## MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)



"On Watch in Peace and War since 1875"

# M.E.B.A. TELEX TIMES

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#### CBP TO ENFORCE NEW FEE STRUCTURE ON CHINA-LINKED VESSELS

U.S. Customs and Border Protection (CBP) will take on the role of administering a newly authorized fee system targeting vessels with ties to China, following a directive from the U.S. Trade Representative. Set to begin on October 14, 2025, the policy applies to ships either owned/operated by Chinese entities or constructed in Chinese shipyards. Failure to comply could result in significant consequences, including denial of cargo handling and access to U.S. ports.

The finalized structure introduces a tiered fee model. Chinese-owned or operated vessels will be charged starting at \$50 per net ton, with rates increasing gradually to \$140 per ton by April 2028. Meanwhile, vessels built in China but operated by non-Chinese entities face reduced charges - beginning at \$18 per ton or \$120 per container, whichever is greater, rising to \$33 per ton or \$250 per container over time. Fees are assessed per vessel voyage - up to five qualifying port calls per year - and are only applied at the ship's first U.S. port of entry. Several categories are exempt, including small vessels, U.S.-owned ships, short-sea services, ballast legs, and certain export carriers with specialized operations.

CBP has announced the development of a dedicated Pay.gov portal to manage payments. Non-payment could result in operational shutdowns, including the inability to unload cargo or proceed with port clearance procedures. The policy reflects changes made after public comment on the initial April proposal, which had suggested flat fees in the millions for Chinese-built tankers. In response to concerns over trade disruption and administrative complexity, the fee system was revised into a scaled, more targeted model.

Proponents of the measure view it as a strategic step to counteract China's influence in global maritime trade, enhance national security, and encourage investment in the U.S. shipbuilding sector. Opponents—including the World Shipping Council and several major automakers—warn of increased costs for consumers and reduced cargo volumes at smaller American ports.

#### PANAMA TIGHTENS REGISTRATION RULES TO THWART SHADOW FLEETS

Panama is tightening its oversight of the vessels flying its flag, introducing significant restrictions aimed at curbing the use of older, high-risk ships often linked to sanctioned trade. The country's maritime authority has announced a ban on registering oil tankers and bulk carriers that are more than 15 years old, a move aimed at distancing the registry from the so-called "shadow fleet" used by countries like Russia and Iran to circumvent Western sanctions.

The decision also includes enhanced inspections and stricter certificate verification for vessels already under Panamanian flag. The Panamanian Maritime Authority stressed that these steps are intended to enhance safety, reduce detention risks, and align Panama's registry with higher international compliance standards.

According to the registry, the overwhelming majority of detained vessels between 2023 and mid-2025 were over 15 years old. The shadow fleet — comprised of aging vessels often operating under opaque ownership structures — has grown in recent years as nations under U.S. and EU sanctions seek ways to continue exporting oil and other goods without relying on Western insurers, ports, or financial systems.

In response, Western authorities have intensified enforcement, increasing detentions and penalties. Panama's move comes on the heels of another assertive step: on August 4, it delisted 17 vessels recently sanctioned by the U.S. for transporting Iranian oil. This follows a broader U.S. sanctions push that targeted over 60 ships and numerous firms linked to Iranian crude shipments, in what Washington described as its most sweeping Iran-related maritime action since 2018.

Sources indicate that about 200 vessels deemed high-risk — those involved in sanction-prone trade and deceptive practices — are currently flying the Panamanian flag. Of these, many are older than 15 years and remain under regulatory radar. However, observers warn that as oversight tightens, vessel owners may increasingly turn to registries with weaker controls, a trend known as "flag-hopping."

International regulators are now beginning to hold registry operators accountable. The European Union recently sanctioned UAE-based Intershipping Services LLC for administering registries in Gabon and Comoros that have flagged vessels engaged in Russian oil transport and other high-risk operations. This marked the EU's first direct action against a flag registry operator.

