



C. James Patti
Chairman

MINUTES OF THE USA MARITIME BOARD MEETING

APRIL 14, 2021

The meeting was called to order by the Chairman at 1:30 pm. A quorum was present.

- Chris Johnsen reported that Meredith Malarkey sent the March 2021 financial report to each member prior to today's meeting.
- As stipulated in our by-laws, dues are due by the first day of each quarter and the quarterly invoice will be sent to each member organization by Meredith Malarkey prior to the first day of the quarter. Chris noted that there are presently three organizations that have not paid their first quarter 2021 dues and as further stipulated in our bylaws, organizations that have not paid their quarterly dues by the last day of the first month of the quarter will not be able to vote on Coalition issues until payment is made.
- Chris reported that in order to change the authorized signers on the USA Maritime bank account, a formal Board resolution must be adopted authorizing the removal of Jim Caponiti as an authorized signer and the addition of Chairman Jim Patti, Secretary-Treasurer Chris Johnsen and Administrative Assistant Meredith Malarkey as authorized signers on the account. Chris proposed the following resolution which was unanimously adopted by the Board:

RESOLVED, that that the Board of the USA Maritime Coalition ("USA Maritime") authorizes and directs its Chairman, C. James Patti, and/or its Secretary-Treasurer, R. Christian Johnsen, to take all necessary and customary steps with the Capital One Bank (the "Bank") to remove James Caponiti as a signatory on USA Maritime's account with the Bank (account number 00002594303771) (the "Account"), and,



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BE IT FURTHER RESOLVED, that the Board authorizes and directs C. James Patti, R. Christian Johnsen and Meredith Malarkey to take all necessary and customary steps with the Bank to become signatories on USA Maritime's Account with the Bank.

ACTION: The above resolution was unanimously approved by vote of the Board of the USA Maritime Coalition on April 14, 2021.

- Brian Schoeneman, Chair, Legislative Committee, reported that 57 Members of the House of Representatives have signed the Courtney-Wittman FY'22 Maritime Security Program appropriations "dear colleague" letter. The deadline for Members to sign is April 23rd and we will continue to reach out to Members of the House to secure additional signers. Brian also encouraged everyone to continue outreach to encourage Senators to sign the companion Hirono-Wicker "dear colleague".
- Brian reported that the Senate Committee on Commerce has asked USA Maritime for legislative proposals to be considered for including in this year's Maritime Administration Authorization legislation. As a result, the Legislative Committee recommends that the following three proposals be submitted:

First, that Congress increase the cargo preference requirement for all civilian cargoes to 100 percent to match the percentage requirement for defense cargoes. In addition, the reimbursement mechanism that had been adopted in 1985 for the carriage of food aid would be reinstated to cover the increased U.S.-flag share of food aid cargoes.

This increase in cargo preference would further strengthen the commercial sealift readiness capability of the U.S.-flag fleet, ensuring that the Department of Defense has the U.S.-flag vessels and civilian maritime manpower needed to support America's security interests and American troops deployed overseas.

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American Roll-on Roll-off Carrier LLC * Bold Ocean, Inc.* Hapag-Lloyd USA, LLC * International Organization of Masters, Mates & Pilots *
Keystone Shipping Company * Liberty Maritime Corporation * Maersk Line, Limited * Marine Engineers' Beneficial Association *
Maritime Institute for Research and Industrial Development * Patriot Contract Services * Sailors' Union of the Pacific * Seafarers International Union *
Transportation Institute * US Ocean, LLC * U.S. Shipping, Inc * Waterman Logistics



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Second, that consistent with President Biden’s American Jobs Plan, cargoes generated by the infrastructure program and related green energy projects must be transported on U.S.-flag, U.S.-crewed vessels and would require that vessels documented under the laws of the United States after the enactment of this legislation must be less than five years of age on the date of documentation and be “green energy vessels” (vessels which meet the highest commercially available standard for low carbon emissions at the time of registration in the United States as determined by the U.S. Coast Guard) in order to participate in the carriage of such cargoes. The proposal further states that such “green energy vessels” would not be eligible to carry other civilian preference cargoes until they have been documented under the laws of the United States for at least three years.

By putting U.S. Government impelled cargoes resulting from the American Jobs Plan and green energy projects on U.S.-flag, U.S.-crewed ships, the American Jobs Plan will help support U.S. national security by providing U.S. citizen mariners and U.S.-flag vessels in an environmentally responsible manner.

Third, that Congress specifically state that the men and women of the United States merchant marine are essential workers and should be treated as such for purposes of COVID-19 related issues and relief and for other purposes.

ACTION: Members of the Coalition were given until close of business April 15th to comment on the proposals. Absent opposition, the proposals will be submitted to the Senate Commerce Committee on behalf of USA Maritime.

- Brian further reported that the Tanker Security Fleet (TSF) Subcommittee of the Legislative Committee has been meeting to discuss proposed changes to the statute as well as funding in FY’22 for the new program. The TSF Subcommittee has requested a meeting with House Armed Services Committee staff to discuss the status of the program and ideas for moving forward.



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- Charlie Papavizas reported on the work of the Special USA Maritime working group set up to discuss and make recommendations on the practical aspects of moving forward with a proposal to provide a tax incentive to shippers as a means to increase the amount of cargo shipped on U.S.-flag vessels and to attract additional vessels to the U.S.-flag. Charlie reported that the working group has met with two firms that specialize in providing revenue estimates related to tax proposals and two firms that specialize in lobbying tax legislation. As a result of these meetings, the working group concluded that additional information is needed from the USA Maritime carriers.

ACTION: It was suggested that each USA Maritime carrier designate at least one person with expertise in operations to meet with the working group to discuss the specific aspects of this proposal. Carriers were encouraged to submit the names of their designated individual(s) to Jim Patti and/or Charlie Papavizas by close of business Friday, April 16th.

- Under new business, Ed Hanley noted that the Seafarers International House has scheduled its awards reception on October 6, 2021 and that the honorees include Eric Ebeling, Jim Caponiti and Steve Werse. Ed proposed that USA Maritime support this event and proposed a \$2,500 contribution. The Board unanimously agreed.
- The maritime unions are hosting fundraising events for Senator Tammy Duckworth and Congresswoman Elaine Luria later this month.

APPROVED

R. Christian Johnsen
Secretary-Treasurer

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