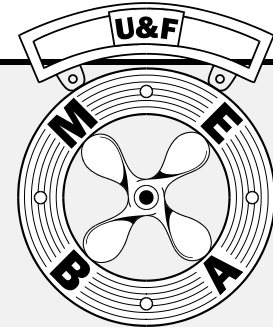


LEGISLATIVE UPDATE

MAY 2018



CG Bill Trips Up in Senate over Uniform Ballast Discharge Standards

The Coast Guard Authorization bill was recently dealt a setback when it failed to advance through a Senate procedural vote based on a provision advancing a national standard for vessel ballast-water discharges. A bill provision would replace the current patchwork of separate – sometimes conflicting – [Coast Guard/Environmental Protection Agency & applicable State] regulations on commercial vessel ballast water discharges with a uniform set of regulations.

Opponents say the provision would water down standards by removing EPA oversight in favor of the Coast Guard and superseding discharge standards set up by the various states. Conservation groups in particular believe the national standard would more easily enable the further introduction of invasive species and destroy ecosystems.

Great Lakes shipping favors the new standard. “This bill is a real win-win for the Lakes,” said James Weakley, President of the Lake Carriers’ Association, the trade group representing U.S.-flag vessel operators on the Great Lakes. “It is equally concerned with safeguarding our environment and fostering waterborne commerce, the most efficient mode of transportation for dry-bulk cargos.” An LCA statement said the bill would heighten regulation of ballast water discharges. “Vessels [would be] governed by stricter and more uniform regulations and the bill retains the requirement that oceangoing vessels exchange their ballast before entering the Lakes even after they install ballast water treatment systems.”

The bill fell 4 votes short of advancement in the upper chamber. Senate leaders are likely to resubmit the Coast Guard funding bill without the ballast water provision.

FY ’19 Battle for MSP Gets Early Congressional Support

Shortly after the successful fight to secure full Fiscal Year ’18 funding for the Maritime Security Program, the battle has begun to keep the program appropriately funded in FY ’19. Earlier this year, the President’s budget recommended only \$214 million for MSP in FY ’18. But bipartisan Congressional support for the program prompted lawmakers to pass their massive Omnibus spending bill with the full FY ’18 \$300 million funding for the MSP. USA Maritime has been vigilant in pressing Congress throughout the years to do the right thing on behalf of the industry. As you may know, USA Maritime is a coalition of

maritime unions, associations and shipping companies – including the M.E.B.A. and American Maritime Congress – fighting for the U.S. Merchant Marine.

Their efforts help whip up support for the program which ensures a U.S.-flag presence in the internationally trading commercial fleet along with the requisite American mariner pool needed not only to man the 60-ship fleet but to crew the MSC/RRF surge fleet in times of emergency and war. From time to time, lawmakers who don't understand the importance of the program remain silent when a misguided proposal to undermine the MSP is put forward.

Getting an early start on next year's fight, USA Maritime enlisted 90 House Members to sign on to a letter of support calling for full MSP funding in FY '19. In addition, a similar letter circulated in the Senate secured 25 signatures from sitting Senators.

The letters urge appropriators to embrace full funding for the program that serves as “a vital component of our military strategic sealift and global response capability.” It points out that the \$76 million underfunding of the program proposed by the President earlier this year would challenge the ability to maintain “a viable U.S.-flag commercial merchant fleet” and flies in the face of meeting logistics challenges facing any future war or national contingency. The letter makes note of U.S. Transportation Command leader General Darren McDew's continued passionate defense of U.S. shipping and its vital importance in providing our troops with the supplies and equipment needed to support our nation's overseas objectives.