MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)



"On Watch in Peace and War since 1875" **M.E.B.A. TELEX TIMES** The Official Union Newsletter – "The Word to the Wise" Number 30 – July 24, 2025



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UNIONS URGE CONGRESS TO INCLUDE TRANSPORT WORKERS IN OVERTIME TAX DEDUCTIONS

A coalition of 21 labor organizations, including the M.E.B.A., sent a joint letter to congressional leaders urging immediate action to fix what they describe as a costly and outdated flaw in the federal tax code. The issue stems from the use of an antiquated definition of "overtime" that is disqualifying millions of workers from accessing significant tax relief enacted through the recently passed "One Big Beautiful Bill Act (OBBA)."

Addressed to Senate Majority Leader John Thune, Senate Minority Leader Chuck Schumer, House Speaker Mike Johnson and House Minority Leader Hakeem Jeffries, the letter calls for a legislative correction to ensure all hourly workers — particularly those in transportation, emergency response, and skilled trades — can deduct up to \$25,000 of overtime pay from their annual income for tax purposes. "That represents as much as \$6,000 in tax savings per year for working families – a massive benefit for workers who put in the long hours necessary to earn it," the letter says.

The OBBA allows most hourly employees to exclude a significant portion of overtime pay from their taxable income, but eligibility hinges on the Fair Labor Standards Act (FLSA) definition of overtime, which the unions argue is outdated and misaligned with modern labor practices.

The FLSA, first enacted in 1938, generally defines overtime as hours worked beyond 40 in a week. But for many categories of workers — especially those in the transportation sector — the law either exempts them outright or uses thresholds far higher than 40 hours, often 55 hours or more. These carve-outs leave out large swaths of the workforce, including airline pilots, locomotive engineers, truck drivers, merchant mariners, fire fighters, EMTs, and police officers.

The unions warn that unless Congress corrects the problem, the provision will continue to unfairly benefit only a portion of the workforce — in some cases even discouraging jobseekers from entering critical transportation and emergency roles that demand irregular and extended hours. States and local governments, along with unions through collective bargaining, have already taken steps to modernize overtime rules. But unions argue that the federal tax provision remains stuck in the past, creating new disparities among workers who often perform similarly demanding jobs.

The unions emphasized that they support bipartisan efforts already underway to fix the issue and called on Congress to act quickly. "We urge you to swiftly pass legislation that ensures all hourly workers are eligible for this important tax benefit," the letter concludes.

HANWHA PHILLY TO CONSTRUCT LNG CARRIER

Hanwha Philly Shipyard has secured a landmark \$250 million contract to construct a liquefied natural gas (LNG) carrier for Hanwha Shipping LLC — a deal that breaks nearly five decades of dormancy for export-bound LNG shipbuilding in the United States.

The agreement is the first major order for the Philadelphia shipyard since it was acquired by South Korea's Hanwha Group last December for \$100 million. It includes the construction of one LNG tanker, with an option for a second, and represents a new phase of collaboration between Hanwha's U.S. and South Korean maritime operations. While the ship will be partially constructed at Hanwha Ocean's advanced facility in Geoje, South Korea, the project is designed to transfer critical LNG shipbuilding technology to the U.S. shipyard. Hanwha Philly Shipyard will also oversee all aspects related to U.S. regulatory requirements and safety certifications.

The long-term goal is to elevate Philly Shipyard into a full-scale builder of mid- and large-size LNG vessels. Importantly, the vessel will not meet Jones Act criteria, which mandate that ships moving cargo between U.S. ports be American-built, owned, and crewed. Delivery of the first vessel is expected in the first half of 2028.

Ryan Lynch, President & CEO of the U.S.-based Hanwha Shipping, affiliate of Hanwha Ocean, said, "We're excited to leverage Hanwha's world-class shipbuilding prowess to equip American industrial partners with the skills to construct next-generation LNG carriers for the first time in nearly five decades."

