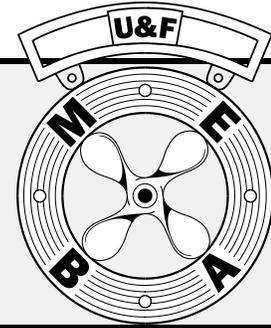


LEGISLATIVE UPDATE

DECEMBER 2016



The November elections were surprising on many fronts and will undoubtedly bring change to Washington D.C. For many interests and industries, that change brings consternation. The M.E.B.A. political team is optimistic though due to the long held relationships and reputation we maintain in Washington.

Due in part to a strong P.A.F., the M.E.B.A. is well-known and respected on Capitol Hill. This means that maritime champions, on all sides of the political spectrum, will be in a position to educate incoming policy makers as to the importance of a vibrant U.S. Merchant Marine. Almost every M.E.B.A. supported maritime defender will be returning for the next Congressional session.

Further, the M.E.B.A. has already found familiar faces in the incoming Trump Administration (reminder that the M.E.B.A. did not endorse either candidate in the Presidential election). While there have only been a few nominations so far, it appears that Elaine Chao will be assuming leadership at the Department of Transportation. Having previously served in the Maritime Administration and the Federal Maritime Commission, Chao has spent a considerable amount of time at M.E.B.A. Headquarters and has visited our School. We are glad to see the nomination of a Transportation Secretary who has literally been on a ship.

While we are confident that we are prepared for the new political landscape, we understand that every new Administration and Congress requires work. House and Senate leadership will change as well as top posts in the Maritime Administration and other government agencies. Relationship building and education will be the top priority of the M.E.B.A. over the next few months. New policy makers are planning to “hit the ground running” and our issues must be included. Your help in the process is vital. Every M.E.B.A. member should consider getting involved in the political process. Two relatively easy ways to do that are: contributing to or increasing your contribution to the PAF and meeting with or contacting your Members of Congress on key maritime issues. If you would like assistance in that process, please do not hesitate to contact Bill Van Loo or Matt Dwyer at M.E.B.A. Headquarters.

On the legislative front, we are disappointed that Congress has decided to kick the can down the road instead of passing a comprehensive spending bill. Of particular concern to the maritime industry is full funding for the Maritime Security Program. It is assumed that Congress will pass a Continuing Resolution by the end of the week that extends current funding levels until early spring. That means that while \$5 million has been approved for each MSP vessel, the current level of \$3.5m will remain.

It is important to note that this is still \$400,000 above the original authorization which was only possible because of the work of the M.E.B.A. in conjunction with the other maritime unions. When Congress finally passes a comprehensive spending bill, we expect it to include the full \$5 million and to be applied retroactively. But nothing is guaranteed and the M.E.B.A. will continue working to ensure full funding.