

MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)

"On Watch in Peace and War since 1875"



M.E.B.A. TELEX TIMES

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MARITIME UNIONS ASK LAWMAKERS FOR MEASURES TO PROTECT MARINERS, STRENGTHEN U.S.-FLAG SHIPPING

An alliance of maritime and transportation labor organizations, including the M.E.B.A., have penned a letter to key lawmakers urging them to support U.S.-flag shipping and allow our industry to continue answering the call during the current crisis and beyond. Throughout this pandemic, U.S. merchant mariners continue to sail through harm's way to deliver the goods and to provide crucial transportation services. Our essential maritime workforce is once again proving imperative for American consumers and businesses, and remains vital for our national security interests. A letter, sent by the leaders of the M.E.B.A., SUP, AMO, MM&P, MFOW and SIU, as well as maritime and transportation coalitions MTD and TTD, asks key House leaders to make sure U.S.-flag shipping has the tools for the fight forward. The letter, sent to the Chairs and Ranking Members of the House Armed Services Committee and the Committee on Transportation & Infrastructure, call for a number of issues to be addressed in the next coronavirus stimulus package as well as in future legislation.

The unions ask that lawmakers continue to fully fund the Maritime Security Program and iron out MSP provisions to help vessel operators better respond to national emergency requirements. They ask that mariners be provided with enough personal protective equipment (PPE) and COVID-19 testing kits and to allow seafarers leeway to be able to continue their important work. They recommended that lawmakers support ferry systems around the country that have been devastated by the crisis. "We urge Congress to review the programs available to support ferry operations and to ensure that funding is sufficient and available to address operating costs and expenses." They also ask Members of Congress to firmly swat back anti-Jones Act forces who are trying to capitalize on the pandemic and are seeking an ill-deserving waiver from the statute.

"American merchant mariners do not think about the risks and the dangers to themselves," the letter states. "Rather, they think about what they can do to support their fellow citizens and their country – and they act with the highest degree of professionalism and patriotism, as they are doing today. They are a resource our country cannot afford to lose. We ask that you support the actions necessary to keep U.S.-flag vessels of all types operating and to keep licensed and unlicensed American merchant mariners available to serve our nation now and in the future."

The full text of the letter can be viewed on M.E.B.A. website located at www.mebaunion.org

MOST OF NEW AMHS APPROPRIATIONS MONEY IS VETOED

Alaska Governor Mike Dunleavy has vetoed most of the new funding the Alaska State Legislature had earmarked to help resurrect the State's ferry system. The Legislature had called for a \$23.5 million budget increase for the Alaska Marine Highway System after suffering through a \$46 million budget last year that helped shelve all but two vessels in the fleet and stranded thousands of Alaskan families.

The Legislature had increased the FY 2021 AMHS budget to \$66.7 million that would have increased service during the fall and winter months. But the Governor vetoed \$15.5 million from the ferry service appropriation, leaving the system with about \$8 million more than last year's budget. The extra money may allow the AMHS to increase its winter sailings by about 10%.

The Governor, however, did not cut additional money that the Legislature slotted for the repair of the laid-up vessel M/V AURORA. Funding also survives for the creation of new crew quarters aboard either the TAZLINA or the HUBBARD to allow one of those vessels to extend its range of operations.

The veto was part of about \$260 million in cuts made by the Governor to the Legislature's budget. Gov. Dunleavy said that over \$200 million in vetoed money could be made up with coronavirus and stimulus relief money. But Alaska House Speaker Bryce Edgmon questioned whether this approach was even legal. "From our initial understanding, federal funds can only be used for expenditures incurred due to COVID-19, not expenditures unrelated to the COVID-19 response. The governor's vetoes gamble with vital programs like Medicaid, community assistance, school bond debt reimbursement, K-12 education, homeless grants, the Alaska Marine Highway System, public broadcasting, the university, and more. There is no guarantee that the federal government will pick up the tab. This approach is incredibly troubling to me."

SEALIFT READINESS EXPLORED IN VIRTUAL SEA-AIR-SPACE EXPOSITION

The annual Navy League-sponsored Sea-Air-Space defense exposition was an online affair this year as webcasts and webinars featuring U.S. defense industry and military decision-makers representing the Navy, Marines, Coast Guard and U.S. Merchant Marine were streamed and posted for virtual attendees. National security discussions at the exposition touched on aviation, military forces and weapons, as well as cyber-terrorism, but topics on Day 2 of the five-day affair were of most interest to those in our industry.