MATSON SUSPENDS ELECTRIC VEHICLE SHIPMENTS OVER BATTERY FIRE RISKS

Matson has temporarily stopped accepting battery-electric and plug-in hybrid vehicles for ocean transport, citing fire safety concerns linked to lithium-ion batteries. The decision affects vehicle shipments between the U.S. mainland, Hawaii, Guam, and Alaska.

In recent years, Matson has actively worked to address the unique challenges of moving electric vehicles safely. It formed an internal Electric Vehicle Safe Carriage Working Group and participated in broader industry collaborations focused on EV and lithium battery shipping practices. The company had implemented shoreside protocols like battery documentation and review procedures, and onboard its vessels it adopted advanced tools such as thermal imaging cameras to detect abnormal heat and the Viking HydroPen — a specialized fire suppression device capable of penetrating containers to douse lithium fires.

Despite these efforts, the risk of battery-related fires at sea has become increasingly difficult to ignore. The recent fire and total loss of the MORNING MIDAS near the Aleutian Islands, believed to have been carrying EVs, marks another major incident in recent years linked to lithium-ion batteries, including the loss of the FELICITY ACE in 2022.

Matson is continuing to ship conventional gasoline vehicles and will maintain its inter-island container services within Hawaii. In the meantime, other carriers like Pasha Hawaii still list EVs as eligible for shipment — provided the battery charge is kept low and vehicles are placed in shipping or power-saving modes.

As of now, Matson hasn't provided a timeline for when EV transport might resume. The company says it remains committed to supporting industry-wide efforts to develop comprehensive fire safety standards and will reintroduce EV shipping once those solutions meet its internal requirements.

UK SANCTIONS AGAINST RUSSIAN SHADOW FLEET

The United Kingdom has introduced new sanctions against shadow fleet vessels belonging to the Russian Federation. As part of the new measures, 137 sanctions were imposed targeting key energy and oil sectors that are crucial to President Putin. The sanctions cover 135 oil tankers that are allegedly part of the shadow fleet engaged in illegal cargo transportation totaling \$24 billion since the beginning of 2024.

Additionally, the company Intershipping Services LLC, responsible for registering shadow fleet vessels under the Gabon flag, was sanctioned. Litasco Middle East DMCC was also sanctioned for its ties to the Russian oil giant Lukoil, due to its ongoing involvement in transporting large volumes of Russian oil on shadow fleet vessels. Earlier, following the European Union, the United Kingdom intensified economic pressure on Russia by lowering the price cap on Russian oil from \$60 to \$47.60 per barrel, dealing a blow to the financial revenues of the Russian budget.

MARINER MENTAL HEALTH & WELL-BEING SURVEY

The University of Washington invites mariners from all segments of the U.S. maritime industry to take 10–15 minutes to anonymously complete the 2025 Mariner Mental Health & Wellbeing Survey online at https://redcap.link/mariners2025. The survey runs until September 16, 2025. They want to hear from sailing, credentialed, mariners who work on U.S.-flagged vessels — including licensed and unlicensed mariners, cadets, and pilots. Participation from a wide range of mariners across the industry is critical to understanding the ongoing needs of the maritime workforce. This confidential survey asks mariners about mental health, wellbeing, job satisfaction, and experiences aboard vessels. It will take about 10-15 minutes to complete.

With the exception of the screening criteria questions, all questions are optional. You should skip any questions you don't feel comfortable answering, or don't want to answer. No identifiable data (such as name, employer, or vessel) will be collected. Individual responses will be kept confidential and securely stored at the University of Washington in accordance with the ethics review board. Individual data will not be shared.

The survey is being conducted by the same research team that led the 2021 Mariner Mental Health Survey during the COVID-19 pandemic. This 2025 follow-up survey aims to understand how mariner mental health and wellbeing have evolved since COVID-19. The survey is being conducted independently by Dr. Marissa Baker, Associate Professor, University of Washington, Seattle, USA. This survey was reviewed by representatives from SOCP, MARAD, AWO, NOAA, Maritime Institutes, and CMTS.