#### MOLINARO CONFIRMED AS FTA ADMINISTRATOR

The M.E.B.A. applauds the confirmation of Marc Molinaro as the new Administrator of the Federal Transit Administration. The FTA is a federal agency that oversees and provides funding for public transportation systems throughout the U.S., including ferries. The M.E.B.A. has a great working relationship with Molinaro who served a term in Congress during 2023 and 2024, and he has been strong on our issues. M.E.B.A. representatives showed our support attending Molinaro's confirmation hearing back in late March.

The AFL-CIO's Transportation Trades Department (AFL-CIO) lauded Molinaro's impressive record on transportation issues during his Congressional term. TTD President Greg Regan said Molinaro "rolled up his sleeves on behalf of working people by leading or signing his name to many worker-centered and safety-centered legislative efforts," and said the new FTA Administrator will take a

"thoughtful and pragmatic approach to addressing the needs of transportation workers and their unions...as he administers FTA programs and oversees the regulatory process."

## HANWHA BEGINS CONSTRUCTION OF NEXT GENERATION MATSON SHIPS

Hanwha Philly Shipyard has begun construction of the first of three new LNG-powered vessels that will join the Matson fleet in 2027 and 2028. A 420-metric ton section of the MAKUA's engine room was lowered into the Hanwha dry dock on Monday, marking the official start of hull assembly.

The second and third vessels will be the MALAMA and MAKENA. All three of the newbuilds will incorporate "green ship technology" features such as environmentally safe double hull fuel tanks and freshwater ballast systems and will be delivered ready to operate on liquified natural gas.

"These new ships are just the latest Jones Act vessels Matson has built with Philly Shipyard over the past 22 years, supporting 1,500 jobs for skilled American workers and providing additional opportunities for American mariners," said Matt Cox, Chairman and Chief Executive Officer of Matson. "Our existing Aloha Class ships are among the fastest, most efficient vessels in the Matson fleet," added Cox. "These new vessels will expand Matson's Jones Act fleet and enhance our service capabilities in the Asia-U.S. trade lane, while providing additional capacity and speed benefitting customers of our Hawaii and Guam services."

The 854-foot Aloha Class ships will each have a carrying capacity of 3,600 TEU and are designed to operate at speeds exceeding 23 knots. The three new Aloha Class ships will replace three vessels currently deployed in Matson's Hawaii, Guam, and CLX services.

## PROPOSAL FOR SOUTH CAROLINA MARITIME ACADEMY

A state congressman has initiated discussions to create a new maritime academy in South Carolina that would be housed within The Citadel military college. Rep. Thomas F. Hartnett, Jr., a Republican in the State House representing parts of Charleston, SC, discussed launching a South Carolina Maritime Academy in talks with the Provost and Dean of The Citadel, Brigadier General Sally Selden, Ph.D. Under the proposal, the academy would be embedded within The Citadel's existing academic programs and military structure, offering degrees in marine engineering, logistics, and transportation, paired with Coast Guard-licensed officer training. With Charleston's deep maritime infrastructure, cadets would gain hands-on experience through direct partnerships with local ports, shipyards, and Ready Reserve Force vessels.

The plan avoids the need to build a new campus from scratch. Instead, it leverages existing facilities at The Citadel, which could cut startup costs and accelerate the timeline for launching the program. Early estimates suggest graduates could expect starting salaries between \$65,000 and \$90,000, with lifetime earnings often exceeding \$4 million – numbers that Hartnett deemed "conservative" compared to careers of other Maritime Academy graduates and certainly low for M.E.B.A. officers who would likely far exceed those numbers.

"South Carolina is a global maritime leader without a formal training academy to match it," said Hartnett. "Establishing a maritime academy at The Citadel will give our citizens a direct, affordable pathway to lucrative maritime careers that are currently out of reach for too many." Industry leaders and lawmakers warn that the timing is critical. More than half of licensed Merchant Marine officers are expected to retire in the next two decades. Yet U.S. maritime academies currently graduate fewer than 1,500 new officers each year — far short of the 2,200+ annual demand.