In a webcast, Maritime Administrator Rear Admiral Mark Buzby discussed the Merchant Marine's role in national security and emphasized, as he often does, that U.S.-flag shipping is vital for our national supply chain and crucial for the nation's defense. But he again noted that our nation's strength and readiness are being challenged by a limited U.S.-flag commercial fleet, an outdated U.S. government-owned fleet, and the shortage of qualified mariners necessary to sustain overseas military operations.

He pointed out that the recapitalization of the nation's aging surge sealift fleet is a primary concern. Those 61 Government-owned vessels, comprised of 46 Ready Reserve Force ships and 15 Military Sealift Command vessels, demand an inordinate amount of maintenance and repair costs to keep them at readiness levels. The RRF fleet, which includes 24 vessels with steam propulsion plants, is an average age of 44 years old. Fortunately, MarAd, the Navy and USTRANSCOM are all in agreement to improve the readiness of the fleet and many in Congress are assisting the path forward. Their three-pronged approach to modernizing the fleet, said Admiral Buzby, is to extend the service life of some

of those ships to the 60-year point, work on the replacement of 25-26 of the oldest hulls with newer used commercial ships that have military utility, and work toward the construction of new ships built by the Navy that will be introduced into the fleet.

The escalating repair costs to keep the aging equipment and the steam plants in a state of readiness are a challenge, Adm. Buzby said. But heavily-subsidized maritime powers such as China continue to help create disparities that contribute to the continued erosion of the U.S.-flag fleet and the subsequent dwindling pool of mariners. The Administrator fears there aren't enough qualified mariners to sustain sealift operations after an initial surge. The easy answer to fix our woes would be to get more ships under U.S.-flag that would subsequently help boost the mariner pool. "But ultimately," he said, "it all comes down to cargo. It's said... 'cargo is king'... and it really is. It all starts with having access to that cargo to carry - which would then justify having a ship to carry it - which then begets the crew." Admiral Buzby said that figuring out how to level the playing field and making U.S.-flag ships more competitive with foreign counterparts consumes much of his time at the Maritime Administration.

JONES ACT PANEL AT EXPOSITION REFUTES CRITICS, STRESSES IMPORTANCE OF STATUTE

A Jones Act panel on Tuesday at the virtual Sea-Air-Space exposition presented a fact-based discussion of the 100-year old statute. Anti-Jones Act forces often attack the Merchant Marine Act of 1920 (Jones Act) with half-truths and misinformation. "The biggest misconception of the Jones Act is the cost impact" said John McCown who is the founder of maritime financial services firm Blue Alpha Capital and former CEO of Trailer Bridge. "Many of the critics have distorted [*the Jones Act's effects on retail prices*], cherry picked it, taken it out of context," McCown added. "And that's led to the Jones Act really being a scapegoat..."

"Puerto Rico is an example. Many of these studies and claims that are made just really collapse under the weight of any real analysis. There was a *New York Times* article in 2017 titled "The Law That is Strangling Puerto Rico" and it claimed that there would be a 15% drop in consumer prices without the Jones Act. That translates to over \$9 billion a year. That's 11 times the total revenue of the Jones Act! So that's just an example of some of the ludicrous claims that are being made by critics."

He noted that there is a cost impact, but it is *significantly* less than critics allege. "The estimated savings [by critics] are way out of proportion to what they'd really be," he said. McCown talked about the CATO Institute's war on the Jones Act and expressed his opinion that the research firm he previously respected has "really dropped the ball on this."

"They're acting more like a PR firm or a lobbyist and they're putting out...frankly misleading and factually inaccurate information. For instance, they had a big conference...and they were claiming that without the Jones Act, Puerto Rico rates would be 88.9% less. I dug into that and it was just replete with errors. You take out the mathematical...and logic errors - you're down to 9.1% [which is] 11 times difference. That's an example of the bad numbers that CATO is putting out...CATO should register as a lobbyist...and the public deserves to know who they're carrying water for."

Former Oklahoma Congressman Ernest Istook participated in the webinar and pointed out that 90% of world trade takes place by ship. It's long been said that, "whoever controls the seas controls everything." He said that many other countries understand the strategic importance of being a strong seafaring nation and countries like South Korea, India - and especially China - heavily subsidize their

shipping industries. He said China doesn't just want to participate in global trade, they don't just want to be major players – they want to dominate it and have control.”

