman, Subcommittee on Transportation
The Honorable Mario Diaz-Balart, Ranking, Subcommittee on Transportation
The Honorable Jack Reed, Ranking, Subcommittee on Transportation
The Honorable Adam Smith, Chairman, Committee on Armed Services
The Honorable James Inhofe, Chairman, Committee on Armed Services
The Honorable Mac Thornberry, Ranking, Committee on Armed Services
The Honorable Joe Courtney, Chairman, Subcommittee on Seapower and Projection Forces
The Honorable David Perdue, Chairman, Subcommittee on Seapower
The Honorable Rob Wittman, Ranking, Subcommittee on Seapower and Projection Forces
The Honorable Mazie Hirono, Ranking, Subcommittee on Seapower
The Honorable Peter DeFazio, Chairman, Committee on Transportation and Infrastructure
The Honorable Roger Wicker, Chairman, Committee on Commerce
The Honorable Sam Graves, Ranking, Committee on Transportation and Infrastructure
The Honorable Maria Cantwell, Ranking, Committee on Commerce
The Honorable Sean Patrick Maloney, Chairman, Subcommittee on Coast Guard and Maritime
Transportation
The Honorable Dan Sullivan, Chairman, Subcommittee on Security
The Honorable Bob Gibbs, Ranking, Subcommittee on Coast Guard and Maritime Transportation
The Honorable Ed Markey, Ranking, Subcommittee on Security