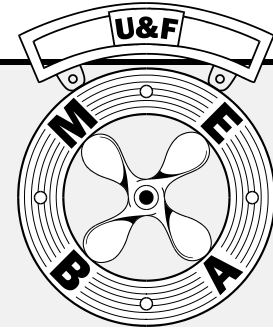


LEGISLATIVE UPDATE

APRIL 2019



Bill would Surrender U.S. Jobs to Foreign Shipping Interests

Sen. Mike Lee, a Republican from land-locked Utah has put forth a bill to repeal the cabotage provisions of the Jones Act. His bill, S. 694, would surrender U.S. mariner jobs to foreign counterparts and wave the white flag on the U.S. Merchant Marine. The bill parrots poorly thought-out criticisms leveled by misinformed Jones Act opponents and would obviously sacrifice a wealth of good American jobs. It would also represent a capitulation of our national security to foreign interests. The U.S. Coast Guard and Customs are already overburdened with current enforcement requirements. Among other repercussions, a repeal would open the floodgates for foreign vessels and mariners on our coastlines and inner waterways necessitating a nightmare array of concerns that those agencies aren't equipped to contain.

The M.E.B.A. legislative department, in alliance with maritime industry proponents, remain vigilant against attacks on U.S.-flag interests and will continue to fight against such incursions. M.E.B.A. members, retirees and applicants can help assist our battle to preserve U.S.-flag mariner jobs by supporting the M.E.B.A. Political Action Fund. Visit your local Union hall or use the M.E.B.A. website to make a contribution!!

Full MSP Funding Proposed

President Trump finally embraced the Maritime Security Program in his third budget request since he came to office. The President requested full funding for MSP (\$300 million) for the first time following his first two budget requests which recommended \$210 million (FY '18) and \$214 million (FY '19). After an all-out industry effort in those years, full MSP funding was eventually authorized by Congress and the money was later appropriated. The FY '20 request, notes that the President "restored the Maritime Security Program fleet (MSP) to the full authorized 60 ship level" and stated that "restoring [the] MSP fleet to full authorized levels strengthens National Security and allows MARAD and the US Merchant Marine to meet its Department of Defense mission requirement."

However, in his budget request, the President zeroed out a series of popular food aid programs that provide cargoes for U.S.-flag shipping including the USAID-administered PL-480 Food for Peace program. The proposal also zeroes out assistance to small shipyards as well as Title XI ship financing. A President's budget request is only the first step in a months-long process of passing a budget for the Federal Government. Congress now takes the lead as they begin to get down to work on detailed federal agency funding bills.