

Minutes of Public Meeting

September 27, 2017

Department of Transportation Media Center
1200 New Jersey Avenue, SE
Washington, DC 20590

Table of Contents

Item 1: Welcome and Comments from the MTSNAC Chairman.....	3
Call to Order & Roll Call	3
Members Present	3
Members Absent	4
Roll for the Maritime Workforce Working Group.....	4
MARAD Members Present	5
Item 2: Welcome and Comments from the Executive Director	5
Item 3: Discussion of MTSNAC By-Laws	6
Item 4: Motion for Consensus Agreement of MTSNAC By-Laws	6
Item 5: Review and Overview of Marine Manpower Working Group (MMWG).....	6
Item 6: Review and Overview of Marine Highway Subcommittee	10
Item 7: Review and Overview of Port Capacity Subcommittee	12
Item 8: Review and Overview of Education, Awareness & Advocacy Subcommittee	13
Item 9: Review and Overview of International Competition & Global Trends.....	13
Item 10: Public Comments	15
Item 11: Break for Lunch	16
Item 12: Breakout Sessions (Not recorded)	16
Item 13: Report Out to Chair.....	16
Item 14: Motion for Consensus Agreement on the MWWG Report	18
Item 15: Way Ahead	18
Item 16: Public Comments	19
Item 17: Closing Remarks and Adjournment.....	19
Certification and Approval.....	19
Appendix	19
Appendix A - Transcript of meeting.....	20
Appendix B - Subcommittee Presentations.....	61
Appendix C - Meeting Agenda	85
Appendix D - Approved By-Laws.....	87
Appendix E - Maritime Workforce Working Group Report.....	94

Minutes of Public Meeting

Department of Transportation
Media Center
1200 New Jersey Avenue, SE
Washington, DC 20590

September 27, 2017

Item 1: Welcome and Comments from the MTSNAC Chairman

Chairman Mike Mabry welcomed the membership and outlined the agenda for the day and presented the membership with the charge of responsibilities stating that the subcommittee recommendations will be the key conversation points of this meeting.

Call to Order & Roll Call

Chairman Mabry, then asked Jeff Flumignan, Designated Federal Officer (DFO) to take roll call and discuss other administrative matters. Capt. Flumignan then discussed several administrative matters and took the Roll Call.

The DFO noted that September 27, 2017, was a very special day in the history of the Merchant Marine, and read a citation from the President for Cadet Midshipman Edwin J. O'Hara that commemorated this day for Cadet Midshipman Edwin J. O'Hara for his gallant action in action.

The DFO also mentioned that this meeting is being held pursuant to a notice published in the Federal Register on September 13, 2017. The DFO discussed a couple other housekeeping items and asked Lauren Brand to update the committee on travel policies going forward.

Lauren Brand updated the committee on travel policy and noted that due to conservative fiscal measures being taken now, MARAD is unable to support the travel costs and per diem costs for every member of this august committee. She thanked each member for coming, mostly at their own expense and their commitment to remaining on the committee. She ended her note with the message that those who step into leadership positions; there is a small budget to support the travel and per diem costs for the committee chair, the vice chair, and for the co-chairs of the subcommittees.

Members Present

Gary Adams – Walmart Stores Inc.
Richard Berkowitz – Transportation Institute
Robert Berry – International Shipbreaking Limited, LLC
Vanta Coda -- Duluth Seaway Port Authority
Bethann Rooney for Molly Campbell – Port Authority of New York & New Jersey
Kristin Decas – Port of Hueneme
Peter Ford – Ports America
John Graykowski – Maritime Industry Consultants
Daniel Harmon – Texas Department of Transportation

Susan Hayman – Foss Maritime Company
Jared Henry – Hapag-Lloyd USA, LLC
CAPT James Jenkins—US Coast Guard
Lynn Korwatch – Marine Exchange of the San Francisco Bay Region
Jim Kruse - Center for Ports & Waterways, Texas A&M Transportation Institute
Gary LaGrange – Gary LaGrange Associates
Mark Locker – Ohio Department of Transportation (on the phone)
Ryan McDonald for Griff Lynch – George Ports Authority
Mike Mabry – Maritime Transportation System National Advisory Committee
Jim Pelliccio – Port Newark Container Terminal
William Pennella – Crowley Maritime Corporation
Torey Presti – National Shipping Agencies, Inc.
Jonathan Rosenthal – Saybrook Corporate Opportunity Funds (on the phone)
Gene Seroka – Port of Los Angeles
Scott Sigman – Illinois Soybean Association (on the phone)
Dennis Johnson for Karl Simon – U.S. Environmental Protection Agency (on the phone)
Anne Strauss-Weider – North Jersey Transportation Planning Authority
Richard Suttie – California State Maritime Academy
John Townsend – Honeywell Technology Solutions, Inc.
Margaret Vaughan – U.S. Exporters Competitive Maritime Council (on the phone)
Robert Wellner – Liberty Global Logistics LLC
Lisa Wieland – Massachusetts Port Authority
Brian Wright – Owensboro Riverport Authority

Members Absent

John Baker - ILA
Gregory Faust – Washington State DOT, Washington State Ferries Division
William Hanson – Great Lakes Towing
Tim Hinckley – Americold Logistics, LLC
Gary Love – FAPS, Inc.
James Lyons - Alabama Port Authority
John Reinhart – Virginia Port Authority
Thomas Wetherald – General Dynamics – NASSCO

Roll for the Maritime Workforce Working Group

Present

Scott Dilisio – OPNAV N42 (on phone)
Luke Harden - Chief, Mariner Credentialing Program Policy Division, USCG
Mayte Medina - Chief for the Office of Merchant Mariner Credential, USCG (on phone)
Capt. Sean Tortora-- Merchant Marine Academy (on phone)
Capt. John Dooley-- Massachusetts Maritime Academy (on phone)
Taleen Stroud – SUNY Maritime College (on phone)
Scott Fairbank - Great Lakes Maritime Academy (on phone)
Don Marcus—Masters, Mates, and Pilots
Nils Djusberg - MEBA

Christian Spain—AMO
Bart Rogers—Seafarers International Union
Brian Lee, Crowley Maritime
Tori Presti
Susan Hayman
Jared Henry
Robert Wellner

Subject Matter Experts-Present

Lisa Barbour—Army Transportation School

MARAD Members Present

Jeffrey Flumignan, Designated Federal Officer, Maritime Administration
Eric Shen, Designated Federal Officer, Maritime Administration
Joel Szabat—Maritime Administration
Lauren Brand—Maritime Administration
Kevin Tokarski—Maritime Administration
Shashi Kumar, Ph.D. —Maritime Administration
Scott Davies, Maritime Administration
William Paape, Maritime Administration
Tony Padilla, Maritime Administration
Tim Pickering, Maritime Administration
Fran Bohnsack, Maritime Administration

Item 2: Welcome and Comments from the Executive Director

Mr. Joel Szabat, Executive Director of the Maritime Administration, welcomed all participants to the first meeting of the Maritime Transportation System National Advising Committee under the reign of the new administrator, Mark Buzby, whom many had a chance to meet at a meet and greet session. Joel passed on some of the Administrators priorities, which dovetail with earlier concerns under the previous administration, including making recommendations on a range of topics such as: impediments to short sea transportation, expanding international gateway ports, using the waterborne transportation system to increase mobility domestically modernizing the maritime workforce, strengthening our maritime capabilities, and encouraging maritime innovation.

Joel Szabat charged the membership with making recommendations on high-level policy issues, to elevate the marine transportation system, encourage national economic growth, and ensure the nation has an efficient and accessible maritime transportation system, and to build upon the work earlier MTSNAC membership has accomplished toward developing the national maritime transportation strategy.

This charge, by the Administrator is to re-engage the membership on the top priority, among others: increasing the size of the U.S. flag fleet, to ensure there are enough ships, and reverse the decline of qualified available mariners, so that we can ensure there are enough ships and qualified mariners to meet our national security needs.

The top goal is to incorporate the membership feedback and recommendations into action items that will address the nation's maritime transportation system needs for these priorities and across the board for other areas that the members have been working.

Item 3: Discussion of MTSNAC By-Laws

Chairman Mabry brought before the membership the item on the MTSNAC By-Laws. The By-Laws were introduced in October 2016. Chairman Mabry asked for comments from the membership.

The DFO described the process of adopting the new By-Laws including the tabling of the motion members because had just received a version of the By-Laws that had been updated our counsel. The DFO then asked Chairman Mabry for membership comments about the new By-Laws.

Margaret Vaughan, via phone, asked/mentioned that there is a note in By-Laws that the MTSNAC are supposed to meet three times a year, and "I don't know if the meetings of the subcommittee constitute running it through the By-Laws."

Jeff Flumignan (DFO) answered stating that the requirements are congruent with MTSNAC Charter. The DFO noted that the Charter suggests that members meet three times a year, but operationally, organizationally, financially, it might be a bit difficult to do that, but the intent is we would meet three times a year.

Item 4: Motion for Consensus Agreement of MTSNAC By-Laws

Chairman Mabry hearing no further comments from the membership asked for a motion to adopt the By-Laws. With the motion moved and seconded, Chairman Mabry asked for a vote in favor of adopting the new by-laws. There being no-one not in favor of adopting the new by-laws, they were adopted.

Item 5: Review and Overview of Marine Manpower Working Group (MMWG)

Chairman Mabry introduced the report from the Maritime Workforce Working Group, co-chaired by Kevin Tokarski, Associate Administrator for Strategic Sealift and Dr. Shashi Kumar, Deputy Associate Administrator and National Coordinator for Maritime Education and Training.

Kevin Tokarski noted the Group's appreciation of MTSNAC's acceptance to create this subcommittee to review and provide input for the maritime administrator and for the Secretary of Transportation to enable the completion of the required report to Congress.

The speaker noted that Congressional input or Congressional interest regarding this topic really drove this requirement for the Maritime Administration to establish a Workforce Working Group, with the paramount question being; "do we have a concern with the Mariners for the nation's dependence on sealift? Are there simply enough mariners?" The request by Congress stems from an apparent concern about a lack or confusing state of data on Mariners.

The first part of the report was the fundamental tasking by the "National Defense Authorization Act of 2017:

1. Identify the number of U.S. citizen mariners

2. Assess the Impact on the U.S. Merchant Marine and Maritime Academies if their graduates were assigned to certain maritime positions based on overall needs of the United States Merchant Marine
3. Assess the Coast Guard Merchant Mariner Licensing and Documentation System, and its accessibility and value to the Maritime Administration for evaluating the United States Citizen Mariners Pool.
4. Make recommendations to enhance the availability and quantity of interagency data for evaluating the pool of United States Citizen Mariners.

Maritime Workforce Working Group (MWWG)

Establish as a subcommittee of the U.S. Maritime Transportation System National Advisory Committee (MTSNAC) to complete this work. The membership of the group is comprised of 26-member stakeholders, and five subject matter experts are in Appendix A.

The MWWG held its first meeting in March 2017 which was primarily a forming administrative meeting, but also facilitated the drafting and determination of a guide terms of reference. In the April 2017 second meeting, several assignments were addressed: evaluating the pool of mariners, addressing issues with MMLD and quantifying mariner data. The Group received guidance from Congressional Staff to help clarify the congressional intent of the study in the May 2017 third meeting. This meeting guided the Group to finalize their Terms of Reference. And, the first round of input from stakeholders was received in late June.

The Working Group published a notice in the Federal Register announcing public comment on the Terms of Reference in July 2017 and received 13 Comments of which 12 Comments incorporated and 1 comment determined non-substantive. Comments were received from:

- American Maritime Officers
- American Roll On Roll Off Carriers Group
- Consortium of State Maritime Academies
- Crowley Maritime
- General Dynamics
- King Point Class of 1967
- Maersk Lines Ltd.
- Marine Engineers Beneficiary Association
- Marine Firemen’s Union
- Masters, Mates, and Pilots
- The Seafarers International Union
- TOTE

In August 2017 the MWWG had its final in-person meeting. A preliminary Report outline was distributed among MWWG members for comment to make sure the MWWG was proceeding in the right way. The MWWG received a lot of input/revisions from stakeholders and incorporated appropriate input. The Report was revised and redistributed in September 2017 for MTSNAC review.

Overview of Marine Manpower Working Group--Findings and Recommendations

1. Identify the number of United States citizens mariners

MWWG estimates that there are sufficient mariners working in the industry to activate the surge fleet if the entire pool of qualified U.S. Citizen Mariners identified by MWWG is available and willing to sail when required.

It is important to emphasize that merchant mariners reporting for duty are purely voluntary, there is no requirement on them to make sure they report when they are called upon.

2. Assess the impact on the United States Merchant Marine and the United States Merchant Marine Academy if graduates from State Maritime Academies and the United States Merchant Marine were assigned to certain maritime positions based on overall needs of the United States Merchant Marine
 - State Maritime Academy graduates who receive Student Incentive Payments (SIP) are obliged to serve when called upon.
 - Outside of those SIP students, the federal government has no legal authority to conscript students either before or after graduation.
3. Assess the Coast Guard Merchant Mariner Licensing and Documentation System (MMLDS) and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners.
 - MMLD Designed for issuing mariner credentials.
 - Until 2014 MARAD could process MMLD extracts to populate the Mariner Outreach System in MARAD and conduct mariner availability analysis.
 - Internal changes to MMLD programming within the USCG have prevented the processing of MMLD data within MARAD since 2014.
 - MARAD could use MMLD data for this report but only in its raw form.
4. Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.
 - Unanimous agreement that the MMLD must be replaced with a modern system that has good data analytics capability.
 - As an interim measure, some workarounds may be possible with changes in data coding practices and enhanced sea service visibility
 - System-wide limitations may impact USCG's ability to make interim changes

Status

Kevin Tokarski addressed questions from Chairman Mabry and members after the presentation. One member asked if there was “any consideration given, we find it difficult to get security clearances for the people on these vessels. Was there any consideration of somehow fixing that problem? It’s a very severe problem because we have ships that aren’t sailing because we can’t get security clearances.”

Kevin responded that this matter was discussed at length and that the report did highlight this discussion. The discussion stresses that not every mariner is equal, and all the types of requirements show that is a complex process.

