

In this issue//President's Budget Released//Reaction to Infrastructure Outline//Utahn Legislator Hates the Jones Act//New MSC EPF Named//4MF Raffle Tickets//Payment Portal Brings the Ease//Meeting with Tim Ryan//

MIXED BAG FOR MARITIME AS BUDGET IS RELEASED

The President's \$4.4 trillion budget, released earlier this week, requests big money for the U.S. Navy and Coast Guard but gives short shrift to the Maritime Security Program, MarAd, NOAA and Army Corps of Engineers, among others. The release of the President's proposal normally represents the first step in the budget process followed by work on Congressional authorization bills. However, the two year spending authorization passed by Congress last week complicates the clout of the proposed budget and may make it more difficult for the President to readjust federal priorities. Many in Congress viewed Trump's first budget proposal last year as "dead on arrival" and the Congressional authorizations that were later enacted veered away from the blueprint the President promoted. The 2019 fiscal year begins on October 1, 2018.

The proposal would chop down Maritime Administration funding by over \$122 million compared with the 'FY 18 level. The proposal zeroes out assistance to small shipyards and Title XI ship financing. More disconcerting is the Trump budget's request for only \$214 million for the Maritime Security Program instead of the authorized \$300 million level that M.E.B.A. has fought so hard to attain. M.E.B.A. will go full ahead to ensure that Congress embraces the full \$300 million.

Within the proposal for MarAd, \$22 million is requested in the Trump budget for maintenance and repair of the six state maritime academy training vessels. Elsewhere in the Transportation Department budget, \$300 million is proposed for the School Ship Replacement program supporting procurement and retrofitting of two used cargo ships to replace SUNY and Massachusetts Maritime's ancient training vessels.

The new budget proposes \$194.1 billion for the Navy, up from \$173 billion in FY '18. The talkedabout uptick in funding for Navy shipbuilding wasn't manifested in the President's numbers though. Only one additional war ship was budgeted in the proposal over the 2018 funding level. The Coast Guard's proposed funding for FY '19 – \$11.7 billion – is \$979 million more than the FY '18 level. The increase is mainly attributed toward the acquisition of a new heavy icebreaker that would be ready for delivery in 2023. Money was also proposed for an offshore patrol cutter and four new fast response cutters.

The President's budget request lops off \$1.1 billion from the FY '18 funding level for the National Oceanic and Atmospheric Administration (NOAA). The 20% cut largely focuses on NOAA studies and programs relating to climate change.

The budget request proposes slashing 22% of Army Corps of Engineers civil works project funding from the level in FY '18. The FY '19 request would reduce, by half-a-billion dollars, the Harbor Maintenance Tax rate, from \$1.6 billion collected into the Harbor Maintenance Trust Fund currently to around \$1.1 billion "to better align estimated annual receipts from the tax with recent appropriation levels for eligible expenditures from the Harbor Maintenance Trust Fund. Waterways Council, Inc. leader Mike Toohey was disappointed in the Budget proposal saying it doesn't adequately address inland waterways needs. "This dour FY2019 budget represents a clear disconnect from the encouraging rhetoric made by President Trump about the inland waterways in the State of Union address and at his historic visit to the Ohio River in June 2017," he said. "If accepted, this budget, like the infrastructure proposal…hamstrings America's ability to compete in the world," he stated.

The Trump budget again supports privatization of the air traffic control system, which is viewed as an anathema to M.E.B.A. affiliate PASS – the Professional Aviation Safety Specialists. PASS represents 11,000 FAA and Defense Department workers throughout the air traffic control system.

INDUSTRY REACTION TO INFRASTRUCTURE PLAN

The President's 55-page infrastructure spending outline released this week has left industry interests disappointed and wanting more, though seaports initially struck a hopeful tone. The 10-year, \$1.5 trillion proposal seemingly dangles a massive dollar infusion, but the federal government would be providing just \$200 billion. The plan proposes to attract the additional funding via States and private investors.

Kurt Nagle, CEO of the American Association of Port Authorities (AAPA) which represents 140 seaports, was glad that a plan was forwarded but seemed to indicate the proposal was only a starting point. "We are pleased the White House has made rebuilding American infrastructure a priority this year, and we look forward to working with Members of Congress as they craft a final legislative package that includes a commitment to US ports and waterways."

The Transportation Trades Department (AFL-CIO) represented by its President Larry Willis was more blunt. "Robbing other federal priorities — including important transportation programs — to pay for infrastructure will only add to our growing problems. Furthermore, devolving the federal government's funding responsibility to cash-strapped states and municipalities will leave too many projects and jobs behind." He called for Congress to cobble together a bipartisan proposal that will address the nation's decaying infrastructure, spark creation of middle-class jobs and fuel the American economy. "Creating an infrastructure network capable of supporting a 21st-Century economy requires real federal commitment. It is now time for Congress to take the lead and we stand ready to support that effort," he said.

LEGISLATOR FROM LANDLOCKED STATE TRYING TO MUSTER UP JONES ACT OUTRAGE

Unlikely to make a real dent, but still disturbing, a member of the State House of Representatives in landlocked Utah is trying to make waves with a resolution urging Congress to repeal the Jones Act. Like a majority of arguments against the Jones Act, the concurrent resolution relies on fake facts and misleading information. Termed "an obscure, century-old law," the resolution says that certain Jones Act provisions "no longer serve their intended purpose of protecting and promoting the American shipping industry." The resolution language regurgitates the lie that the Jones Act hampered efforts to deliver critical relief supplies to aid suffering Puerto Ricans in the wake of Hurricane Maria. The

resolution cites a Puerto Rico-commissioned study for many of the "facts" it puts forth. That biased report is often cited by Jones Act opponents instead of the non-partisan U.S. Government Accountability Office (GAO) study that discredited much of the Puerto Rico report. H.C.R. 11 was put forward by Rep. Mark Wheatley and was advanced favorably from the State House Transportation Committee awaiting action on the Floor.