The parties are hoping to convene a working group with key stakeholders in the near future to move the plan forward.

#### SPACE AVAILABLE FOR PLC COURSE AT CMES

The Calhoon M.E.B.A. Engineering School announced that it has additional roster space available in the August 25-29 installment of its Programmable Logic Controllers course.

Applications should be submitted via the CMES website (mebaschool.org), faxed to (410) 822-7220, or emailed to applications@mebaschool.org

#### CMES TRAVEL COORDINATOR EMAIL ADDRESS CHANGE

The email address for the Travel Coordinator has been changed to travel@mebaschool.org. Please update your address books accordingly. While the old email address will continue to work for the short term, it will eventually be dropped completely.

You may still contact Travel Coordinator Carly Marafioti toll free at (877) 324-6322. This number has not changed. M.E.B.A. Members must book all flights through the Travel Coordinator. Additional information may be found on www.mebaschool.org/travel-and-arrival/meba-members-travelarrangements

### CMES STUDENTS NEED TO FILL OUT EXPANDED APPLICATION FORM

The Calhoon M.E.B.A. Engineering School has expanded its application form to align with Coast Guard-required information for validating mariner course completions. As per 46 CFR 10.403(a)(6)(iii), effective immediately, CMES is required to obtain every student's full name, as it appears on their USCG Merchant Mariner Credential, and their Mariner Reference Number.

This information will be included on the Attendance Sheets that everyone is required to initial in the morning and afternoon during each class day. Additionally, this information will be included on everyone's course completion certificates. The USCG's long term goal is to have all schools upload student course completions into their database using both the mariner's name and their Mariner Reference Number. The National Maritime Center is hoping to have this database in place in late 2026. After this policy is implemented, CMES will continue to issue a hard copy of the course completion certificates to each student who successfully passes.

Older versions of the application form should be discarded. The CMES notice and copy of the revised application form was sent to each of the Union halls and also emailed to each member and applicant in the M.E.B.A. database earlier today.

## M.E.B.A. BASEBALL/HOCKEY SHIRTS

Due to popular demand and for a limited time only, customizable M.E.B.A. baseball AND hockey jerseys are now available for order. These iconic M.E.B.A. items can be customized on the back with a stitched name (of reasonable length) and number.

Net proceeds generated will go to the Good & Welfare Fund. Payment can be made electronically through the M.E.B.A. payment portal. All orders must be submitted (and paid for) by Friday, August 29, 2025.

The information and order form is available at each of the Union halls. A pdf copy can be emailed to anyone interested upon request – (email mebahq@mebaunion.org)

## **NEXT MONTHLY MEMBERSHIP MEETINGS** (All times are local)

Friday, August 8 – **Honolulu**@1100

Monday, September 8 – **Boston**@1200. Seattle (Fife)@1300.

<u>Tuesday</u>, <u>September 9</u> – **CMES**@1430; **Charleston**@1400; **Houston**@1315; **Oakland**@1230.

<u>Wednesday, September 10</u> – Jacksonville@1300; New Orleans@1315; Online HQ "Town Hall" Meeting@1300 (No Voting) – Register by emailing <u>mebahq@mebaunion.org</u>

<u>Thursday</u>, <u>September 11</u> – **L.A.** (San Pedro)@1230; **NY/NJ**@1300; **Norfolk**@1300; **Tampa**@1300.

Friday, September 12 – **Honolulu**@1100

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



M.E.B.A. does not tolerate assault, or harassment of any kind.

If you see something, say something – The M.E.B.A. Emergency Hotline can be reached at 1-888-519-0018.

The M.E.B.A. is the nation's oldest maritime labor union, established in 1875. M.E.B.A.'s expertise and demonstrated 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. Website: www.mebaunion.org 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. The Calhoon M.E.B.A. Engineering School can be contacted at (410) 822-9600 or www.mebaschool.org. M.E.B.A. Plans is at (410) 547-9111 or www.mebaplans.org