Joel Szabat mentioned that the co-chairs, Kevin and Shashi have helped this bring this issue to within the maritime administration. This issue is a policy discussion that has been and continued to go on within the administration. There is a shortage, but a lot of folks question the numbers. The fact that there's a shortage. There is a difference in number reporting. The point that Joel is making is how to augment the shortfall of mariners. Where do you look at the pool of mariners? Joel believes extra mariners are out there and can be found if the administration can develop a program to augment that SSO Program with another way of identifying mariners (such as the government offering incentives for people who are sailing under their license to maintain their license). He stated, "The fleet has shrunk to a point today, the smallest international U.S. flag fleet since we recorded the data, that we can that we can no longer rely on that."

Mr. Tokarski added a comment to what Mr. Szabat had stated suggesting that one approach could involve military to mariner efforts to be able to identify retiring or departing military members and military services to help them get their credentials. But he cautioned that what would do they do with that credential, they may not have a job.

Other questions raised reminded the audience that MTSNAC is to work toward the modernization of the maritime workforce and inspire and educate the next generation of mariners. However, it appears tough to inspire folks when they look at the compensation and people are making \$30,000 or \$40,000 and the industry is saying there are great jobs to offer. In the opinion of the speaker, this doesn't equate to a very good job— \$30,000. It gets tough to inspire them when the official pay is so low. So, if that has not been addressed, it dearly needs to be."

Denise Krepp - EMR USA spoke of her experience in MARAD as Chief Counsel. She stressed to the subcommittee and audience that the details in the numbers are extremely important when reviewed by Congress. Her examples included relating the number of mariners equates to how many ships, what type of ships? If details are provided, such as: What are we looking at, Congress will have a better understanding.

Susan Hayman raised a question seeking clarification on the fact that there are those mariners that had been sailing out there who are probably shoreside jobs now but continue to maintain a license on some level maybe for continuity, but eventually meet the STCW in a matter of months and if there was a job available go back to sea again. Her concern is what data is there on what the pool is out there for a job for people.

Mr. Tokarski in responding to the question raised from the floor mentioned that the report, it does acknowledge that that situation exists, but there was no readily available way to identify that mariner pool, in terms of those who still have a valid credential and are working shoreside. Second, in terms of finding out the interest level in returning to work, the MWWG recommended having MARAD conduct a biannual survey. However, the information such a survey would seek should identify such areas of concern as: finding out from the pool those that aren't currently working, is there is a willingness, would they come back if there was a national need.

Dr. Kumar added that any strategy that is implemented to overcome the shortage must be focused on those individuals who probably left maybe within the last months or last couple of

years. Those individuals should be the first candidates to be augmenting the mariners that are available right now.

Luke Harden expanded on what Mr. Tokarski and Dr. Kumar discussed: He stated that he couldn't commit because they must go through the government procurement process to improve the database. He noted that if there was more interest in the credentialing information, there are the numbers that the Coast Guard arrived at as far as the number of persons holding credentials, which is slightly different because there may be a master working unlimited. He also noted that there is a pool of people who hold the credentials, that maintain their credentials, but are not sailing. He recognized that the database must be updated. But he reminded the committee of the challenge that the database is designed for credentialing, it is not designed for tracking mariners.

Chairman Mabry closed the session on Maritime Workforce Working Group stating that he now understands the request from Congress. Chairman Mabry further agreed after hearing and reading the Groups report that the maritime industry does have a pipeline issue. He recommended that the membership read the Report and their recommendations. He expressed hope that Congress recognizes the issue and that the resources are allocated to help address the issues. Chairman Mabry closed on an optimistic comment "I can tell you we won't solve it in here but what we can hope for is that we see the resources allocated to solve this as we move forward, so thank you guys for your leadership."

Chairman Mabry introduced the next item on the agenda the Marine Highway Subcommittee report.

Item 6: Review and Overview of Marine Highway Subcommittee

Daniel Harmon and James Pelliccio thanked the membership for the opportunity to present the subcommittees initial findings and recommendations. The subcommittee was charged with identifying opportunities and create an understanding of short sea shipping.

The subcommittee has recognized the significant barriers surrounding green highways, short sea shipping, that prevented the expanded utilization by new and traditional users. And, the committee has considered the potential gateway opportunities that could begin to apply practical solutions along with the development taking place in the natural progression of ultra large container vessels and the progression of gateway ports and smaller feeder ports.

The subcommittee identified stakeholders and the institutional barriers and noted the stakeholder identification varies from sections of the country. They also looked at regulatory, statutory and cultural resistance to the development of the marine highway. And, jurisdictional issues both on a national and regional basis. They looked at connectivity gaps, capacity constraints, and funding shortfalls both from a private sector and public sector, public and private sector priorities as it relates to the marine highway initiative. They identified key economic barriers. And, they looked at incentives and disincentives that are affecting the program. The common themes that were found are that are lacking in the initiative has been clear direction and ownership, comprehensiveness of the program.

Project prioritization- a paramount/key issue identified. These are common themes that interrupt the ability to move forward. A major finding was that no lead agency has really taken the

initiative for policy development or program oversight or regulatory authority. The U.S. Army Corps of Engineers, on the infrastructure and construction side, has the resources but those resources have often been focused and strained and focused on other areas. The U.S. Coast Guard, Customs Border Protections, states and local governments, the Inland Waterways, these agencies need to be organized and coordinated. Prioritize it in a way that facilitates making it real. And in the Working Group, a focus was the northeast, which elevated from theoretical thoughts and put it to practical use meeting with port authorities, EDCs, states and local DOTs, environmental protection groups as well as individual stakeholders at MARAD.

The subcommittee looked at funding options such as DOD, DHS, TIGER or FASTLANE. The committee researched other user programs and how they are working today such as Federal Highway (FHWA), FTA, FRA, and how they are approaching their transportation issues and MARAD's relationship to them and how cooperation with those individual agencies to help understand better, how to move this initiative forward.

The subcommittee has made recommendations. The first is to designate MARAD as the lead agency for domestic maritime transportation, prioritize infrastructure investment, better integrate maritime into National Freight Network or par with highways, rail, and air. The key learning from those agencies will help establish a strong base for the marine highway program moving forward. Ownership needs to take place for an initiative that may appear to be secondary, but will quickly come upon us in the future. An opportunity is to strengthen our ability to react to that, within our existing infrastructure, is very difficult.

The subcommittee stressed the importance of recognizing maritime transportation as an equal partner with other modes, taking the marine highway from the backbench and put it on a pathway for growth.

There are significant barriers, but all those barriers are manageable if they are put in order and a critical path of execution to prioritize marine highways as a significant substitute. The point that no lead agency for policy development program oversight or regular authority exists and funding is key.

Questions raised included: Did the committee have any consideration of autonomous driving equipment as far as integrating with other forms of modality?

James Pelliccio responded that what's more important is where this technology is put in proper order. So, what has been identified as an initial step before going on to the automated piece, which is a natural progression, is talking about those things that can facilitate the initial movement of goods closer to the natural point of destination, creating more efficient truck use, manned trucked vehicles putting more productive miles to work in the supply chain where there is a shortage of trucks and labor.

Joel Szabat added several comments: as our new administrator, Administrator Buzby, national maritime transportation strategy is one of his keys priorities were help from this group would be appreciated. The presentation of this sub-committee and the next one gets to the core of what the Administrator is looking for. "It's one thing to be treated as equals institutionally. It's another thing actually to be integrated into a national freight network and for it to be part of a

commercial solution to how congestion will be addressed and freight goods and movement going forward.”

Chairman Mabry introduced Gene Seroka, from the Port of Los Angeles.

Item 7: Review and Overview of Port Capacity Subcommittee

The subcommittee for Port Capacity is designed to address the Nationally Significant Gateways. Problem Statement number one outlined in this presentation dovetails into two white papers: maritime gateways in the United States either facilitate or impede economic growth and the need to dedicate effort to assess development and maintain the capacity to ensure the nation’s competitiveness, security and economic growth.

The objectives of this work for Nationally Significant Maritime Gateways are simply to identify those gateways, assess their capabilities, integrate potential funding approaches, and streamline the various regulatory processes. The factors for identifying the gateways revolve around four specific areas: market segments, resiliency for the country, the impacts that these individual gateways have both positive and negative, and how these gateways fit in to end to end supply chains evaluations.

The second problem statement revolves around technology defining challenges that could be solved or at least, overcome, by implementing connectivity opportunities between ports and their supply chain stakeholders. Also, the potential for involving ports and the Department's Intelligent Transportation Systems Joint Program Office research efforts, as well as identifying gaps in connectivity or information sharing that could also take advantage of emerging technology and are planning for in the future.

The intelligent transportation system program, is a joint effort between MARAD and the Federal Highway Administration Intelligent Transportation Systems Joint Program Office, which was formalized to leverage technologies innovations from existing IT applications researching innovative solutions, support challenges and develop new ITS tools for use in the maritime, port, and intermodal environments. The ITS JPO MARAD Program intends to use the foundational research to position state, local agencies, and port authorities to leverage opportunities contained in the Fast Act to implement ITS solutions for port-related challenges. The program will conduct research and prepare business case analysis for identified ITS solutions. The goal of this phase is to establish a foundational understanding of current and potential ITS solutions and to work with stakeholders to identify candidates for use in this analysis and for deployment as research moves into Phase 2.

The program will begin application of development work and high priority ITS solutions, which have been identified. Potential prototype research and development will begin. Preliminary procurement documents and any potential grant applications will be developed in this phase and locations will be evaluated for demonstration and deployment. Any institutional and policy issues will be identified and addressed. Continued outreach will be conducted to the program operators for buy-in and necessary successful deployment.

Phase 3 will involve the demonstration or initial deployment of developed ITS solutions for maritime usage. Other collaborative effects with existing and future projects will also be

determined, and evaluations conducted to see lessons learned and future replication of best practices. Knowledge and technology transfer will be undertaken as an ITS solution is expected to be deployable to various domestic maritime facilities such as ports, harbors, and other stakeholders. The business will be released to the public, and shared research efforts will also be put in place.

And, the next steps, following comments, feedback, and guidance will be to finalize the two white papers, develop a little more formal presentation, and in practical application, continue to work on the ITS topic.

Chairman Mabry then introduced the Education and Awareness Subcommittee co-chairs Kristin Decas and Richard Suttie.

Item 8: Review and Overview of Education, Awareness & Advocacy Subcommittee

Kristin Decas spoke of how the committee tackled this assignment, by building a roadmap and analysis of who else is faced with these types of challenges, outside of the maritime industry. Expert panels were created and interviews held with them and feedback requested. The inputs from those expert panels led to putting together the SWOT Analysis. The first session, the American Association of Port Authorities, the Intermodal Conference of the American Truckers Association, and the Transportation Institute provided feedback. Then, the next session, the New York Shipping Association, and the Waterways Council added their views, and General Kenneth Wykle, Presidents Emeritus of National Defense Transportation Association, provided his insight. And then the final session with Matt Paxton president of the Shipbuilders Council of America, American Waterways Operators and Broward County Metropolitan Planning Organization provided their opinions.

A lot of feedback was received, reporting on what's working what's not working and where there are opportunities, strengths, threats, and weaknesses that led to the SWOT analysis being populated. What are the tools that can be used so that MTSNAC is prepared to go in and advocate such as: get in front of people when you don't have issues, get them informed on your industry? The product building will be that of a unified voice as an industry, and hopefully get other cohorts and these other associations to team up and have a unified voice on those issues that are confronting our industry.

Chairman Mabry introduced the International Competitiveness Subcommittee Co-Chair, Anne Strauss-Weider.

Item 9: Review and Overview of International Competition & Global Trends

Anne Strauss-Wieder raised the point of concern and the main premise of the Subcommittee's charge -- Determine our competitive position and context. The Subcommittee decided to approach the charge in three ways -- a bottom-up analysis, a top-down approach, and a view of contextual issues.

From a bottom-up approach, the committee is asking the Maritime Administration (MARAD) to review the 50 freight state plans that are now being submitted to U.S. Department of

Transportation. Second, is the top down: A national vision of where “we” want to go. For context, the Subcommittee reviewed China's belt and road initiative as a competitor situation that should strongly consider.

The Subcommittee recommended a review of State Freight Plans, which are now being submitted by all 50 states to FHWA. The FAST Act requires that each state submit a freight plan to FHWA for review and approval to continue to receive freight funds. These plans contain the contextual material; they provide a list of priority projects and investment plans within the legislation and the guidance. The states were asked to consider maritime systems as part of the federal guidance provides. The review of these plans provided an opportunity to see what information not only about the general system but, what the priorities, and where does the MTS fit in with this. That provided a baseline; an objective one of what's happening, where the projects are. The MARAD staff, since were asked what are those MTS related investments that have been included in the freight plans. Look our system from that multimodal context that has been brought up before. Whether short sea mentioned? Where do some of the new technological advances come in, where does IT come in, where do environmental considerations. With this information, the subcommittee could report back to the full committee on what's being thought of at the state and local levels. A review of the State Freight Plans also will determine whether a consistent plan exists across states.

Then the top-down approach was also recommended by the Subcommittee. What is the vision that should be taken forward? There is a recognized need to reach out to the rest of DOT, as well as other relevant federal agencies, such as DoD, Department of Commerce and so forth to begin to create a vision of what this plan could be. What would a plan like this look like? And have the Maritime Administration staff begin the discussions and report back at subsequent MTSNAC meetings.

Moving to the context of China's Belt and Road Initiative, we researched and found it to be a very ambitious process that solidifies their position in terms of international competitiveness and supply chains. This is probably what should guide our work as well. Not only in terms of what they're doing, but also what we want to do. Similarly, MARAD is being asked to take the lead in formulating a competitive strategy. What does this mean in terms of our international competitive position? What is required to secure critical supply chains? And how to enhance those supply chains both for imports and particularly for exports, and then in terms of national defense. On this last point – national defense – it important to note that, per the US Geological Survey, the US is 100 percent import-reliant on 21 minerals, and 50 percent or more import-reliant on 51 minerals. Many of these are considered potentially critical for our industrial base, such as rare earths, gallium, graphite, iridium, tungsten, and others. Plus, several are highly concentrated in a few countries where the risk of a supply disruption is a concern. Beyond metals, other materials, such as unique botanicals, flora and fauna, produce, and organic resources contribute to strategic trade, generally, but importantly, are components for solutions and compounds used for pharmaceuticals and other important industrial chemicals – many of which are sourced from overseas.