The former Congressman said if we are dependent on foreign governments for our global trade and “they decide to do something to cut us off, we are at their mercy.”

TSA ISSUES TWIC EXEMPTION FOR EXPIRING CARDS

The Transportation Security Administration has granted a 180-day exemption on Transportation Worker Identification Credentials (TWICs) that expired on or after March 1, 2020. The action became effective on Friday, April 10 and affects expiring TWICs through July 31. The temporary exemption was implemented to help minimize the spread of COVID-19 during the nationwide emergency.

M.E.B.A. has posted the *Federal Register* notice on our website (www.mebaunion.org) in the Documents & Member Notices section.

EXPEDITING PASSPORT ISSUANCE FOR MARINERS

Due to circumstances, the State Department has only been expediting passport applications in “life or death” emergency situations. But they just announced that they will serve mariners “who urgently need a passport for international voyages, and whose current valid passport expires in 13 months or less.”

M.E.B.A. has posted the State Department notice on our website (www.mebaunion.org) in the “Documents & Member Notices” section.

The Union has a letter that can be obtained by M.E.B.A. members and applicants that will help assist the expediting of their passport applications. That letter can be sought from your local M.E.B.A. Union hall. Questions can be directed to M.E.B.A. Secretary-Treasurer Bill Van Loo who can be reached at bvanloo@mebaunion.org.

M.E.B.A.-CREWED SHIP WAS PART OF NAVY FLEET HARASSED BY IRANIAN VESSELS

Eleven Iranian Islamic Revolutionary Guard Corps Navy (IRGCN) vessels conducted repeated dangerous approaches of six U.S. Navy and Coast Guard vessels yesterday in the North Arabian Gulf. The Military Sealift Command Expeditionary Sea Base USNS LEWIS B. PULLER, with engineers represented by the M.E.B.A. onboard, was one of the U.S. vessels subject to the Iranian harassment. The PULLER, along with the USS PAUL HAMILTON, USS FIREBOLT, USS SIROCCO, USCGC WRANGELL and USCGC MAUI, are sailing in support of the U.S. Fifth Fleet as part of maritime security operations.

The Iranian boats repeatedly crossed the bows and sterns of the U.S. vessels at extremely close range and high speeds, including multiple crossings of the PULLER with a 50-yard closest point of approach and within 10 yards of MAUI's bow.

The U.S. crews issued multiple warnings via bridge-to-bridge radio, five short blasts from the ships' horns and long range acoustic noisemaker devices, but received no response from the Iranian boats. After approximately one hour, the IRGCN vessels responded to the bridge-to-bridge radio queries, then maneuvered away from the U.S. ships and opened distance between them.

LIBERTY LOG! – DIGITAL EDITION

Project Liberty Ship, the Foundation that oversees the continued preservation of the SS JOHN W. BROWN, is now keeping interested parties up-to-date with a new digital format of their “Liberty Log!” You can visit www.ssjohnwbrown.org/ to sign up to receive the Log and find out about the latest happenings with the ship and the ongoing upkeep of the WWII vessel.

America’s other operational WWII Liberty vessel, SS JEREMIAH O’BRIEN, like the BROWN, has had to cancel their upcoming cruises and events that help generate needed funds for vessel upkeep and preservation. You can keep up with the latest on the JEREMIAH O’BRIEN by visiting www.ssjeremiahobrien.org

UPDATE YOUR CONTACT INFO

Be sure to inform Headquarters if you have changed your contact information. There is an address change form on our website to help expedite the process. It can be found at www.mebaunion.org under the “Members” tab or in the “Documents & Notices” section. Alternatively, you can send your updated information to Renee Bowman at HQ by mail, fax at (202) 638-5369, or e-mail at membership@mebaunion.org Since the M.E.B.A. Plans office in Baltimore and Headquarters databases are NOT linked, you must also forward a signed change of address form to the Plans Office if you wish to update your information with them.

In addition to the weekly *Telex Times* and our website, the Union continues to keep members informed through communications to our Union halls and offices - as well as by mass emails sent to members, applicants and retirees. If you want to ensure that you are part of the contact list receiving future updates, you must have a valid email address on file with M.E.B.A. Headquarters. In addition, M.E.B.A. has the capability to contact members by text message if their cell phone information is accurate and on file with HQ.

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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; mebahq@mebaunion.org. Visit us on Facebook. For publication and related inquiries (and to send photos & hot news tips) contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – marco@mebaunion.org Visit us on Facebook, follow us on Twitter and check us out on Instagram.