

MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)



"On Watch in Peace and War since 1875"
M.E.B.A. TELEX TIMES
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SHIPPING IN PERSIAN GULF

On Monday, U.S.-flagged tanker the STENA IMPERATIVE (Crowley), the same ship that was harassed by Iranian boats in early February, was struck by projectiles while in a Persian Gulf port. The ship reportedly took missile damage at 0200 local time and a subsequent fire was extinguished. The crew was reported as safe though a shipyard worker was said to have been killed.

The Union understands that as hostilities with Iran began last weekend, a number U.S.-flag commercial vessels, including several M.E.B.A.-crewed ships, are in dangerous waters awaiting military escorts to safeguard their operations. As yet, there has been no word of large-scale ship activations, but M.E.B.A.-represented officers aboard Military Sealift Command vessels have been deployed on MSC ships supporting Navy vessels on military business in the Middle East as the situation with Iran has intensified.

A sharp escalation in hostilities thrust the Strait of Hormuz into crisis after a series of missile and drone strikes hit multiple commercial vessels within a 24-hour span, disrupting traffic through one of the world's most vital energy corridors. Five merchant vessels were struck killing several mariners in what security analysts describe as one of the most concentrated attack waves in recent years.

The Joint Maritime Information Center (JMIC) raised the regional maritime threat level to "critical," warning that further attacks are considered very likely. The incidents occurred across the Gulf of Oman, near the Musandam Peninsula, and along the coast of the United Arab Emirates. They underscored that "all vessels remain at risk" regardless of flag or ownership. Active drone and missile threats persist, and widespread GPS interference has further complicated navigation.

Last week, even before the air attacks on Iran, Maersk announced that it was suspending commercial vessel transits through the Strait of Hormuz, and most shipping companies are expected to run their ships the longer route around the Cape of Good Hope to avoid potential turmoil in response to the deteriorated situation in the Middle East.

The Union is working with the Government, labor and the shipping companies to ensure that our members are accounted for and returned safely once their missions are completed. American ship crews are prepared as always for what lies ahead. As in every conflict, the M.E.B.A. stands ready to answer the call and rush to the defense of our country.

HOUTHIS RESTARTING ATTACKS

A short-lived lull in Red Sea maritime violence appears to be over, as Yemen's Houthi movement said it is resuming attacks on commercial shipping. This week, two senior Houthi officials said the group is reactivating missile and drone strikes against merchant traffic, citing the U.S.-Israeli military operations targeting Iran. The officials noted operations would restart immediately and will focus on the same corridors targeted during the Houthis' 2024–2025 assault campaign spanning the Red Sea and Gulf of Aden.

The shift ends about three and a half months of relative calm after a period of sustained ship attacks. After November 2023, Houthi militants in Yemen began conducting drone and missile attacks on shipping in the Red Sea, Bab al-Mandab Strait, and Gulf of Aden, citing support for Palestinians in the Gaza conflict as their motive. Houthis have claimed responsibility for attacks on more than 100 vessels. But they announced a halt to operations for the short-term in November of last year and many shipping companies had begun routing their ships through waters within Houthi reach.

RISK INSURANCE, PERSIAN GULF ESCORTS OFFERED

President Donald Trump said he has directed the U.S. International Development Finance Corporation to provide political risk insurance and financial guarantees aimed at safeguarding maritime commerce moving through the Persian Gulf region, with a particular focus on energy shipments.

After the U.S./Israeli attacks began, members of the International Group of P&I Clubs — which insure about 90% of global ocean-going tonnage — issued 72-hour cancellation notices for certain Iran- and Gulf-related war risk coverage, citing escalating military activity in the Persian Gulf. Meanwhile, London's Joint War Committee expanded its high-risk area designations to waters near Bahrain, Djibouti, Kuwait, Oman, and Qatar, as Gulf war risk premiums reportedly surged five-fold in recent days. As insurance tightens, transits through the Strait of Hormuz have dropped roughly 80% from historical averages, with the Joint Maritime Information Center raising the regional threat level to "critical" and warning that insurance availability may now determine whether vessels proceed.

In a post on Truth Social, the President said the coverage would be made available to all shipping lines operating in the area, describing the move as a measure to protect global trade amid escalating tensions. He also signaled that the U.S. Navy could begin escorting tankers through the Strait of Hormuz. Trump emphasized that the United States would ensure the uninterrupted flow of energy to global markets, pointing to what he called the nation's unmatched economic and military strength and indicating that additional actions could follow.

MARITIME UNIONS ISSUE JOINT STATEMENT

The M.E.B.A., AMO, MM&P, SIU, MFOU, ARA and SUP released a statement following the U.S./Israel hostilities with Iran and disruptions to shipping in the Middle East:

"For more than 250 years, the United States Merchant Marine has successfully delivered the cargoes essential to our nation's economy, security, and global trade. Today, American mariners continue that proud tradition while operating in increasingly dangerous regions around the world."

"Our unions are working closely with vessel management, U.S. military leaders, and the federal government to safeguard American mariners operating in the Persian Gulf and throughout the Middle

East. We remain committed to continued coordination with all stakeholders until the safety and security of U.S.-flag vessels and their civilian crews can be fully assured.”