Lisa Wieland asked if the subcommittee had a sense of what the freight plans will have in terms of a significant prioritization or investment in marine transportation systems that are maritime-related priorities since there is a current emphasis on highway/road focused.

Lauren Brand asked to respond to the question raised. She mentioned that MARAD has already made an agreement with the federal highway and that the strong ports team is reviewing every state freight plan. In fact, she called out the instance that caught her attention: the cover was a state, that you would not think of as being a maritime state, and their cover was, a map of that state with a link to the nearest port saying, this is our lifeline. The state of Nevada. The response to the team's review of the document is eventually forwarded back to the state, through the Federal Highway group with recommendations that the state is encouraged to reconsider.

A question from the floor brought the discussion into sharper focus. In recognizing a need to bring the cargo closer to the consumer, there have to be conversations with the Amazon's and similar consumer-based organizations on how they those needs.

Anne Strauss-Weider stated that it is a very important statement because it's the national vision and what may be in the state plans. Anne discussed the matter of supply chains, asking first what the demand is? What's shaping that demand? What do those customers need to be competitive in a global marketplace?

Second, is anything that affects the supply of freight services and within the MTS world that is first, multimodal, it involves short sea shipping, it involves, ah, various rivers, and deeply involves the deepwater ports. So, yes, very much so, from what you said. So that's the idea of beginning to have these conversations. Both within the Department of Transportation and the Department of Commerce has an advisory committee on supply chain competitiveness that has been looking at these subjects. So, bringing organizations like that into shaping that vision of what we need to occur.

Jim Pelliccio offered a comment by noting that one of the things learned from the dialog is that the supply chain is being changed dramatically. The requirement now is to meet the needs of inventory that's moving quicker to consumers. There has to be a rethink about how cargo is positioned. Value of goods, the weight of goods, commodity, hazardous materials that drive speed. That's what's going to change the BCOs mind about who pays. Because if the goods do not reach the consumers faster, when they want them, and the condition they want them, then you're not going to be selling, and you're not going to get paid.

Lauren Brand interjected to comment on the extremely thorough and very energetic work each subcommittee has accomplished She clearly expressed her appreciation of the MTSNAC membership and identified a thread that ties each of the topics together, and while each subcommittee can stand alone and is doing excellent work, it's going to be the challenge of the committee to thread these thoughts together into recommendations that go forward into the administration and the department. Lauren set February 2018 as a time when the MTSNAC subcommittees should set an aim to provide a full briefing to the Administrator.

Item 10: Public Comments

There was no Public Statement to be made for this morning as the MTSNAC did not receive any notifications from any members of the public that they wanted to make comments.

Item 11: Break for Lunch

Chairman Mabry adjourned the meeting for lunch.

Item 12: Breakout Sessions (Not recorded)

Item 13: Report Out to Chair

Chairman Mabry open the afternoon session with a request for the report out stemming from subcommittee interaction earlier in the day. He asked that during each subcommittee report out that each subcommittee is ready to move forward with recommendations for the committee to adopt.

He asked the Marine Highway Subcommittee to present their next steps.

Daniel Harmon reported that while this subcommittee had identified a case study for further impact analysis, the subcommittee is looking at recommendations that are policy related, much more to MARAD and even to Congressional level. The subcommittee set as their next steps as to strengthening their white paper for future committee review. However, the subcommittee stressed the importance of the research being tested, the need to make it real. The research/case study frames must be ready to answer a barrage of questions. There is a recognized need for full credibility of the proposal.

Chairman Mabry confirmed with the subcommittee they want to continue to work on their recommendations.

Chairman Mabry asked the Ports Capacity subcommittee for their report out. There was a consensus among subcommittee members that their report was relatively strong as prepared, but they did some wordsmithing, added a couple of appendices and realign several paragraphs. The subcommittee will circulate the draft report among its members for further comment prior to forwarding it to the MTSNAC Chair for his distribution to the general membership. The subcommittee suggested that there being no questions from the membership, there would be a scheduled electronic vote with revisions being made prior to submission/presentation to the Administrator and to the Secretary.

Kristin Decas reported out that the Education and Awareness subcommittee put together a framework for their white paper around the core focus areas that were presented earlier in the day. Their further analysis would rely upon the SWOT Analysis to inform their report findings and speak to priorities of the administration; how outreach, advocacy, and education can be a primer to help leverage the push out and roll out of that document. The subcommittee will convene again to set up other meetings; when subcommittee members will be assigned tasks to contribute toward the white paper. They have targeted the next full MTSNAC meeting tentatively scheduled for February 2018 when they anticipate coming forward with robust recommendations for full membership consideration

Chairman Mabry asked Anne Strauss-Weider, co-chair of the International Competition and Global Trends subcommittee for her subcommittees report out. The subcommittee was prepared now to move forward with their earlier presentations for full committee consideration and vote

today. The subcommittee reported they have three recommendations ready for a full committee vote and some tasks for the other committees to tackle.

The first recommendation from this morning relates to the freight state plans that are being put together and provided to FHWA for review and approval. The subcommittee recommended (as a directive) that the Maritime Administration and staff review the plans and report back to us and other relevant groups on the following items: the locations and types of MTS related investments that have been identified as priorities, the state views of the MTS within a multimodal framework and how it works within the state levels economies and freight systems. The subcommittee identified some of the questions that should guide the MARAD staff in preparing their answers, such as: what “we” know about innovation, key commodities, so forth. And, if the other subcommittees have other questions or desired information.

The second recommendation relies upon a top-down approach to creating a National Freight Master Plan. The subcommittee is requesting Maritime Administration staff to advance the discussions within U.S. DOT and other agencies, such as: DoD, DoC, others, to coalesce the group needed to move forward on the idea of developing a freight master plan, and, similarly the subcommittee is requesting MARAD’s staff to report back to on those conversations to for use in guiding the committee in a direction toward advancing them.

The third recommendation that the subcommittee put forward is to mirror the Chinese approach as a competitive strategy; One belt, One road. The subcommittee again raised questions for MARAD staff to research and report back on, such as: what is the U.S. version of one belt, one road, and how does MARAD (the US) respond to China’s efforts in this regard? The subcommittee is tasking MARAD staff to take a leadership role in formulating a multi-agency, multimodal competitive strategy, and advance discussions including what are the considerations, the approaches, and actions on three areas. One is international competitiveness; second is protecting and securing and enhancing supply chains; both in terms of imports and exports, and most importantly, the national defense as well.

Chairman Mabry asked for questions and having received no questions asked for a motion to adopt these recommendations?

Joel Szabat requested to make a comment before the motion is accepted. He expressed a point of clarification regarding the context and language of the subcommittee recommendations. Specifically, he referenced recommendation 3 probably would not be appropriate for MARAD specifically, to take a lead role if we’re trying to bring in other federal agencies outside of DOT. His opinion is that should be a Department of Transportation function, but it would be a maritime administration’s job to work with the rest of the department and get the Secretary on board and ensure that we take charge of this and try to do that. He stated that would be MARAD’s commitment to the committee. He stressed that the need for other agencies, such as Treasury and the Commerce Department and the State Department, are going to follow the committee’s lead.

Chairman Mabry, brought the motion back to the membership, and the motion was passed with no objections noted.

Chairman Mabry Mike Mabry then asked for a motion for Consensus Agreement on the MWWG Report.

Item 14: Motion for Consensus Agreement on the MWWG Report

Dr. Shashi Kumar, Deputy Associate Administrator and National Coordinator for Maritime Education and Training, reported that during the breakout session the committee discussed a point raised from one of the members to delete one paragraph from one of our appendices, Appendix, K. This was worked out, so Appendix K will go, Appendix L will not be there, the rest of the report remains the way it presented. Dr. Kumar noted that there was unanimous consent as to the contents of this report and that the recommendations are summarized in the Executive Summary. There being no questions for Dr. Kumar and his committee members, Chairman Mabry, asked the MTSNAC members to approve the Working Group's recommendations?

There being unanimous consent, Chairman Mabry noted that the Recommendations as presented were approved.

Item 15: Way Ahead

Chairman Mabry turned the floor to Joel Szabat, Executive Director.

Joel Szabat briefly described his thoughts on the way ahead that the MTSNAC membership should follow in the next few months. He believes that the membership has reached the consensus that they should provide/have a briefing here with the Secretary and the Administrator. He expressed confidence that both the Administrator and the Secretary are very interested in the findings of the MTSNAC membership and that meetings could be arranged for appropriate presentations. He further commented that the format for such presentations should be firmly developed and that include having all subcommittee reports finalized as amended and approved. Joel suggested that ideally, all MTSNAC members should be present for the presentations and that the presentations should be a maximum of one hour to cover all the briefing material from all the subcommittees and allow time for questions. He further described that the management approach of the Administrator and the Secretary are extremely different and warned of the importance of having the presentation tightly "molded" to ensure total understanding of both officials. Joel then asked the membership back when they think the right time when they are prepared to suggest a window of a few weeks, one way or another or what month.

Lauren Brand raised a process question of the four subcommittees now that the Working Group had finished their job. She suggested that two subcommittee reports could be ready before February and two after February, asking, "Can we have the two before February meet? And do the presentations?"

Joel Szabat challenged the membership to prepare two presentations. He sketched out a scenario/recommendation that included: two presentations (all subcommittees before the Administrator) and then all four subcommittees go in and brief the Secretary. Joel concluded his remarks with caution to the MTSNAC membership on a concise format presentation of information.

Chairman Mabry, Mike Mabry accepted the challenge on behalf of the membership and suggested as a follow-up to this meeting to arrange a conference call with the subcommittee members and kind of walk through Joel's suggested approach that and provided Joel with appropriate feedback.

Joel Szabat also added further insight on understanding the priorities of the Administrator.

Chairman Mabry, Mike Mabry thanked Joel Szabat for his engagement, feedback, insights, and clear direction to the committee.

Item 16: Public Comments

Chairman Mabry asked the DFO asked for public comments. Mrs. Denise Krepp, formerly Chief Counsel with the Maritime Administration expressed her experience with earlier attempts to achieve a meaning for Maritime Strategy, through several Administrations and she expressed great admiration with the recent successful actions of the MTSNAC membership, stating ...” What you have done today is phenomenal. You’ve just tasked MARAD with looking at something. You have given stats out.”

Item 17: Closing Remarks and Adjournment

Jeff Flumignan informed Chairman Mabry that business for the day had been concluded. Mr. Mabry thanked everyone for attending the meeting and asked for feedback on the meeting format. Mr. Mabry then announced that likely a fall “virtual” 2017 meeting would be called at TBD. Chairman Mabry entertained a motion to adjourn and the meeting was adjourned at 2:30 p.m.

Certification and Approval

I hereby certify that, to the best of my knowledge, the foregoing minutes are accurate and complete.

Mike Mabry

Joseph M. Mabry
Chairman, Maritime Transportation System National Advisory Committee
November 28, 2017

Appendix

- Appendix A - Transcript of meeting
- Appendix B - Subcommittee Presentations
- Appendix C - Meeting Agenda
- Appendix D - Approved By-Laws
- Appendix E - Maritime Workforce Working Group Report

U.S. Maritime Transportation System National Advisory Committee

Public Meeting
Department of Transportation - 1200 New Jersey Avenue, SE
Washington, DC 20590

September 27, 2017
9:30 a.m. – 2:30 p.m.

Jeff Flumignan called the meeting, then handed over to the Chairman for a call to order.

Item 1: Welcome and Comments from the MTSNAC Chairman

(Mike Mabry) Good morning, everyone. Welcome. I officially call this meeting to order. It's been a while since we met, almost a year, so I know a lot of groups, the subcommittee recommendations together. So, I look forward to hearing those today and having some robust discussions around those, and hopefully, we can get a line of a good set of recommendations to take by the end of the meeting, so looking forward to that.

(Jeff Flumignan) Well, thank you, Mike. We have just a couple other administrative items. Today is a very special day in the history of the Merchant Marine, and we have a nice picture on the screen of an event that happened 75 years ago today, in the middle of the South Atlantic where there was a pitched and violent battle, and one person, among many, made the ultimate sacrifice. This is the citation from the award made by President Roosevelt of the Merchant Marine Distinguished Service Medal to Cadet Midshipman Edwin J. O'Hara for his action that day. He single-handedly rushed to the front of the ship manned the gun and fired continuously into the German ship that was shelling the merchant ship, SS Stephen Hopkins, and he was mortally wounded but not without putting enough shells in the German ship to eventually sink it as well. So, when we think about the sacrifices of the merchant marine, think about this and without further ado, well get ready and take the roll call.

I have one other announcement to make. This meeting is being held pursuant to a notice published in the Federal Register on September 13. The topics of the meeting were announced in that notice with details in the agenda handed out today. You each have a package. I am the designated federal official responsible for compliance with the Federal Advisory Act, in which this meeting is conducted. It is my responsibility to see to it that the agenda is adhered to, and that accurate minutes are kept. I also have the responsibility to adjourn the meeting if I find it necessary to do so in the public interest. Placards for the MTSNAC Members are set out on designated the tables. Only those members may participate in any committee discussions and vote on matters put to for vote by the Chair. The meeting is open to the public, and members of the public may address the MTSNAC with permission of the Chair. The Chair may entertain public comment if, in his judgment, doing so will not disrupt the orderly progress of the meeting and will not be unfair to any other person. Members of the public are welcome to present written material, at any time. We have a couple of other housekeeping items, and for that, I'd like to ask Lauren to update the committee on our travel policy going forward.

