



A bold voice for transportation workers

March 13, 2017

Mr. Tim Pickering
Office of Marine Highways and Passenger Services
Maritime Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

**RE: Revision of the America's Marine Highway Program Regulations
Docket Number MARAD-2016-0130**

Dear Mr. Pickering,

On behalf of the Transportation Trades Department, AFL-CIO (TTD), I write to comment on MARAD's Notice of Proposed Rulemaking (NPRM) concerning revisions to the America's Marine Highway Program (AMHP). By way of background, TTD consists of 32 affiliate unions that represents workers in all modes of transportation, including employees in the maritime shipping industry. We therefore have a vested interest in the rulemaking.¹

In the NPRM, MARAD proposes to revise in full its regulations concerning the AMHP in order to implement provisions of the Coast Guard and Maritime Transportation Act of 2012 (CGMTA). The AMHP is a program which seeks to integrate coastal and inland waterway container services with surface transportation to provide shipping alternatives to congested landside corridors. Previously, the only eligible programs for the AMHP were those which offered congestion relief, including those which reduced delays and emissions. Through the CGMTA, the AMHP was expanded to include programs that promote short sea shipping, which MARAD proposes to implement through this notice.

TTD expresses its strong support for the AMHP and for expansion of the program. Short sea shipping represents a valuable supplement to current surface shipping routes, offering viable transportation options through underutilized waterways. By expanding the AMHP to promote short sea shipping, MARAD grants eligibility to proposals which address necessary considerations beyond congestion, including reduced shipping costs and improved safety.

¹ Attached is a complete list of TTD's 32 affiliate unions.

Transportation Trades Department, AFL-CIO

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Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer



We also support the expansion of AMHP eligible cargo to include individually handled or palletized units which may be shipped on barges, as well as freight vehicles aboard commuter ferry boats. By including these cargoes, MARAD provides meaningful options for companies interested in utilizing short sea shipping, thereby promoting job growth in the maritime industry. Taken together, a broad AMHP offers positive economic, logistical, and environmental impacts, and we fully support the implementation of this proposed rule.

However, we note that short sea shipping, and a strong AMHP face several challenges beyond the scope of this rulemaking. Currently, companies attempting to use short sea shipping to move goods between domestic ports suffer from having the Harbor Maintenance Tax (HMT) imposed at both locations. A shipper is taxed on their cargo upon arrival at port, and if it wished to move cargo to a barge for transportation to another US port along the coast, that cargo would be taxed again at the secondary location. The “double taxing” of the same goods serves to discourage shippers, and negatively impacts the ability of coastal and inland shipping services to offer competitive rates to landside shipping. While TTD fully supports the expansion of the AMHP, until a statutory change is made to the HMT, shippers will not be able to utilize the full potential of the program.

We also note that funding and eligibility issues within the Title XI loan guarantee program have served to reduce the efficacy of the AMHP. The program guarantees private loans obtained by ship owners for the construction of ships in US shipyards, and represents an important component in the advancement of domestic ship building. In recent years, the program has faced threats of significant funding cuts causing uncertainty in the processing of applications. This has, in turn, resulted in multiple years in which not a single project was accepted. As an additional cost of this uncertainty, MARAD has largely only granted approvals to virtually risk free applicants, closing off the program to less-established ship owners. All told, this has placed roadblocks in the way of American shipbuilding, reduced the availability of eligible vessels, and discouraged shippers from participating in the AMHP.

Through this proposal, MARAD has taken significant steps to expand the AMHP and promote a vibrant short sea shipping industry. TTD supports the changes proposed by MARAD but cautions that these positive revisions may fall short without statutory changes.

We thank MARAD for the opportunity to comment on this notice, and for the Administration’s continuing commitment to the America’s Marine Highway Program.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edward Wytkind', with a stylized flourish at the end.

Edward Wytkind
President



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TTD MEMBER UNIONS

Air Line Pilots Association (**ALPA**)
Amalgamated Transit Union (**ATU**)
American Federation of Government Employees (**AFGE**)
American Federation of State, County and Municipal Employees (**AFSCME**)
American Federation of Teachers (**AFT**)
Association of Flight Attendants-CWA (**AFA-CWA**)
American Train Dispatchers Association (**ATDA**)
Brotherhood of Railroad Signalmen (**BRS**)
Communications Workers of America (**CWA**)
International Association of Fire Fighters (**IAFF**)
International Association of Machinists and Aerospace Workers (**IAM**)
International Brotherhood of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers (**IBB**)
International Brotherhood of Electrical Workers (**IBEW**)
International Longshoremen's Association (**ILA**)
International Organization of Masters, Mates & Pilots, ILA (**MM&P**)
International Union of Operating Engineers (**IUOE**)
Laborers' International Union of North America (**LIUNA**)
Marine Engineers' Beneficial Association (**MEBA**)
National Air Traffic Controllers Association (**NATCA**)
National Association of Letter Carriers (**NALC**)
National Conference of Firemen and Oilers, SEIU (**NCFO, SEIU**)
National Federation of Public and Private Employees (**NFOPAPE**)
Office and Professional Employees International Union (**OPEIU**)
Professional Aviation Safety Specialists (**PASS**)
Sailors' Union of the Pacific (**SUP**)
Sheet Metal, Air, Rail and Transportation Workers (**SMART**)
SMART-Transportation Division
Transportation Communications Union/ IAM (**TCU**)
Transport Workers Union of America (**TWU**)
UNITE HERE!
United Mine Workers of America (**UMWA**)
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service
Workers International Union (**USW**)

These 32 labor organizations are members of and represented by the TTD