“American mariners deserve the strongest possible protection as they carry out missions vital to our nation’s economic and strategic interests. We will continue to advocate for robust measures that ensure the safety of American crews and vessels during this period of heightened risk.”

INTERESTING CHAT WITH MARITIME ADMINISTRATOR ON RECENT PODCAST

A recent episode of the “*Maritime Nation*” podcast featured a wide-ranging discussion on the future of U.S. maritime policy, shipbuilding, and national security with Maritime Administrator Stephen Carmel. The conversation was hosted by James G. Foggo III, a retired U.S. Navy admiral, and Steven Wills for the Center for Maritime Strategy, part of the Navy League of the United States.

Drawing on decades of experience in the maritime industry and government policy, Carmel outlined the strategic challenges facing the U.S. merchant fleet and discussed his priorities for MarAd. He emphasized that while shipbuilding often dominates policy discussions in Washington, the condition of the nation’s ship repair sector is receiving far less attention despite being in equally serious decline. The discussion also turned to the aging Ready Reserve Force, the fleet of government-owned vessels maintained for the rapid deployment of military equipment. These ships are kept in reduced operating status at ports across the United States and are intended to support military logistics during crises. Carmel suggested that the very existence of a large government-run reserve fleet reflects deeper shortcomings in U.S. maritime policy.

According to Carmel, a healthier maritime system would rely more heavily on a robust commercial fleet operating under the American flag rather than government-owned vessels waiting around in reserve. “Ships are not designed to sit and do nothing,” he noted, arguing that the RRF was composed to address the strategic challenges of 20 to 30 years ago rather than the demands of today’s operating environment. Carmel added that the mission of the Maritime Administration must evolve alongside these changing realities. In his view, the agency should focus less on maintaining aging assets and more on delivering operational capability for the nation’s sealift needs. “MarAd needs to be less a caretaker of assets and more of a provider of capability,” Carmel said. “There is a very big difference between those concepts.” You can check out the 49-minute podcast [here](#).

FAQ ON “NO TAX ON OT”

Mariners were not covered in the “No Tax on Overtime” policy passed last year and are currently ineligible for a tax deduction on overtime earnings. M.E.B.A. is working in conjunction with other transportation unions in pursuit of a legislative fix. As tax season approaches, we answer some frequently asked questions. The following information is general in nature and a qualified tax professional should be consulted for definitive guidance.

Does the “No Tax on Overtime” law apply to M.E.B.A. members?

- The short answer is no, but it’s complicated (see below)
- Last year, President Trump enacted the One Big Beautiful Bill Act (i.e. tax reform law) that included a new tax exemption for “premium pay” earned through OT

- However, the law defined overtime solely as qualifying time under the Fair Labor Standards Act. The FLSA (enacted in 1938) completely exempts millions of workers from federal overtime including “seaman” under [29 U.S.C. § 213\(b\)\(6\)](#).

Why were M.E.B.A. members excluded from this tax benefit?

- Prior to passage of the Trump tax bill, M.E.B.A. endorsed [Senator Roger Marshall’s \(R-KS\) Overtime Wages Tax Relief Act](#) that would allow FLSA-exempt workers earned via collective bargaining agreements
- The House-version of the Trump tax bill, however, did not include these protections for CBA-covered workers; and due to the partisan dynamic of the House and slim Republican majority, very few opportunities existed to amend the legislation in the House after its introduction
- Prior to Senate passage, Senator Maria Cantwell (D-WA) offered an amendment to the Trump tax bill that would amend the House bill to include CBA covered employees, but the amendment was ultimately not given a vote on the floor.
- See [attached letter](#) from Transportation Trades Department, AFL-CIO (June 30, 2025)

This seems unfair. Is M.E.B.A. working on a fix to include its members?

- **Yes.** In July 2025, M.E.B.A. in conjunction with over 20 labor unions sent a letter to Congressional leadership addressing this oversight under the Trump tax bill, and pressed them on the need to seek a simple remedy via legislation
- In September 2025, Rep. Nicole Malliotakis (R-NY) introduced the bipartisan [No Tax on Overtime for All Workers Act](#) (H.R. 5475) that would simply eliminate federal taxes on overtime pay for all union workers, by including FLSA-exempt employees in this tax benefit.
 - M.E.B.A. endorsed the Malliotakis bill; see full list of cosponsors: <https://www.congress.gov/bill/119th-congress/house-bill/5475/cosponsors>
- In Washington, there is discussion of a second Trump tax bill that could be enacted via the “budget reconciliation” process
- While the possibility/timing of such legislative efforts are unclear, **M.E.B.A. is working with a coalition of labor unions to identify key legislative opportunities to amend ‘No Tax on OT’ to apply to its members.**

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

Friday, March 6 – Honolulu@1100

Monday, April 6 – *Closed. Jesse Calhoon Day (Observed)*

Tuesday, April 7 – Boston@1200; CMES@1430; Charleston@1400; Houston@1315; Oakland@1230; Seattle (Fife)@1300.

Wednesday, April 8 – Jacksonville@1300; New Orleans@1315; **Online HQ “Town Hall” Meeting@1300 (No Voting) – Register by emailing mebahq@mebaunion.org**

Thursday, April 9 – L.A. (San Pedro)@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300.

Friday, April 10 – Honolulu@1100

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