(Ms. Lauren Brand updated the committee on travel policy going forward.) Unfortunately, due to conservative fiscal measures being taken now, we are unable to support the travel costs and per diem costs for every member of this august committee. I want to thank you for coming here on your steam, and thank you for your commitment to remaining on the committee. Should anyone decide that this provides an undue burden and that they are unable to support these efforts and

travel here, at your own cost, please let Jeff Flumignan, know as soon as possible. Unfortunately, we will not be able to reimburse you for today's costs. Now those who step into leadership positions, take on, even more, workload beyond your daily workload and so we do have a small budget and are able to support the travel and per die costs for the committee chair, the vice chair, and for the co-chairs of the subcommittee, but that is the limit of our budget. So, if anyone would like to talk to me about this, I'll be here all day today, please accept our apologies. Thank you for your past service, thank you for your future commitment.

(Jeff Flumignan) Thank you, Lauren. At this time, I'd like to call the roll. I'll call it alphabetically.

Gary Adams? Here.

John Baker?

Richard Berkowitz? Here.

Robert Berry? Here.

Molly Campbell?

Vanta Cota? Here.

Kristin Decas? Here.

Greg Faust?

Peter Ford? Here.

John Graykowski? Here.

Bill Hanson?

Dan Harmon? Here.

Susan Hayman? Here.

Jared Henry? Here.

Tim Hinckley?

Captain Jenkins? Here.

Lynn Korwatch?

Jim Kruse?

Gary LaGrange? Here.

Mark Locker? Present on the phone.

Gary Love?

Griff Lynch? Here.

James Lyons?

Chairman Mabry? Here.

Jim Pelliccio? Here.

Bill Pennella? Here.

Torey Presti? Here.

John Reinhart?

Jonathan Rosenthal? Here on the phone.

Gene Seroka?

Scott Sigman? Here on the phone.

Karl Simon? Dennis Johnson on the phone for Karl Simon.

Anne Strauss-Wieder? Here.

Richard Suttie? Here.

John Townsend? Here.

Margaret Vaughan? Here on the phone.

Thomas Wakeman?

Robert Wellner? Here.

Tom Wetherald?

Lisa Wieland? Here.

Brian Wright? Here.

And now I'm going to call roll for the Maritime Workforce Working Group. Do I have a representative for CMTS on the line? Do we have representatives for MERPAC on the line? Mr. Scott Dilisio, OPNAV42? Here. A representative from RESFOR? A representative from the Coast Guard? Luke Harden? Here. Military Sealift Command? Merchant Marine Academy? Yes, Shaun Tatora on the phone. (Jeff) Thank you, sir. Maine Maritime Academy? Massachusetts Maritime Academy? John Dooley on the phone. (Jeff) Thank you, sir. Maritime College? Colleen Stroud on the phone. (Jeff) Thank you. Texas A & M? California Maritime Academy? Great Lakes Maritime Academy? Scott Burbank on the phone. Mr. Don Marcus for Master, Mates, and Pilots? Here. Is Nils here for MABA? Here. (Jeff) Thank you, sir. Christian Spain for AMO? Here. Bart Rogers for Seafarers? Marine Fireman's Union? Sailors Union of the Pacific? And we have Owners Representatives from U.S. Flag Fleet for Coast Wide Trades. Crowley Maritime- Tori Presti, Susan Hayman and for International Fleet, we have Jared Henry and Bob Wellner. Subject matter experts- Adam Yearwood. Do we have representatives for TRANSCOM on the line? Army Transportation School, Lisa Barbour? Here. And Polar Tankers, Captain Bullera? Captain Prada from Chevron?

(Jeff Flumignan) Is there anyone else on the line which I did not call who may be on the MTSNAC or Mariners Workforce Working Group?

Jeff, I don't know if you got me. Beth Rooney for Molly. (Jeff) Got you for Molly. Thank you. (Beth) Thank you. Gary Brown (Jeff Flumignan) I got you.

That concludes the roll call. Thank you, Mr. Chairman. I'll turn the meeting back to you for comments by the Executive Director.

Item 2: Welcome and Comments from the Executive Director

(Joel Szabat) Jeff, Mike, thank you both very much. Joel Szabat, Executive Director of Maritime Administration. Welcome to the first meeting of the Maritime Transportation System National Advising Committee under the reign of our new administrator, whom many of you had a chance to meet last night. Mark Busby, Administrator Busby, was delighted to have a chance to meet with you at the reception last night, regrets that he cannot be here today. But did want me to pass on some of his priorities as we discussed this meeting and as we have this discussion going forward. You are previously charged with making recommendations on a range of topics. This included impediments to short sea transportation, expanding international gateway ports, using the waterborne transportation system to increase mobility domestically modernizing the maritime workforce, strengthening our maritime capabilities, and encouraging maritime innovation. During the meeting today, you'll be asked going forward, to help to comment or make recommendations on high-level policy issues, to elevate the marine transportation system encourage national economic growth, and ensure the nation has an efficient and accessible maritime transportation system. That was the sort of call to arms when the first MTSNAC was established. So, this meeting will build upon the work you've already done to help us develop the national maritime transportation strategy. You'll recall, we had a great deal of progress in the last administration. This will be going forward, a priority for Administrator, Busby. Where we ended up at the last administration was a draft proposal, a strategy was put together. It was circulated, it was commented upon by MTSNAC members. However, it was not cleared. The interagency process in the department by the last administration, so it was withdrawn for the political leadership of the new administration to have a crack at it as well. So, to give Administrator Busby a little breathing space, he's only been here a month, we've had three hurricanes and a few other events that have come up. But going forward, he's going to want to re-engage with you on this. So that's one of the first heads up on where we are going. We have a bunch of other priorities.

Other key priorities, is increasing the size of the U.S. flag fleet, to ensure there are enough ships, and reverse the decline of qualified available mariners, so that we can ensure there are enough ships and qualified mariners to meet our national security needs. Especially with the sealift responsibilities of the maritime administration. Ultimately, we will incorporate your feedback and recommendations into action items that will address our nation's maritime transportation system needs for these priorities and across the board for other areas that you have been working. I am pleased you are attending today's event and having an opportunity to listen and learn from you. I am joined today by many of the senior career officials, and leaders of the maritime administration, including to my right, two of the four heads of our four policy offices, Lauren Brand and Kevin Tokarski and there are others here today. I look forward to a productive meeting. As always, if you have any questions and need further clarification or have particularly difficult questions to address, don't turn to me, call Jeff Flumignan. Mr. Chairman— Thank you, Joel. I heard more people clicking in on the line. Do you want them to announce themselves? (Addressed to Jeff Flumignan)

(Jeff Flumignan) Yes, thank you, Mr. Chairman. Those folks that may have joined on the line if they'd like to announce themselves, I would appreciate them doing so. I think some of the call-in sounds were dropping off a previous phone call. (Mike Mabry) Ok. Good, good. (Jeff Flumignan) Thank you.

Item 3: Discussion of MTSNAC by-laws

(Mike Mabry) Next on the agenda is to talk about the MTSNAC by-laws. They were introduced last October. You should have a copy in your package. Does anyone have any comments that they would like to share about the by-laws? Jeff, this is something that we are required to renew.

(Jeff Flumignan) Yes, we presented the by-laws at the meeting in St. Louis, and you may recall we tabled the motion for approval by the members because we had just received a version of the by-laws that had been updated our counsel and we wanted to give you time to review those. We put them in the "Read Ahead" package. If anyone has any comments about them, if there is anything that they find objectionable or otherwise, then Mr. Chair, I'd ask for a motion to...

(Mike Mabry) Any discussion of the by-laws from the committee?

(Margaret Vaughan, via phone) The only question that I have is that there is a note in there that we are supposed to meet three times a year, and I don't know whether or not the meetings of the sub-committee constitute running it through the by-laws.

(Jeff Flumignan) Ok, Margaret. Thank you. If I understand your question correctly, I think you asked there is a statement in there that suggests that you should meet three times a year. That's congruent from our Charter. Our Charter suggests that we meet three times a year, but operationally, organizationally, financially, it might be a bit difficult to do that but the intent is we would meet three times a year, and I think in the future, very shortly after this meeting, I intend to put together a doodle poll to seek members input on a full year calendar of meetings so that we can establish the best and worst weeks for folks to meet and have a conference call and agree to schedule for MTSNAC going forward.

Item 4: Motion for Consensus Agreement of MTSNAC by-laws

(Mike Mabry) So, any other comments? So, do I have a motion to adopt the by-laws? So, moved? Second?

(Member) Second

(Mike Mabry) All those in favor say, aye.

(Members respond) Aye.

(Mike Mabry) Anyone not in favor? Hearing none. By-laws are adopted.

Item 5: Review and Overview of Marine Manpower Working Group

(Jeff Flumignan) That brings us to Agenda Item 5, which is a report from the Maritime Workforce Working Group. I'd like to introduce our Associate Administrator for Sealift and if I could have his presentation brought up.

(Kevin Tokarski, Associate Administrator for Strategic Sealift Co-Chair of this Working Group along with Dr. Shashi Kumar, who is our Deputy Associate Administrator and National Coordinator for Maritime Education and Training.)

(Kevin Tokarski) So, Shashi and I both co-chaired this opportunity. I'd like first to appreciate the MTSNAC's acceptance by the Chair to create this subcommittee to provide our review and input for the maritime administrator and for the Secretary of Transportation to enable the completion of the required report to Congress. I'd also like to thank the significant work effort that was done by the larger team of both MTSNAC members as well as subject matter experts and our federal partners to provide, in my view, one of the best consolidated reports regarding a key issue of mariner manpower sufficiency in such a short order of time, as well and that wasn't by Shashi and myself, but that was by the larger team that put effort into that and significant comments, and likewise, we appreciate additional comments from the MTSNAC Committee. Congressional input or Congressional interest regarding this topic really drove this requirement for the Maritime Administration to establish a Workforce Working Group. Now the question was, do we have a concern with the Mariners for the nation's dependence on sealift. Are there simply enough mariners? And frankly, I think the Congress here said we hear numbers all over the place. Come give us a report on what the findings of the committee are. So, from hearing there are 200,000 mariners to actually seeing the members in the report, that's really helped to close the gap, and I think really it exquisitely defined the mariner base for us. Shashi and I are going to do this briefing together here. The first part just to quickly review what was the fundamental tasking by the National Defense Authorization Act of 2017 and they gave us a year to complete the report to Congress. And there's really four tasks in here.

1. Identify the number of U.S. citizen mariners
2. Assess the Impact on the U.S. Merchant Marine and Maritime Academies if their graduates were assigned to certain maritime positions based on overall needs of the United States Merchant Marine
3. Assess the Coast Guard Merchant Mariner Licensing and Documentation System, and it's accessibility and value to the Maritime Administration for evaluating the United States Citizen Mariners Pool.
4. Make recommendations to enhance the availability and quantity of interagency data for evaluating the pool of United States Citizen Mariners.

Mariner Workforce Working Group (MWWG)

- Establish as a subcommittee of the U.S. Maritime Transportation System National Advisory Committee (MTSNAC) to complete this work.

The membership of the group is comprised of 26-member stakeholders and five subject matter experts.

Chaired by MARAD

- Needed to be in consultation with committee on the Marine Transportation Systems (CMTS) and the Coast Guard Merchant Marine Personnel Advisory Committee (MERPAC)
- U.S. Coast Guard, by Admiral Paul Thomas, the Assistant Commandant that advised this – his staff
- Three-member organizations from the Navy including the commander of Naval Reserve Forces. Military Sealift Command and the Strategic Sealift Division with the Navy and OP and 42.
- Six labor organizations
- Six State Maritime academies plus U.S. Merchant Marine Academy.
- Five Owner representatives of the U.S. Flag Fleet for Coastwise and International Trade
- Five subject matter experts
- DOT Bureau of Statistics

March 2017

- First MWWG Kickoff Meeting at DOT Headquarters required in the first 60 days and was held March 10, 2017. It was just an administrative forming meeting, but it allowed us to look at and draft and determine the terms of reference are for some fundamental questions, such as:
 - Who is a U.S. citizen mariner?
 - What are the industry standards and typical crewing practices? Related to rotational factors for mariners
 - What are the necessary USCG qualifications for a mariner who would sail on ships activated during a national emergency?
 - What would additional caveats limit qualification, including medical requirements and specialized DoD requirements where applicable?

So, that was the March meeting. In April 2017

- There was a second meeting of the MWWG at DOT Headquarters in Washington, DC.
 - Began addressing the first two assignments tasked by the 2017 NDAA 3717 Statute.
 - We began evaluating the pool of mariners, addressing issues with MMLD and quantifying mariner data.
 - Impact on the U.S. Merchant Marine and the Academies if their graduates were assigned to or required to fill certain maritime positions based on the overall needs of the U.S. Merchant Marine.

In May 2017

- Our third meeting at U.S. DOT Headquarters in Washington, DC
 - Received Guidance from Congressional Staff to help clarify the congressional intent of the study.
 - It allowed them to finalize their Terms of Reference
 - Result: First round of input from stakeholders received in late June

In July 2017

- Federal Register issued in July announcing Public Docket for public comment.
- Public Docket open from July 11-31, 2017
- 13 Comments received
- 12 Comments incorporated/1 comment non-substantive
- American Maritime Officers

- American Roll On Roll Off Carriers Group
- Consortium of State Maritime Academies
- Crowley Maritime
- General Dynamics
- King Point Class of 1967
- Maersk
- Marine Engineers Beneficiary Association
- Marine Firemen's Union
- Master Mates and Pilots
- The Seafarers International Union
- Tote

(Dr. Shashi Kumar) Good Morning, everybody. So, following up on where Kevin left off, public docket ID opened. We received 13 comments from various stakeholders listed over there. All the comments- all the substantive comments were incorporated into the report that we drafted. One particular comment was not particularly substantive part of the Appendix.

So, you can see all the comments within the document.

August 2017

- We had the final face to face meeting of the MWWG.
- At that time, we had a preliminary report outline distributed for comment to make sure we were proceeding in the right way.
- We received a lot of input/revisions from stakeholders and incorporated late August
- Report revised and redistributed on September 13, 2017, with one week for additional comments
- All additional comments reviewed and final draft ready for transmission and MTSNAC review on September 22, 2017

Item 5 Review and Overview of Marine Manpower Working Group

(Dr. Shashi Kumar) Findings and Recommendations

- Findings of 3517 D (1)
- Identify the number of United States citizens mariners
 - MWWG estimates that there are sufficient mariners working in the industry to activate the surge fleet if the entire pool of qualified U.S. Citizen Mariners identified by MWWG is available and willing to sail when required.
 - The MWWG estimates that **11,768 qualified mariners** with unlimited credentials as described above are available to crew the ready reserve fleet.
 - Concurrent operations of the commercial fleet and sustained sealift that demands crew rotation will demand a total of **13,607** mariners with unlimited credentials.
 - There is an estimated deficit of at least **1,839** mariners with unlimited credentials assuming of all those mariners being available and willing to sail.

