C. James Patti
Chairman

MINUTES OF THE USA MARITIME BOARD MEETING

July 14, 2021

The meeting was called to order by the Chairman at 1:30 pm. A quorum was present, with a majority of each membership group represented.

- The Chairman welcomed Krister Holliday to his first USA Maritime meeting as the new Director of Legislative Affairs for APL.

- The Chairman thanked Rich Berkowitz for his many years of dedicated service to the U.S.-flag maritime industry. Rich is retiring after 26 years at the Transportation Institute.

- In Chris Johnsen's absence, the Chairman presented the monthly financial report. He noted that Meredith Malarkey sent the June 2021 financial statement to each member prior to today's meeting. This will continue to be done prior to each monthly meeting.

- Brian Schoeneman, Chair, Legislative Committee, presented the Legislative Committee's report, noting that the Committee held its most recent meeting July 12. Brian reported that the FY'22 appropriations legislation reported by the House Transportation Appropriations Subcommittee includes full funding for the U.S.-flag programs as requested by the President: $318 million for the Maritime Security Program; $60 million for the Tanker Security Program; and $10 million for the cable ship program.

- Brian reported that the Committee unanimously agreed to recommend that USA Maritime send a letter to Congress addressing major cargo preference issues. First, the letter calls for an increase in cargo preference requirements to at least 75 percent in order to reverse the reduction to 50 percent enacted in

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the 112th Congress along with the restoration of the mechanism whereby the cost incurred by USDA and USAID associated with the additional cargo preference requirement would be reimbursed by the Maritime Administration. Second, the letter calls on Congress to make clear that cargoes shipped in conjunction with infrastructure and green energy projects are covered by U.S.-flag cargo preference shipping requirements. The letter was sent to the members of the Coalition prior to today's meeting for review and comments.

- Sara Fuentes, Chair, Regulatory Committee, reported that the Regulatory Committee met with staff at the Maritime Administration on June 23rd. Sara reported that the meeting was positive and focused on the budget requests for the various maritime programs as well as Marad's interactions with the Made In America Office. The Committee will continue to meet with Marad staff on a quarterly basis.

- Sara once again asked all carriers to provide her with information regarding their clean energy/climate related activities so the information can be included in the Committee's "green energy" report. The Committee intends to have the report posted on the USA Maritime web site.

- Charlie Papavizas, Chair, Strategic Planning Committee, reported that the Tax Subgroup continues to discuss and develop a proposal to increase the amount of commercial cargo carried by U.S.-flag vessels in order to increase the number of vessels operating under the U.S.-flag. The Tax Subgroup, comprised of individuals designated by the carriers who have expertise in vessel operations, includes Chris Barber (ARC), Ed Hanley (Maersk), Henry Nuzum (Waterman), Adam Peterson (APL), Josh Shapiro (Liberty), and Will Terrill (U.S. Ocean), as well as Charlie Papavizas, Chris Johnsen and Jim Patti. Charlie reported that the Subgroup is close to agreeing on a tax proposal that will be presented to the Coalition for review and discussion.

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- Under new business, the Chairman reported that he has received a request from Crowley Maritime to become a member of USA Maritime. The Chairman will set the period during which members of the Coalition will be able to vote by electronic means on the application. Pursuant to our bylaws, a two-thirds affirmative vote of the membership is required.

- Under new business, the Chairman reported that he has been approached by the American Merchant Marine Veterans (AMMV) with the suggestion that our industry consider honoring Captain Hugh Mulzac during the AMMV convention on September 23, 2021. Captain Mulzac was the first African American to receive a master's license, the first to command a fully integrated vessel, and a leader in the effort to end racial discrimination in our industry. The Chairman reported that a number of unions and organizations have already agreed to be part of the presentation to Captain Mulzac's family and suggested USA Maritime similarly participate. By unanimous vote, it was agreed that USA Maritime would add our name to the list of organizations honoring Captain Mulzac's memory and accomplishments.

- Under new business, Sebastian O'Kelly reported that Congressman John Garamendi is preparing legislation addressing the complaints from the agriculture industry and others regarding the availability of containers for the export of their products to overseas markets. Seb further reported that Congressman Garamendi's staff will be reaching out to our industry for comments before the legislation is introduced.

- Under new business, it was agreed that the next USA Maritime monthly meeting would be in-person, with a call-in number available for those unable to attend. The meeting will take place on Wednesday, September 8 at 1:30 pm and will be held at the MEBA offices at 444 North Capitol Street, Suite 800.

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- The Chairman reported that maritime-only events are scheduled with Senator Brian Schatz (September 14), Congressman Dutch Ruppersberger (September 15), Congressman Salud Carbajal (September 21), Congressman Chris Pappas (September 21) and Congressman John Garamendi (September 28). Details on time and place will be sent out as soon as they are available.

- Finally, the Chairman reminded the Coalition that unless specifically called by the Chair, we will not meet in August.

NEXT MEETING: Wednesday, September 8, 2021 at 1:30 pm at MEBA

APPROVED

R. Christian Johnsen
Secretary-Treasurer