Survey findings will be shared with vessel owners/operators, mariner unions, maritime training institutions, seafarer welfare organizations, and MTS stakeholders to help develop effective, evidence-based solutions that benefit mariner mental health and wellbeing. They will also write a report which will be publicly accessible.

Please share the survey with shipmates, employees, training institutions, industry associations, unions, or anyone else who could contribute to this effort to improve the well-being of U.S. mariners.

WEST COAST HALLS CLOSED ON MONDAY TO HONOR HARRY BRIDGES

M.E.B.A. halls and offices on the West Coast will be closed on Monday, July 28 to honor labor giant Harry Bridges on the 124th anniversary of his birthday. Alfred ("Harry") Bridges was born on July 28, 1901 in Kensington, Australia. He went to sea as a teenager, eventually settling in San Francisco in the early 1920s. By 1930 he was working on the San Francisco waterfront and soon became a leader and voice for Bay area longshoremen. In May 1934, West Coast longshoremen launched a strike over issues involving safety, working conditions and wages. Adopting the motto "an injury to one is an injury to all," Bridges understood that the only way his union brothers and sisters could make progress was through combining efforts with maritime and related unions in the same way that companies often combined efforts to oppose unions. He also realized that when union membership became more inclusive, it would be harder for employers to recruit minorities as strikebreakers as they had in the past. The culmination of the strike would take place in Bridges' home port.

Along the West Coast, strikers (and bystanders) were arrested, beaten and gassed. On July 5, 1934 (Bloody Thursday), two picketers were shot and killed in San Francisco. Four days later, 40,000 people filled Market Street for the two men's funeral procession. San Franciscans, angered by the violence against their working-class neighbors, joined longshore and maritime unions in a "General Strike." On July 16, bustling San Francisco became eerily silent as over 100,000 Bay Area workers walked out. Business and government leaders took notice.

The San Francisco General Strike ended on July 19, 1934 and the West Coast waterfront strike finished on July 31, when both sides agreed to go to arbitration. The longshoremen's victory featured a contract establishing shorter hours, better wages – and hiring halls. Hiring would be through halls maintained jointly by the union and companies, with a dispatcher selected by the union. A surge in union organizing and membership soon followed the unionization of all the West Coast ports.

Bridges helped establish the International Longshoremen's and Warehousemen's Union (ILWU) in 1937 and led the union for over 40 years. Between 1934 and 1955, Bridges faced a relentless series of legal and legislative assaults from the Federal Government over his alleged ties to the Communist Party. He became a naturalized U.S. citizen in 1945 but the Government revoked that status and oversaw a perjury case against him that handed out a 5-year sentence. Over the course of two trials and multiple appeals including two U.S. Supreme Court decisions — Bridges and his legal team fought back against an onslaught driven by Cold War paranoia. They exposed fabricated evidence and challenged accusations of subversion. In the end, Bridges emerged vindicated, with both his conviction and denaturalization overturned. He retired in 1977 and enjoyed his remaining years as an elder statesman of the labor movement. He died in San Francisco in 1990 at the age of 88.

NEXT MONTHLY MEMBERSHIP MEETINGS (All times are local)

Monday, August 4 – Boston@1200. Seattle (Fife)@1300. <u>Tuesday, August 5</u> – CMES@1430; Charleston@1400; Houston@1315; Oakland@1230. <u>Wednesday, August 6</u> – Jacksonville@1300; New Orleans@1315; Online HQ "Town Hall" Meeting@1300 (No Voting) – Register by emailing mebahq@mebaunion.org <u>Thursday, August 7</u> – L.A. (San Pedro)@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300. <u>Friday, August 8</u> – Honolulu@1100

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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; <u>mebahq@mebaunion.org</u>. Website: <u>www.mebaunion.org</u> For publication and related inquiries (and to send photos & hot news tips) contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – <u>marco@mebaunion.org</u> 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 <u>www.mebaschool.org</u>. M.E.B.A. Plans is at (410) 547-9111 or <u>www.mebaplans.org</u>