Again, based on the assumption that all mariners are willing and available when called upon. It is important to highlight or emphasize that because merchant mariners reporting for duty are purely voluntary. There is no requirement on them to make sure they report when they are called upon.

So, this figure sort of summarizes our findings. The normal operations were all right. The initial activation of the third fleet. Again, we are ok because we have 11,768

mariners. This is what's required to activate a fleet—11,678. You can see the margin is very little there. Within a few months, 3 to 4 of activation, you are going to run into difficulty in terms of rotating the crew. That's why the color changes from amber to red in a very short time. MARAD we have sufficient funding to comply with National Security Directive number 28, which is to support the sail of fleet supply of mariners, so on so forth.

- **FINDINGS: 3517 D (2)**
- Assess the impact on the United States merchant marine and the United States Merchant Marine Academy if graduates from State Maritime Academies and the United States merchant marine.
 - State Maritime Academy graduates who receive Student Incentive Payments (SIP) are obliged to serve when called upon
 - Outside of those SIP students, the federal government has no legal authority to conscript students either before or after graduation

Findings for the second assignment from Congress, which was to assess the impact on the United States Marines and the Merchant Marine Academy and if the graduates from the State Academies and U.S. Marine Academy were assigned to or required to fulfill certain maritime positions based on the overall needs of the U.S. Merchant Marines. We, the committee felt this tasking was somewhat unclear. This question could have been phrased a lot better. For example, it doesn't ask about what is the impact on the State Maritime Academies if you are to do this. We believe we received some guidance from the Congress from the staffer who was able to participate to join us in July. He gave us some suggestions and based on that; these are some of the findings that we have. So, as you may know, the students from the State Academies who receive a SIP payment (Student Incentive Payment). They have an obligation to serve. In return for the funds, they receive from the federal government. Likewise, Kings Point graduates, the U.S. Merchant Marine graduates, they have an obligation to serve. However, the other graduates of State Maritime Academies, there is no requirement on them, to report when they are called upon. So, outside of these six students, the federal government has no legal authority to conscript students as and when required.

- **FINDINGS: 3517 D (3)**
- Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners.
 - MMLD Designed for issuing mariner credentials
 - Until 2014 MARAD was able to process MMLD extracts to populate the Mariner Outreach System in MARAD and conduct mariner availability analysis.
 - Internal changes to MMLD programming within the USCG have prevented the processing of MMLD data within MARAD since 2014
 - MARAD was able to use MMLD data for this report but only in its raw form

Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners. It should be made clear that the MMLD was designed based on

the 1990 architecture. It was not meant for high level, complex data analytics. It was really used for issuing mariner credentials and does very well. It does a good job issuing mariner credentials. In terms of finding out what we want to report to Congress, or to report to TRANSCON, it doesn't do much. The way the process works, they receive a data extract from the MMLD which we then decode using the mariner outreach system which is our database to find out things such as how many mariners are out there, or a particular category. Starting from the year 2014, early 2014, we have not been able to do that using our MOS system because the coding practices within the U.S. Coast Guard changed around that time. So, how MARAD was able to use this data as of now, how do we use it right now? It's very much in the raw data form. We can get information such as the mariner's whereabouts what's their address, we can update all those things, but we cannot query this database to find out the data elements that we want to do our data analysis.

So, what are some of the recommendations from our side? Based on all of this and the tasking from Congress? There is a unanimous agreement within the committee that U.S. Coast Guard must get MMLD database. Which has all the capabilities and all the bells and whistles and which can do all the wonderful things that we want it to do? As an interim measure, we can do some workaround things such as changing some of the coding practices by U.S. Coast Guard. However, we know it's a heavy lift for the Coast Guard. We don't know if it's feasible. There are some system-wide limitations, once again, because of the vintage 1990 kind of architecture that has gone into this.

- **FINDINGS: 3517 D (4)**
- Make recommendations to enhance the availability and quality of interagency data. Including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.
 - Unanimous agreement that the MMLD must be replaced with a modern system that has good data analytics capability.
 - As an interim measure, some workarounds may be possible with changes in data coding practices and enhanced sea service visibility
 - System-wide limitations may impact USCG's ability to make interim changes

Current Status

Once this work is done, we the members of the MWWG will be disbanded; once the MTSNAC process is complete. I do want to join Kevin as well in thanking all the committee members for all their work and contributions.

(Kevin Tokarski addresses questions from the chair and members) After the presentation, the floor was opened to questions. One member asked if there was "any consideration given, we find it difficult to get security clearances for the people on these vessels. Was there any consideration to somehow fixing that problem?" It's a very severe problem because we have ships that aren't sailing because we can't get security clearances." Kevin responded, "that was discussed at length, in terms concerning the regard of the time it's taking. Clearly the efforts were identified for some of the positions on certain vessels do require security clearances, and we know there is a significant backlog that is preventing that, but this tasking that we had for this group did not get into that because that wasn't part of the formal tasking on the NDA, but it clearly is an issue. I'd just like to reiterate that kind of the underpinning is that this report if you read it very carefully, it makes very good definition for the Congress in terms of not every mariner is equal and all of the requirements for the types of ratings, specialties and skills and in that shows you that it really is a complex process, and that fundamentally, we have to have mariners that are actively sailing and

working in the industry and a collective group to be able to come up with a consensus on what does that look like and how do we use that information. MMLD does not track that information with any real-time accuracy in terms of who's out there actively sailing today? And that the third part is we need everybody. And so, a large-scale activation is going to have a significant impact on all of our companies that employ mariners.

The gentleman member in the audience responded, "It's become a very serious problem for activation, and it will affect our military preparedness if we cannot staff these vessels."

Another question came from John Graykowski. "Were you able to segregate or develop an age profile out of that 11,000 because it sounds like a lot of people, but a lot are my age or beyond and how many have SCCW status and how long have they been on the beach and how long and what is the process?"

(Dr. Shashi Kumar responded) "Going back to age. We have some data on what is the average age, but that was not specifically part of our assignments, so we didn't dig deep into it,"

(Mr. Tokarski interrupted Dr. Kumar to let him know they did have the age data) So Dr. Kumar said they did have information, but he wouldn't see it in the report. Dr. Kumar addressed the second part of the Mr. Graykowski's question regarding the STCW, said, "all these people that we have identified, these are people who current STCW credentials and medical clearances." (Blonde women at the end at the right asks presenters, how are we going to do things differently? The presenters have Joel Szabat, address her question)

(Mr. Szabat) "Kevin and Shashi have very much helped this discussion within the maritime administration. Your question is right on point. This has been a policy discussion that has been and continued to go on within the administration. One of the challenges we had, exactly to your point, is for a lot of folks would question our numbers. The fact that there's a shortage. They would point to the Navy Strategic Sealift Officer Program. You say that there's a shortage of 1,800 mariners. The SSO has 2,300 mariners; the problem is solved. So, we had to dig into those numbers and be able to walk back to those critics and point out that the vast majority of those people in the SSO program are already actively sailing. They are part of the pool. From our perspective, when there is a full activation, you're talking about you have the commercial industry and military at the same time, it doesn't help us if we pull ships, pull mariners off MSFP ships who are SSOs and putting them on our ready reserve ships, search fleet ships because then we have to replace the commercial fleet. And if you look further into that, you will find that those not actively sailing, many of the billet that they have in the SSO program are earmarked for very necessary mariner positions within the navy, but not positions that support the sealift fleet. So, what we've been talking about, is how do we augment that. Where do you look at the pool of mariners, people who are out there right now? The example I like to give is that since 2012, we've lost 25 ships that were sailing under the U.S. flag internationally. There were 25 more in 2012 than there is today. Well, the 1,000 mariners that commanded and crewed their ships didn't just go away. Some may have retired, but the vast majority are still sailing. Many of them are probably sailing under their credential. Smaller vessels, so they don't have the incentive to keep active the credentials they had before. So, a program where you had to augment the SSO Program, which is valuable and don't get me wrong, I don't want to undercut this program, it's an essential program because as Shashi pointed out in his presentation, we rely almost entirely on volunteers to come out of the Merchant Marines and crew our vessels. The exception for that is the 2,200+ members of our program; they have to come when called. That's an important underpinning of the program. But as you point out, since we are short of mariners, where the question is where do we find those extra mariners? And we believe there are extra mariners out

there to be found if the administration can develop a program to augment that SSO Program with another way of identifying mariners and so that could be the government offering incentives for people who are sailing under their license to maintain their license. We would provide financial or other incentives to do that in turn for which we would be able to call on if needed. Similarly, for those who have left, that have earned those licenses, and have gone off and working shore side, or recently retired, the same thing. As Shashi pointed out in his presentation, the advantage that we had before is the U.S. Fleet was of sufficient size; we did not need to have a government bureaucracy to identify and find the mariners we needed them. We basically outsourced that National Security needs to the carriers and the and to the unions. They would find those mariners for us. The fleet has shrunk to a point today, the smallest international U.S. flag fleet since we recorded the data, that we can that we can no longer rely on that. And so, the other question would be if you would need a way to track the mariners themselves; to find out where they are, who they are, offer them incentives that as Kevin pointed out, specifically in the areas of the shortfall. The very first question is that they put up there about what would be the impact of requiring all the state maritime graduates. One of the challenges we have is a lot of people start sailing in the first five years. That's not where we have the shortage. The shortfall we have is not people coming out in the first five years of school. So these are all the factors being discussed right now, and they are in the MOU of inter-agency discussion, and since this is a federal government agency, I can guarantee you will not see policy come out in the next couple of weeks, next couple of months, but you may see policy that's reflected in the next president's budget or policy coming out after that. Sorry for a long answer, but you put your finger on a very important question."

(Mr. Tokarski added comment to what Mr. Szabat had stated) "One other element and linkage to of what we had to the element of the marine transportation system is military to mariner efforts to be able to identify retiring or departing military members and military services to help them get their credentials. But at the end of the day, what do they do with that credential, they don't have a job, if they are going to sea, if they are going to be able to maintain that level of credential, we may be in the same position. Other questions? (Member states) "I note on purpose that in MTSNAC, we are to modernize the maritime workforce and inspire and educate the next generation of mariners. It gets tough to inspire folks when they look at the Department of Labor data on compensation for sailors and oilers, and that compensation reflects more of the national rather than the unlimited ratings, and they all get meshed up into one unit and according to Bureau of Labor Statistics and when you go to policymakers and others, and you say we've got some great jobs to offer some staffer or policy person looks up in the Bureau of Labor Statistics and realizes people are making \$30,000 or \$40,000 and you're telling them we got great jobs to offer. That doesn't equate to a very good job— \$30,000. So, I know that in the Coast Guard, MERPAC Committee, they ask the Department of Labor to come and talk about this issue. I don't know if anything came of that. But it remains a problem. And just yesterday, I was working with some White House folks, and they were asking the very question because we were asking them to act upon a military mariner initiative and they have to justify it becomes tough to justify when the numbers that they see in government statistics are that low. Now we're talking about unlimited jobs, right? That's what you're talking about in this forum, but the pay for those unlimited mariners both of the officer and the unlicensed level is significantly higher than anything you'll see in government statistics. It gets tough to inspire them when the official pay is so low. So, if that has not been addressed, it dearly needs to be."

(Mr. Tokarski asked if there were any other questions or comments)

(Lisa Barbor from Army Transportation School asks) "When you are dealing with crane operators, truck drivers and helmets and hard hats and different things with civilian communities

are reaching out, we put out 2 to 3 soldiers a day now come to us because our curriculum has now been developed with national recognized maritime curriculum courses, but is there something out there where once that soldier gets out they can say, helmets to hardhats, is there something for military to mariner that we can develop online or some kind of agency or a web page where the public knows that these mariners have certain licenses and we know what they are looking for.”

(Dr. Kumar responds to Ms. Barbour’s question) “Well Lisa, your point is well taken. We do have some information on our website, and I know the institutions, the academies have their own information and so do the unions. Could it be better? Yeah, I believe it could be better. There could be a more consolidated effort towards that. I know the CMTS, our sister organization are doing a lot of work in the area and you are involved in that too. Yes, there is definitely room for improvement. I agree with this, yes.”

(Captain Don Marcus – Masters, Mates, and Pilots had a question) “More a question on the findings of the appendices. Are all of the appendices going to be included in your final report?”

(Dr. Kumar) “Yes, they are. We included all the appendices in the interest of transparency, and that is what we received. So, we placed them. Those comments didn’t go into the actual report itself. If the two organizations that gave us those comments, if you are willing to make those changes, we can certainly amend the appendix.”

(Mr. Marcus responds) “Well, the idea was to have a collaborative effort. So was my understanding of where we go so, we will speak to you privately about that.”

(Mr. Tokarski recognizes another question)

(Denise Krepp, - EMR USA) “I am also former MARAD Chief Council, could I just make some recommendations? The number of the deficit gave, 1,839 what does that mean? The reason I ask is that I was a former Hill staffer and if you guys give that number they are going to ask, 1,829 oh, but what does that mean, how many ships are we talking about, what type of ships are we talking about? It goes back to John’s question about age. What are we looking at? If you give them more details, they will have a better understanding. If you say these are carriers, these are car carriers, containers. The more details you give the Hill, the better off they will be with helping you with the numbers. So just a small recommendation.”

(Mr. Tokarski and Dr. Kumar respond to Denise Krepp) “The type of information that you mention is included that information to those on the Hill.”

