

July 7, 2022

Oppose Anti-U.S.-flag Shipping Amendment in NDAA

Dear Representative,

On behalf of the *Transportation Trades Department, AFL-CIO (TTD)*, representing 37 labor unions across all modes of transportation, and *USA Maritime*, a coalition of American ship operators, maritime labor organizations, and maritime trade associations, we urge you to oppose an amendment in the National Defense Authorization Act led by Representatives Jackie Walorski, Jim Costa, Michelle Fischbach and Mariannette Miller-Meeks that would eliminate Ship American "cargo preference" rules essential to our U.S. Merchant Marine and U.S.-flag shipping industry. This amendment is similar to H. Con. Res. 92 and companion to S. Con. Res. 37 and 38, which Senators Joni Ernst and Chris Coons introduced in May.

This amendment would waive a requirement that 50% of U.S. food-aid exports must be shipped on U.S.-flagged ships, thereby waiving Ship American rules worldwide to the detriment of the U.S. maritime workforce. To be clear, this means that the federal government would cede U.S. food-aid and shipping interests to foreign flag ships by eliminating 100% of the U.S. ships that are available to transport food-aid at fair and reasonable rates.

Again, this amendment is totally unnecessary, as existing law currently allows for the waiver of Ship American preference if U.S.-flag vessels are not available at fair and reasonable rates. More importantly, cargo preference statutes and other U.S-flag shipping requirements are essential to maintaining the U.S.-flag fleet. By requiring that government-financed cargoes move on U.S.-flag vessels, we can retain a pool of highly-trained, qualified, and loyal civilian mariners who stand ready to meet our military and humanitarian needs while simultaneously operating in the commercial-flag industry.

The reduction of cargo would only further endanger the jobs of civilian merchant mariners creating the distinct possibility that there will not be enough mariners to meet military surge and sustainment requirements for future military conflicts. When foreign flag shipping companies are currently making record profits amidst global supply chain disruptions, now is not the time to weaken critical policies that would come at the expense of American businesses and working families.

As a Forbes senior contributor recently <u>wrote</u>: "There's nothing wrong with trying to get food aid into the hands of starving populations overseas, but the two resolutions pending on Capitol Hill would undermine U.S. security without materially improving Washington's ability to do so. The government is already facing a sizable shortfall in the availability of merchant mariners likely to be needed in a military emergency; there is no need to make this problem worse by further shrinking the domestic merchant fleet. "

We urge you to oppose this amendment that would use the conflict in Ukraine to outsource American mariner jobs. Instead, we should support policies that strengthen cargo preference laws, which support our national security, preparedness for humanitarian missions, and good middle-class jobs.

Sincerely,

Greg Regan President, TTD Jim Patti Chair, USA Maritime