VACATION REMINDER: CHECK YOUR RETURN TO WORK DATE

Members on vacation should make certain of their return-to-work date to ensure there is no conflict with your vacation when taking a job at a hall. Members should know that taking work while on vacation or receiving a paid vacation benefit – without express permission/waiver from a Branch Agent/V.P. – violates both the M.E.B.A. Shipping Rules and Vacation Plan regulations and will trigger penalties including possible loss of vacation time. Refer to Shipping Rule #5(b) and the M.E.B.A. Vacation Plan Summary Plan Description (Pages 7-10) for reference.

NAME FOR NEW MSC EPF

Navy Secretary Richard Spencer announced that the 12th Military Sealift Command Expeditionary Fast Transport (EPF) vessel will be named USNS NEWPORT. This is the fourth ship to honor Newport, Rhode Island. The city is home to Naval Station Newport and the Naval War College.

EPFs, formerly called Joint High Speed Vessels (JHSV), are shallow draft, all aluminum, commercialbased catamarans designed for High Speed Intra-Theater Surface Lift. Crews of the Military Sealift Command EPF fleet are represented by the M.E.B.A., MM&P and SIU. The 10th and 11th vessels in the EPF Spearhead class are under construction and will be named the USNS BURLINGTON and the USNS PUERTO RICO. Austal USA in Mobile, Alabama is handling construction of the EPF including the USNS NEWPORT. The vessels will be 338 feet in length, have a waterline beam of 93.5 feet, displace approximately 2,362 tons and operate at speeds of approximately 35-plus knots.

YOU CAN NOW PURCHASE 4MF RAFFLE TICKETS

Tickets for the raffle in support of the M.E.B.A. Merchant Marine Memorial Foundation (4MF) are available at each of the Union halls as well as Headquarters, M.E.B.A. Plans and at the Calhoon M.E.B.A. Engineering School (see Trish). POID members can contact April who has a block of tickets.

Members, applicants, retirees and everyone else are strongly encouraged to support the 4MF which provides upkeep and improvements to the Memorial Park located at the Calhoon M.E.B.A. Engineering School (CMES). The Memorial honors fallen mariners who helped blaze the proud tradition our members continue today. The winning raffle ticket (\$2 apiece) will be drawn on October 9, 2018 at the CMES during the monthly membership meeting. You do not need to be present to win. The grand winner will receive a princely sum - 50% of the proceeds from raffle sales – so plan to purchase a thick stack of tickets. Members are urged to keep M.E.B.A.'s Memorial in mind all year long and support it when they can.

PAYMENT PORTAL FOR DUES, P.A.F., G&W

The payment portal accessed from M.E.B.A.'s homepage (<u>www.mebaunion.org</u>) allows members and applicants ease when making a dues or service charge payment and to assist the P.A.F. and Good & Welfare funds. Payments can be made by credit card, debit card or through a checking account. A recurring payment option is also available on the portal enabling automatic quarterly payments so members can "set it and forget it" and always stay current. You simply check the "Recurring Billing"

box that appears at the top of the page when you're filling out your information to enable automatic quarterly payments. This feature is also available to support the Good & Welfare and the Political Action Fund on a monthly basis. P.A.F. is crucial for keeping U.S. shipping and the Union's interests viable in the halls of Congress.

USE M.E.B.A. PORTAL TO IRON OUT LWOP/VACATION DUES LAPSES

Some M.E.B.A. bargaining unit members pay dues by the automatic Dues Check-Off (DCO) system. But when DCO members take vacation or (in the case of the Government fleet) Leave without Pay (LWOP), there are lapses in payroll where dues are not automatically submitted. Those members can go to the M.E.B.A. payment portal, select their bargaining unit on the "Check Off Catch-Up" section and make sure they remain as a member in good standing. Finally, a "Vacation Pay" option is now available on the portal. This will prove useful for port engineers and Union officials who can now make these payments online. Many members and applicants think the portal is the most efficient and advantageous manner to remain in good standing and extend a needed monetary infusion to vital Union programs. You can access the electronic payment portal by visiting the M.E.B.A. homepage (www.mebaunion.org).

REP. TIM RYAN MEETS WITH INDUSTRY REPS AT M.E.B.A. HQ

Congressman Tim Ryan (D-OH-13) met with a collection of M.E.B.A., company and other union representatives at a lunch event today at M.E.B.A. Headquarters. A rising star in the Democratic Party, Rep. Ryan has solid labor credentials, has supported our issues and is becoming more outspoken about the vital importance of U.S. shipping. Meeting participants discussed the economy and national security and delved into the Jones Act, Maritime Security Program and cargo preference. The 44-year old Congressman Ryan has served in the House since 2003 and sits on the powerful Appropriations Committee.

REGULAR MONTHLY MEETINGS

Monday, March 5 – Boston@1200; Seattle (Fife)@1300; Tuesday, March 6 – CMES@1430; Charleston@1400; Houston@1315; Oakland@1230; Wednesday, March 7 – Jacksonville@1300; New Orleans@1315; Thursday, March 8 – L.A.@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300; Friday, March 9 – Honolulu@1100.

-----FINISHED WITH ENGINES------



The M.E.B.A. is the nation's oldest maritime labor union, established in 1875. M.E.B.A.'s expertise and proven track record of readiness, safety, and loyalty in answering America's call to action in times of both peace and war is unrivaled in the world. M.E.B.A. HQ – Phone: (202) 638-5355; <u>mebahq@mebaunion.org</u>. Visit us on Facebook. For publication and related inquiries contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – <u>marco@mebaunion.org</u>