(Mr. Tokarski takes a question from Susan Hayman) “Just a question on the definition because I see you say they have to have sailed within the last 18 months and still have full unlimited license, STCW, medically qualified, so I think that’s good, it shows they have to have been sailing recently, but there is also another group that has been sailing out there who are probably shoreside jobs now but still maintain a license on some level maybe for continuity, but could plus up to the STCW in a matter of months and potentially if there was a job available, they might want to go back to sea again. They may have come to shore because they couldn’t get a seagoing job. So, do we have an idea of kind of what that pool is out there for a job for people if there was a job that was available? I’ll get recency, and I’ll get my STCW up to snuff.”

(Mr. Tokarski responds to Ms. Hayman) “Well first off, in the report, it does acknowledge that that situation exists, but we don’t have a way to identify that mariner pool, in terms of those who still have a valid credential and are working shoreside. And unless they are working sea time or

some way to capture they are being employed, then there's no visibility to that. Second, in terms of finding out, would they? Might they? There's a recommendation in there about having the agency; Maritime Administration conduct a biannual survey. We employ the Bureau of Transportation Statistics in 2000-2001 to conduct that kind of assessment. Where we went out to the population of those who hold those credentials and asking that kind of questions. The second part of your question would be the kinds of things that we would look for to gather that information because I think there is more information that clearly, we recognize we need in terms of finding out from the pool those that aren't currently working out there, is there is a willingness, would you come back if there was a national need for you? Part of our mariner outreach system as well which is a tool that we had which enabled that population base to register with us and express that interest that they would want to be reached by us if we had a crewing activation need and crisis."

(Dr. Kumar acknowledges Ms. Hayman's point is well-taken) "Any strategy we implement to overcome the shortage must take advantage of those individuals you mentioned. So, it has to be focused on those individuals who probably left maybe within the last months or last couple of years. Those individuals should be your first candidates to be augmenting the mariners that are available right now."

(Ms. Hayman asked another question) Will the changes you are recommending to the database and the architecture will that identify those people for you? Is that part of the recommendation?

(Dr. Kumar responds to Ms. Hayman) The database will be the Coast Guard's baby, so I will ask Luke to comment on that.

(Mr. Tokarski expands on the response that Ms. Hayman is asking) "In the report, it identifies the licensing information from the Coast Guard including a more frequent updated process to be able to capture those from the seagoing aspect and allowing the mariner outreach system to be able to capture the willingness piece and the third element being these surveys."

(Luke expands on what Mr. Tokarski and Dr. Kumar have said) He stated that he couldn't commit because they have to go through the government procurement process to improve the database. He noted that if there was more interest in the credentialing information, "in the Appendix, there are the numbers that the Coast Guard came up with from our database as far as the number of persons holding credentials, which is slightly different from this number because you might have a master working unlimited working as a guy up in North Dakota." Which he said he knew one of who was doing that. "The individual chose to retire and is doing something fun. So, you have these individuals who maintain their credentials but aren't working in the industry. You also have instructors at the academies. You have a pool of people who hold the credentials that maintain their credentials but are not sailing. So, there is a slightly different number. As for updating the database, we recognize we have to update it. The challenge is that the database is designed for credentialing. It is not designed for tracking mariners."

(Jeff Flumignan asked if they could have the next question, be the last question or defer some of the questions to the Break Out Session which would be meeting in the same room)

(Christian Spain – AMO had a comment) In the Workforce Working Group, we did discuss this at length, and the only point I wanted to make was it does make sense on the outside as augmentation, but with the need to crew up all the vessels from somewhere between five to six days, it only works on the back end."

(Mike Mabry closing remarks for Session 5) All right. So, we'll defer further questions to the Working Group Meeting. I just think this sounded like an easy question when I heard it until I started and as a non-mariner, I am not a mariner, so I can understand Congress saying why can't I get a number. It sounded like a very simple question until I sat on in a call and heard the complexities and how much differentiation there is and how hard it is to define it really. If you look at the genesis of the question, do we really have an issue? I think that was the essence of the question, do we have an issue? I do think this report points out that we do have an issue and we have a pipeline issue, as you pointed out. So, what is the future? So, the recommendations, they made a lot of recommendations. What I would hope to see out of all this is that Congress recognizes we have an issue and that the resources are allocated to help address the issues as we move forward on that. How we are going to solve all this is how I heard the discussion go, and it's a pretty deep discussion. I can tell you we won't solve it in here but what we can hope for is that we see the resources allocated to solve this as we move forward, so thank you guys for your leadership."

(Mr. Tokarski and Dr. Kumar say thank you and thank the MTSNAC for all of their support)

(Mike Mabry introduces the next item) Moving onto the next item on the agenda. We've got the Marine Highway Subcommittee report out and whom do we have here? Is Dan or Jim here?

Item 6: Review and Overview of Marine Highway Subcommittee

(Daniel Harmon and James Pelliccio) Thank you, and welcome everyone to the MTSNAC Annual Meeting and Dan and I both appreciate you giving us the opportunity to speak. Today, a little bit about the initiative that we've undertaken with the short sea shipping. We've been asked to really identify opportunities and create at least an understanding. I don't like the word, problem statement. The opportunities that exist in front of us. We recognize the significant discussion and significant barriers surrounding green highways, short sea shipping, that prevented the expanded utilization by new and traditional users. So, the committee has taken some time to explore this. Much of it has been detailing surrounding the theoretical and in the working committee, we have also taken a very deep dive into potential gateway opportunities for us to look at certain sections of the marine highway that we could begin to apply practical solutions along with the development taking place in the natural progression of ultra large container vessels and the progression of gateway ports and smaller feeder ports and so it's been a very interesting discussion for the group. Our first plan was to identify stakeholders and the institutional barriers. The stakeholder identification varies from sections of the country. We also looked at regulatory, at statutory and cultural resistance to the development of the marine highway. And also jurisdictional issues both on a national and regional basis. We looked at connectivity gaps, capacity constraints, and funding shortfalls, both from a private sector and public sector; private sector priorities and public-sector priorities as it relates to the marine highway initiative. We identified key economic barriers. Those that are preventing us from starting the initiative and it ranges anywhere from as I said the local, state, and regional priorities as well as, and understandably so, in the private sector, local and P and L focus and the requirements of the private sector to meet today's economic realities with today's dollars. We looked at incentives and disincentives that are affecting the program. We looked at the long-term sustainability of solutions sometimes often times we've seen stops and starts in the discussions around marine highways. Good ideas, environmentally sound, not sustainable because when subsidy dollars run out or interest runs out or other priorities take the lead, quickly the marine highway falls into the secondary role. The common themes that we found are that are lacking in the initiative has been clear direction and ownership, comprehensiveness of the program, deep, below the theoretical, deep dives into what is real, and as I would like to think after speaking to the group as we've said many, many, times avoid doing the unimportant beautifully and not really paying attention to

things that quite matter relative to getting the initiative started. Project prioritization- a key issue for us. Often times the marine highway becomes secondary, tertiary, or even further down on the priority list. Understandably so. There are many, many priorities facing states, cities, counties and of course the federal government. These are common themes that we've seen that interrupt our ability to move forward. We found that no lead agency has really taken the initiative for policy development or program oversight or regulatory authority. The U.S. Army Corps of Engineers, on the infrastructure and construction side certainly has the resources but those resources have often been focused and strained and focused on other areas. The U.S. Coast Guard, Customs Border Protections, states and local governments, in the Inland Waterways, all of these agencies need to be organized and coordinated, and part of our initiative is to do just that. Prioritize it in a way that allows us to make it real. And in the Working Group we'll discuss a little more about over the last year what we've been doing in the northeast, where we've taken out of theoretical and put it to practical use meeting with port authorities, EDCs, states and local DOTs, environmental protection groups as well as individual stakeholders at MARAD who have taken on and joined the group, joined the discussion to make it a bit more real. We're looking at funding options, DOD, DHS, TIGER or FASTLANE or other funding options that are available to support it. But I would say, that I do not consider that to be an obstacle at this point because it's just a reality of everything that each of us has to deal with in any priorities we set. We have to determine the long-term sustainability and requirement that's facing us relative to moving cargo off our road or surface transportation systems. We are looking at other user programs and how they are working today. Whether it be Federal Highway (FHWA), FTA, FRA, all of those agencies, and how they are approaching their particular transportation issues and our relationship to them and how we might leverage those individual agencies to help us understand better, how to move this initiative forward.

What I found in the subcommittee discussions, is that there's an understanding even when we go outside of our group that this is the reality that this is something, that the congestion on our highways, the environmental impact, the safety and fatality rates associated with how we are moving cargo today, what the future holds for us in major gateway cities relative to ultra-large container vessels and the pressure that place on our ports is placing a considerable strain on our ability to use the infrastructure not only from an intermodal capacity but from a roadway capacity, and it's a reality that is coming up on us very, very quickly right now. The subcommittee has made recommendations. The first is to designate MARAD, as the lead agency for domestic maritime transportation, prioritize infrastructure investment, better integrate maritime into National Freight Network or par with highways, rail and air, the coordination with other agencies, as I mentioned earlier, is critical. The key learning from those agencies will help us establish a strong base for the marine highway program moving forward. I think it's very, very important to not skip over this. Ownership needs to take place for an initiative that may appear to be secondary for us today, but will quickly come upon us in the future. We live in a time where we see national disasters, throughout North America, the Caribbean, we see it now, we see it around the world. We've seen the effects of Hurricane Sandy, in major metropolitan areas, we saw what happened in Houston, we saw what happened after 9/11, our ability to react to that, within our existing infrastructure, is very, very difficult. What we can do, though, is invest in our port infrastructure in key gateway cities and around the coast, is we can leverage sunk investment to marry with the maritime initiative that allows us to more functionally utilize the surface transportation network which is severely strained.

We are looking to seek 'clean' funding for marine navigation and infrastructure projects without flood control, environmental or drinking water either through stand-alone bills or include in the Surface Transportation Bills. Recognize maritime transportation as an equal partner with other modes. Now I know, and everyone else in this room knows, depending on the mode you are in,

that there are individual priorities. And at some point, we should at least accept the fact that we will take the marine highway, from the backbench and put it on a pathway for growth. It doesn't mean we will solve this problem in one day. There are significant barriers, but all those barriers are manageable if they are put in order and a critical path of execution that allows us to prioritize marine highways as a significant substitute to what we do today. Maritime transportation strategy and planning in transportation agencies with more effective coordination across modal lines. The future of large container vessels, in our gateway ports, and ports throughout the Tri-Coastal Basin, will force us to rethink how inland transportation works. That includes where we place chassis, how we interact with intermodal at inland ports. Where empty containers are stored and how we return empty containers to these ports. All these, are part of our sub-committee work, allowing us to think deeper into the problem. It's very sexy when you talk about 23,000 miles of marine highway capability that is underutilized, but it gets really difficult when you start to think how you move equipment to meet the needs of intermodal cargo. And moving that cargo to its closest point to the actual consumer. As technology continues to advance, the ability for consumers to interact with cargo at further distances, we have to be able to put the cargo closer to consumers in a more effective way, or we will exasperate a problem we already have. The point that no lead agency for policy development program oversight or regular authority exists and funding is key, we visited that earlier, just a moment ago, but we are going to start the dialog, it needs to start there. In our working group, we've established a platform for the northeast corridor, we've agreed as a committee to spend time, outside of these meetings, to allow us to develop further dialog around the reality of how that can be accomplished, and I think we will be able to deliver results to you that are quantifiable and significant relative to the northeast and that is from Connelly to Philadelphia, but we'll focus on lower New York Harbor in the northeast on real dialog surrounded by real environmental discussions and environmental impact statements and economic analysis that will drive at least a starting point to where we'll take next steps. Dan, I don't know if you have any comments. (Dan, motions no.) I'm wounded here. Dan pulled up with a cold. I have to give him credit for most of the organization's presentation. So, I'll open it up for questions.

(Question from member) Did the committee have any consideration of autonomous driving equipment as far as integrating with other forms of modality?

(James Pelliccio) It's a great question, and it's come up. I have to be honest with you. We looked at it from, in our sub-committee as we think about where short sea shipping ports might exist, and I'll just throw some examples out and your welcome to meet with us at our sub-committee, in places like Shoreham, in Long Island, places like, Hunts Point, possibly in Bridgeport or New Bedford or Connelly, where your more developed terminals, no, but in some of the smaller sites, Red Hook, Brooklyn, that option would have to be explored. I think what's more important as we look at where we are to put it in proper order, I think that technology-aided is probably our first step. So autonomous vehicles are in the discussion, but really technology-aided capabilities to improve efficiencies at the port, is the first step, is probably the right approach as we see it. We have engaged Labor, I have engaged the ILA, there is an agreement to discuss the sub-committee work that we're doing in the Northeast to look at how they can team up with us to leverage some of the environmental health and safety benefits as well as the roadway infrastructure benefits that can be created by this. And it's interesting because when I spoke on the autonomous vehicle side, the truckers piped up. And we had an interesting discussion about how it would affect truckers and for those of you who are shipping business, the airplane business, you know ships don't make money if they're not moving, airplanes don't make money if they are not flying, and trucks don't make money if they are sitting in traffic. So, what we tried to do before we get to the automated piece, which is a natural progression, is we're talking about those things that can facilitate the initial movement of goods closer to the natural point of destination, creating more

efficient truck use, manned trucked vehicles, whose actual destination and putting more productive miles to work in the supply chain where we have a shortage of trucks and labor.

(Comment from the same member) Right, because autonomous trucking also allows a trucker to have someone to sitting in that truck, but they can sit in that truck for a lot more hours.

(James Pelliccio) Yes, so that is the driver-assisted piece that I'm talking about. It's an excellent point, but it's way, way far ahead of where we need to be. What we've done so far, in our group is we've identified, and I don't like to call them obstacles, these are just opportunities for us to decide if we want to do this. We've, we've, decided on a pathway, now to make it real we've chosen a region that we know has congestion issues, it has cost issues, and has environmental issues we've created that dialog, we've formalized that dialog with a stakeholder group and we're taking it from there.

(Comment from the same member) It also, I'd assume, have some substantial labor issues. That's why, this is taking place already down in the Southeast, where it seems a little more open to it, for what it's worth.

(James Pelliccio) Well, I think, you know, I, I've engaged Labor in discussions, you know where we're entering, you know, we'll soon enter, you know an East Coast Labor discussion at the U.S. and Mex level, and of course, some local agreements will take place. And while I don't see this as you know, priority issue, we have engaged, I have engaged in discussions with the ILA relative to the concept. So, at this point, we asked them not to take it from a Labor perspective, but to take a look at how we strengthen the industry perspective and how we make ourselves more competitive and you know, I have to say, they are open to it. There is more work to do, but they're open to it, but we recognize that.

(Points to next member with a question.) Yeah.

(Next member) Yeah, what I had a big concern was with the Northeast corridor of the United States and along with the other issues, with the environmental issues the congestion, and so on so forth, what is the subcommittee's long-range game plan, in terms of the rest of the country?

(James Pelliccio) Well, so, we try not to boil the ocean. And I don't want to, one of the reasons I didn't want to bring up the sub-committee work here is because I happen to live in New Jersey and, and I work in New York, I, I have an opportunity to manage up and down the East Coast and, and I didn't want it to look like a New York initiative. Right. It's not. It's a Northeast Corridor initiative; it's an initiative about where we have traffic, where we have density, where we have consumers, and where we have a significant and immediate problem. It gives us the ability to put data under the microscope. But the committee absolutely has to look at our inland waterways; you know those ports, the impact on inland ports, those ports in the Southeast and along the Gulf Coast, which have different needs, but similar issues. Getting ourselves off the dime. So we've taken the opportunity because we've applied independent resources to it, we're looking at it, we want to uncover as many problems as we possibly can in the dialog, which in many cases you find in New York, and we want to uncover as many of those and we're going to apply them in as many areas, and the committee is raising those areas. Our first initiative was to focus on an area that we in New York had already begun to look at. And I'd say, New York, I mean the Northeast.

(Same member) Is there a time factor involved? I mean are you looking at a year, two years, five years?

(James Pelliccio) For, for the current issue in New York, we have a deadline for the end of this year with our stakeholders to at least to be able to come back to the committee and play specific recommendations on how we'd like to launch in the Northeast region. From those learnings, we'd like to begin then a dialog where we can approach other areas of the country and down the coast. So, so we have a deadline for this year, relative to the Northeast initiative, to be able to report back on the reality of our ability to take it forward. It's very possible that that might be an issue that may be further studied in the future. So, we may have to go to other points of the country. I was specifically focused on the Northeast right now.

(James Pelliccio takes another question from a member.)

(Member question) What type of vessels are you contemplating?

(James Pelliccio) We've looked at, you know, we've had offers.

(Mike Mabry interrupts) Excuse me; we've got people on the phone, if I can just remind everybody, to use the mic when you're asking questions when they're talking. I think we all know how hard it is to participate.

(James Pelliccio, repeats the question that a member in the room asked.) What type of vessels was the question? What type of vessels are we looking at? We've been approached by self-propelled, possibilities; we've been approached by tug on barge, approached by an integrated tug on barge operations. To be honest with you, we are looking at that certainly in line with the initiative itself. Our focus so far has been on possible locations, and the logistics surrounding those locations. Hunts Point is a good example. You know, when in the case of the Hunts Point, what chassis on containers, how equipment is returned to those sites, so ground logistics surrounding those locations. The complexities of, and cost involved with a tug on a barge. That's where we started. They came to the table first. It was the most logical based on density. We're also looking at specific BCOs, specific customers who are willing to commit base loads. So, you know, in the analysis phase, in each one of those, we would have to bring in the vessel operators to help fill in the details.

(Comment from the same member) The question, I happen to run a shipyard, and at least in some prior discussions, the issue of the U.S. building requirements has been a positive as a possible constraint or barrier to the development of MTS, and you know, we can debate the merits of that issue back and forth, but if that can sort of aspect of this particular discussion, moving forward, it sets up a very difficult, political dynamic.

(James Pelliccio) Well, I think, you know part of what we're doing is to identify those exact things. And how we will address them. This committee's job is not to, you know, solve that problem; it's to identify exactly is, is, that it is a problem and that the upside may force us to make decisions that may be difficult, politically unpleasing, but, or put them to bed. That doesn't change the fact that we're not building, in certain parts of the country, we're not going to build roadways any larger anytime soon, and the fact of the matter in some of our larger gateway ports will go from handling container ships that now bring us six, eight, nine thousand units, we'll quickly go to 14 or 18 thousand units. That's going to change how we ingest volume into our highway system. So, it may force us to go someplace uncomfortable, and I think that would be a success.

(Comment from the same member) Well, it depends on what side of you're looking at it from.

(James Pelliccio) Well, you know, one the objectives was not to please everyone, and if it is, I won't sign up for another committee.

(Comment from the same member) Well, it's an issue, and I think it goes to the larger challenge issue of having a stakeholder base. And your focus is correct and filling out from the port ultimately larger group of people particularly including Labor.

(James Pelliccio) And I appreciate you making that point because this committee will not come to a conclusion with the, with what this committee solely uncovers in its efforts. We can only bring it to a broader group of subject matter experts that say, ok, we got that. You've confirmed what we already know. I want to be able to tell the actual operators or the shipyards. This is what we've come up with. What do we have to do now to solve this problem? And I have to leave it up to those experts really. And when I talk about Labor, I'm not talking about, you know, I'm not talking about a having a defined agreement with Labor. I advise Labor, at least from the terminal operating side, that this is something we're pursuing, and at some point, we'd like you to take a deep dive into this. And I think this applies to a lot of the areas we're discussing right now.

(Jeff Flumignan) Ok. One more question, please.

(Member: I got the last one, Jeff?)

(Jeff Flumignan) Any of these questions we can move on to the Break Out Sessions. I'm just trying to keep us on track here. We have a few more presentations before our lunch. Public Comments—we did not receive any Public Comments. We'll have a second public comment period this afternoon, another 15 minutes.

(James Pelliccio) Let me make it easy on you, Jeff. I'll give one more answer. Just call the questions you like.

(Question from member) I just wanted to follow on John's comments about the Jones Act. I know that was kind of dance around that, but it definitely has value. (Laughter from audience.) Pluses and minuses to that, but that's not my question. I just wanted to reinforce where John was going. The question is that, don't doubt the short sea marine system is a great resource. But despite the many issues that come with that, including the Jones Act, the key to anything, is financial viability. So, what considerations has the sub-committee given to get the carrier to make the investment and then the shippers to utilize the service because marine highway is not a new concept, it's been around for many years, 20 or so, and nothing's happened and I'm saying that some things have, but it hasn't moved the way it should. So, what consideration are we giving to financial viability on both sides—carrier, and shipper?

(James Pelliccio) We've had discussions with carriers. And the carriers are very interested in this focus group that we've put together on one region for the country. They are not very interested in paying for it, and the cargo owners are very in tune to the environmental benefits of this, and they're very interested in understanding on how they can contribute to the process, but they're not very interested in paying for it. The terminal operators understand the pressure that's being placed on their systems and for us to be able to turn the volumes that we eventually see coming at us. It's important to have another mode and consider that mode, but that mode must be viable. We also have individual P and Ls, so we think in an individual P and L mentality. So, the discussion is there as it has been for 20 years. Everybody is interested in it, but no one really sees them, no one really wants to commit dollars to it. And that is one of the issues that we have. So I think it's very, very possible as the landscape changes and congestion, or, or, or if, if what we believe will

happen to the ultra-large container vessels, changes the paradigm, then we will be like everything else, be forced to consider our options, because the cost of not doing it may be greater. Now, that's theoretical at this point, but we do have to create a paradigm. We have to create a dialog that says, this is coming and we can address this now at cost X, or we can address it when it's too late and costs X+++ . We're trying to get there. And as far as the Jones Act is concerned, this committee is not designed to solve or address the Jones Act issue. As I said, we will leave that to the professionals. We're just trying to create a dialog that we can all argue about. (Laughter from the audience.)

No, I am not because I have an opinion on it, and I'm not going to express it here. All right? (More laughter from the audience.) Ok?

(Joel Szabat) And, now, I'm going to add to Mr. Flumignan's degree of difficulty in keeping us on track by adding a comment to the end or, so two comments. The first comment, don't leave the Jones Act to the professionals. They wouldn't do a very good job at it. (Laughter from the audience.) Ah, but the second one is, I mentioned at the beginning, for our new Administrator, Administrator Busby, the National Maritime Transportation Strategy is one of his key priorities that he is looking for help from this group. I think it's the presentation of this sub-committee and the next one, so marine highways and port, that gets to the core of what he's looking for, to get out of this. So, I appreciate Jim, Dan, the folks that work with you, the work that's gotten us this far. It is an important part of what we're trying to do is what you have just underscored. It, how do we get the ports and the marine highway system integrated into the national freight network? I repeat it's one thing to be treated to equals institutionally. It's another thing actually to be integrated into a national freight network and for it to be part of a commercial solution to how we are going to address congestion and freight goods and movement, going forward. And I think you put your finger, on the challenge of when you mentioned ownership. The Maritime Administration, we have the blessing of the administration, had the blessing of the administration to go up and do a study on an independent group to come in and look to see what could we be doing different and better and we, not just the merit and federal government we. In the area of marine transportation systems. They're due to come back out with a study and in November, early December, which is their study, not ours, and our strong hope at this point, is that the study is going to make some of the same points, you just made, and create some traction for us with the administration to have better integration with us and our sister federal agencies to have these conversations, and to have a lead agency or agency with ownership to push for these things forward. We're already having some of that cooperation right now. So, as part of the President's infrastructure plan, they'd reached out to the Army Corp of Engineers to identify what were the major port projects that ought to be funded, you know, by private money or public money that would have the best benefit. The Army Corp of Engineers, to their credit, called us up and said, we're not equipped to do that evaluation. Could you help us provide that information so that we can feedback, back to the White House? And so, we've done that. And the last point from your presentation, to the question about New York City versus the rest of the country, I think for the maritime administration, New York City, before Captain Ahab, New York City is our white whale. For marine transport, I mean, for short sea shipping. If you can't make it work in the Northeast and New York, then it's not working nationally. And if it works there, you, know, then it's success even if we have troubles making it work elsewhere. So, we're full, 100% on board with trying to find a way to make it work up there. And the last point is, so we've all focused on these very real challenges we have on making this work. There's a challenge in time for the maritime industry, for the marine transportation system. But we have an opportunity right now. It's a golden age for maritime within the Department of Transportation. We have the first every Secretary of Transportation, with a maritime background and a very, very keen interest in maritime. One of my colleagues, whom I will not name, mentioned that in a conversation that she

had with a counterpart from another agency, that they were saying that we, the Federal Highways, used to be the golden child of transportation. We were the cool kids on the block. Maritime is now the cool kids on the block in this department of transportation. We want to take advantage of having this administrator and this secretary to push the ball forward. So, Jeff, my apologies for adding to your burden.

(Jeff Flumignan) Thank you.

(Joel Szabat) Jim and Dan, thank you for your time.

(Jim) Thank you very much.

(Mike Mabry) Jim, you did a nice job of presenting all of Dan's hard work. (Laughter from the audience.) Very, well done. Dan, you coached him up well. Nice job. Nice job. All right. Next, we've got the Port Capacity Subcommittee. And we've got Gene Seroka, from the Port of Los Angeles presenting that. I don't know. Griffith, are you on the line? I don't hear Griffith. All right, Gene. One-man show here.

Item 7: Review and Overview of Port Capacity Subcommittee

(Gene Seroka) I have to say; this is the nicest room that we've ever held a MTSNAC meeting in, very professional. Thank you. My name is Gene Seroka. I'm the Executive Director of the Port of Los Angeles. Co-chairing this subcommittee with Griff Lynch who is also Executive Director of Georgia Ports Authority. Our subcommittee for capacity is designed to address the Nationally Significant Gateways. Problem Statement number 1 that we outlined, in this presentation dovetails into two white papers that you have in your packets today. Our maritime gateways in the United States either facilitate or impede economic growth, and we need dedicated effort to assess development and maintain the capacity to ensure our nation's competitiveness, security and sustainable, economic growth. This involves a supply chain approach rather than one that is location-based. The objectives of this work for Nationally Significant Maritime Gateways, are simply to identify those gateways, assess their capabilities, integrate potential funding approaches, and streamline the various regulatory processes. We have designed a workflow that addresses those two major areas, and we'll get into a little bit deeper depth in that discussion. The factors for identifying the gateways, revolve around four specific areas: market segments, resiliency for the country, the impacts that these individual gateways have both positive and negative, and how, rather a broad question, these gateways fit in to end to end supply chains evaluations. The assessment for the gateways revolves around the traditional, bricks, mortar and water. The level of planned investments and timelines for implementation of infrastructure projects, and where regulatory hurdles may lie. And I think the origins of this to develop a timeline or what refer to as a shock clock originated from earlier discussions with Susan Hayman and others. As you could imagine, the stakeholders involved are relatively far-reaching. As is, always in our discussions around supply chain, gateways, and ports, but taking in to account some of those who may advise for us that are not consulted on a regular basis. The second problem statement revolves around technology. And defining challenges that could be solved or at least, overcome, by implementing connectivity opportunities between ports and their supply chain stakeholders. Also, the potential for involving ports and the Department's Intelligent Transportation Systems Joint Program Office research efforts, as well as identifying gaps in connectivity or information sharing that could also take advantage of emerging technology that we see today, and are planning for in the future. The intelligent transportation system program, is a joint effort between MARAD and the Federal Highway Administration Intelligent Transportation Systems Joint Program Office, which was formalized and a growing partnership to leverage technologies innovations from existing IT applications researching innovative solutions,

support challenges and develop new ITS tools for use in the maritime, port, and intermodal environments. The ITS JPO MARAD Program intends to use the foundational research to position state, local agencies, and port authorities to leverage opportunities contained in the Fast Act to implement ITS solutions for port-related challenges. Opportunities such as the Advanced Transportation and Congestion Management Technologies Deployment Program, also known as ATCMDT for those of you keeping score and INFRA. The phased approach that you see before you, during Phase 1, the program will conduct research and innovative ITS solutions and prepare business case analysis for identified ITS solutions. The goal of this phase is to establish a foundational understanding of current and potential ITS solutions and to work with stakeholders to identify candidates for use in this analysis and for deployment as research moves into Phase 2. In that area, the program will begin application of development work and high priority ITS solutions, which have been identified in the previously stated Phase 1. Potential prototype research and development will begin. Preliminary procurement documents and any potential grant applications will be developed in this phase and locations will be evaluated for demonstration and deployment. Any intuitional and policy issues will be identified and addressed. Continued outreach will be conducted to the program operators for buy-in and necessary successful deployment. Phase 3 will involve the demonstration or initial deployment of developed ITS solutions for maritime usage. Other collaborative effects with existing and future projects will also be determined, and evaluations conducted to see lessons learned and future replication of best practices. Knowledge and technology transfer will be undertaken as an ITS solution is expected to be deployable to various domestic maritime facilities such as ports, harbors, and other stakeholders. The current ITS initiatives under the business case assessments, these four, are said to be completed by the end of this week and will be released. The business cases are listed here on this page, and will in part, released to the public and shared research efforts will also be put in place. A truck staging analysis was recently awarded and currently underway. The kick-off meeting for the study will be held on Wednesday, October 11. The objective of this analysis is 1, to determine the state of practice regarding truck staging, including access, queuing and parking, and to perform an economic feasibility study of automated truck queuing as a potential technology solution. We're also in the process to develop ITS modules to add to the American Association Port Authority's port planning and investment toolkit at some point in 2018. And the Next Steps, following comments, feedback, and guidance, to finalize the two white papers you have in front of you, develop a little more formal presentation, and in practical application, continue to work on the ITS topic. And it is our request, that we present this to a wider audience and to Administrator Busby and Secretary Chao. (Sound of call in hanging up.) Ok, I guess that got across pretty well. (Laughter from the audience.) Ok. Open to questions.

(Mike Mabry) Nothing like immediate feedback and guidance. (More laughter from those in the room.)

(Gene Seroka) For those who hung up, please identify yourselves. (More laughter from the audience.) Any comments or questions? Very good. Thanks.

(Mike Mabry) Thanks, Gene. I appreciate it.

(Joel Szabat) And I'll just add, all the comments they made for Marine Transportation System, go double for the Ports Group.

(Mike Mabry) All right. Next will hear from the Education, Awareness Subcommittee with Kristin and Richard, the Co-Chairs.

Item 8: Review and Overview of Education, Awareness & Advocacy Subcommittee

(Kristin Decas) So Rich is going to kick us off, but I thought it would be nice to recognize everybody that's on our committee that is with us today. I know that Lisa, you guys raise your hands now, don't be shy. So, feel free and join us. We have a great committee, and everyone has worked really hard, and I just wanted to acknowledge those folks that are here because they put a lot of time to this so. (Kristin motions for Richard to begin the presentation.)

(Richard Suttie) Morning. We definitely had the A-Team, so that was the best group by all the subcommittees by a distance. I could already tell by the earlier reports. So that sets the expectation, doesn't it? I'm Rich Suttie. I'm out of the Homeland Defense of Security which is at the Naval Post Graduate School in Monterey and works under FEMA to support in my case, a 250-agency partnership around the country that seeks to improve how we educate the future workforce for Homeland Security. So, there's a lot of processes and activities that overlap nicely with our concerns and efforts. Whether it be the workforce report and committee or some of the other things I've heard here this morning with the other subcommittees. Our subcommittee, I loved one of the statements that were made earlier this morning. I think our problem statement is actually is best summarized by what I heard today. How do we take advantage of being the cool kids on the block? And keep that advantage and not lose it, in some sense. So, advocacy and awareness and education also came down to something I heard with the other reports. What if all of your previous subcommittees came up with the actual answers. What if we actually had the solutions, they were specific; they were actionable, we could implement them. All right. How would we go about doing that? Because there are a lot of activities that would seek, in my mind, and to maximize and how do we as an MTS, how do we, as an overall transportation system optimize? Those are going to be some severe challenges, and how are we going to get there, is as difficult as what we need to do to make things better. So, our problem statement was implementing the change necessary, was preparing the battlefield to implement the change necessary. The changes necessary, that you come up with, so that there's a prepped battlefield, ready, to make those changes, and that's education, awareness, advocacy. We had three bullet points that we were seeking to look into, and see if we couldn't see a way forward and ask us to create a unified voice, at the top, align and empower those all around the stakeholders and constituencies everywhere. Try to align and empower them to be a voice. Have that voice sum up something that could be sustainable, powerful, actionable, and then to collectively have all of this help create MTS as a national priority. Not just one piece of it, not just one faction of it, but see it as an overall national priority. So that was kind our challenge, we got excited about it a year ago, we got further excited about doing it last October. As a professor, you want to narrow your scope, and get things to be, you know, so that you can get the paper to be written and actually, we went the other direction. It is a comprehensive, complex challenge. It wasn't something as easy as narrowing it to one little area, to see if we could get that done. This is something that is a total comprehensive effort. So, we went about a process, to hear if there is anything if we could benchmark any efforts by anybody else. Again, I mentioned FEMA, but there are other areas of our country that have the same exact challenges, industries, etc. Could we benchmark what our own industry is doing even at a regional or local level that we could work together or form strengths, weaknesses, opportunities, that we could then recommend to everybody here and the Administrator? That we believe we can prep the battlefield in this following way, going forward over the next one to three years, so that then the solutions you come up with in your areas, are actually achievable through change management, communications, advocacy, and awareness. And so that leads to what I think we're going to share this morning. The things we discovered in that research, and then we'll conclude with a couple of specific thoughts.

(Kristin Decas) So then, the way tackled this assignment, was to build a roadmap and we thought we would kick off by, hey, who else is faced with these types of challenges, outside of our silo, the maritime industry. So, we put together some expert panels, and we had interviews with them

and got feedback. (And, who's controlling this thing.) And then what we did was, we used inputs from those expert panels, and we flowed into putting together the SWOT Analysis that's in all of your packets and then the next, effort before our committee, is putting together a white paper that will have deliverables. (Slides go black. Did I do that?) Ok, so, in terms of the expert panels that we put together, we heard from a breadth of different players, and at the very senior management level. So, at the first session, we had the American Association of Port Authorities, the Intermodal Conference at the American Truckers Association, and the Transportation Institute. Then, the next session, we heard from the New York Shipping Association and the Waterways Council. And we also got some notes from General Kenneth Wickle, if I am pronouncing that correctly, Kenneth Wickle, Presidents Emeritus of National Defense Transportation Association. And then we heard in the final session from Mat Paxton, who is the president of the Shipbuilders Council of America, American Waterways Operators and also, we went into the MPO world and heard from Broward County Metropolitan Planning Organization. So, we got a lot of really interesting feedback. We learned what's working what's not working and where there are opportunities, strengths, threats, and weaknesses all were, and we calculated that information into our, I'm sorry, those were the experts there (switches to the correct slide). And then we populated our SWOT Analysis, and we finished that task, just recently here. Just in time for this session here. So that's what's in front of you. A lot of advice on opportunities in terms of branding, taking advantage of sources, media sources. Putting together, kind of you know, cool kid type, you know, buzzwords coming up with our own brand to be successful and just exactly what Richie said, how can we prep that battlefield. What are those tools that we can use so that we're prepared to go in and advocate and also what came out with a lot of it, was developing the relationships early on? So get in front of people when you don't have issues. Get them informed on your industry. Some of those good principles to be effective in marketing and media and advocacy, education, and awareness. So, with that, I'm going to kick it back to Richie who's going to talk a little more about how we're informing our white paper and appendix product that we're working on.

(Richard Suttie) So, we learned of a number of specifics that we think are sustainable over the long term and not just something that, will be, you know episodic and perishable which we see a lot of other activities and that doesn't serve over the long term. This is definitely a long-term discussion and a long-term issue. It's got to be built up over time; it's a sustained. One of the things we'll bring out in the white paper is something I was intimately involved. I was at the Naval War College, with Admiral Mike Mullen, directly when he was the Chief of Naval Operations moving on to the Chair of Joint Chiefs. He exercised an 18-month process that he called, A Conversation with the Country. He had a maritime strategy. It was brand new in 2007. In 2008, he knew to implement change; he would have to create those relationships in advance, of offering solutions. Solutions that threatened some and helped others, solutions that were unequal across regions, solutions that, might have a national cost that would take away from others, etc. And so, he went on an around the country tour, and it was a blend of stakeholders and constituents that met, somewhat out of the box. This was public, private, nonprofit, profit, across the board. And these conversations were conversational, and they created relationships, and there were polls that were taken, pre- and post activity six months after, 18 months after, it took time to find out how attitudes and some perceptions had been changed and what follow up could be targeted based on those results. And this was something, like I said, took 18 months to do. Admiral Morgan, who was our Chief Strategist for the CNO, went along on each of these and in some cases, led them. They were in all kinds of various forms, all kinds of various forms, not a single one did not look exactly the same. The messages were even tailored depending on the region, in some cases. So, these are the kinds of activities that we will probably report on and, and recommend something similar for the administrator and administration to consider as again; we

want to help you in the sense that we believe it's important to prep the battlefield so that your solutions, can be actionable.

(Kristin Decas) And just to conclude, so this is what we're going to look like, or look at inside the white paper. We're going to break out into building that unified voice as an industry, and hopefully get other cohorts and these other associations to team up with us and have a unified voice on those issues that are confronting our industry and have a policy influence. So, we're going to come up with recommendations in that area and then set a national prioritization. So that's going to be the focus of the white paper and bringing recommendations back to the administrator, in that capacity. So, any questions?

(Mike Mabry) Questions?

(Jeff Flumignan) Thank you very much.

(Mike Mabry) All right. We've got Anne from the International Competitiveness Subcommittee

Item 9: Review and Overview of International Competition & Global Trends (Anne Strauss-Wieder) Good morning, everyone.

(Mike Mabry) Good morning.

(Anne Strauss-Wieder) Scott Sigman is actually presenting at a conference right now, so he will be joining in the conversation, this afternoon. Also, want to recognize everyone on our committee. Tony has been doing some outstanding work on the issues we'll talk about today. But what you see today is a result of a collaborative effort. Really, dealing with a complex, and involving subject. So, the good news about being last is that I've heard everyone else speak and the good news there also is that we've discussed in our next steps really dovetail quite well with the other committees. The bad news is that I stand between you and lunch. So, I will try to make this brief and succinct, and worth your time. So, if we can go to the next slide. (Ooh, can I use this? Ok. Excellent. Picks up remote for changing slides.)

And there we go. OK. So again, a difficult and complex subject. We have to figure out our competitive position to figure out the context. How do we do this? A bottom-up approach? A top-down approach? And also looking at those factors, we have to consider internationally. How we stand as a nation in international competition. So, in that regard, we are advancing for a full consideration, three recommendations. From a bottom-up approach, and I will talk about this. It's asking U.S. Maritime Administration to review the 50 freight state plans that are now being submitted to U.S. Department of Transportation. Second, is the top down. And this fits quite well with what we heard. Particularly from Gene's presentation. A national vision of where we want to go. And third, we looked at, and Tony gave a fantastic presentation to our subcommittee at China's belt and road initiative as a competitor situation we have to consider. So, why are we looking at state freight plans? Because the Fast Act requires that every single state that's requiring funds through this act must submit a plan for approval by the agency by December 4. That means that everybody is submitting about now. There's just a few that are in. But those plans contain the contextual material; they provide a list of priority projects and investment plans within the legislation and the guidance. The states were asked to consider maritime systems, but no one said to them, you must. So, this is an opportunity, to go through all these plans because they will be here at U.S. DOT coming right up, and see what they tell us, not only about the general system, and this goes to the question about a technology that came up earlier. But, what's there, what are the priorities, and where does the MTS fit in with this. That gives us a baseline. A fairly objective

one, of what's happening, where the projects are, what we need to consider. So that's what we asked for. That we asked that the U.S. Maritime Administration staff since we'll have this wealth of documents, hopefully not too long, that tells us what are those MTS related investments that have been included in the freight plans. Take a look our system from that multimodal context that has been brought up before. Whether short sea mentioned? Where do some of the new technological advances come in, where does IT come in, where does environmental considerations. So, we can pull together, all that relevant information and be able to report back to the full committee what it tells us about, what's being thought of at the state and local levels. Then a top-down approach. What is our vision? It does end with what we heard about the national gateway ports. A lot of aspects. What is the vision we want to take forward? And we recognize, and this goes right to the recommendation of our committee, that there are many elements to this. And am going to go through this quickly, but to say, this is not to say this is an easy lift, nor something that can be done by ourselves. Similarly, the way we were collaborative to on our committee. We need to reach out to the rest of DOT, as well as other relevant federal agencies, whether that's DoD, Department of Commerce, all of them, to begin to create a vision of what this plan could be. So that's where we've decided to start and begin to collaborate to have those discussions internally within the U.S. DOT. What would a plan like this look like? And then what we're asking for is Maritime Administration staff to begin to go out, and begin those discussions and report back to us in subsequent meetings. We'd love to be involved in those discussions, if at all possible. And I think that goes to a number of the people here as well. But moving to context, and if possible, maybe we can share Tony's presentation that he gave to the full, to the subcommittee on this. But China's belt and road initiative is a very ambitious process. But it really solidifies their position in terms of international competitiveness and supply chains. So, we have to consider that. We are looking at international competitiveness. But take a look at some of the items here. This is not a single continent this is a worldwide policy, a multimodal policy. This is a vision of the future. This is probably what we should be looking at, as well. Not in terms of what they're doing, we're asking for that, but also, that goes back to the second recommendation of what do we want to do. So, similarly, we are asking MARAD to take the lead in formulating a competitive strategy. So again, this ties with our second recommendation, but also, we have to think about this. What does one belt, one road mean to us? What do we need to do? So again, advancing discussions within DOT DoD, Department of Commerce, State Department, all the various organizations. What does this mean in terms of our international competitive position? What do we need to do to secure critical supply chains? And how do we enhance those supply chains to our connective tissue, both for imports and particularly for exports and then in terms of national defense. And then, again, report back. So, we've been doing a lot of consideration on a complex subject over the last few months and we bring it here to everyone's attention here, we're very excited to see where the next steps go, and we look forward to finding out more, in the next couple of months. So, with that, that concludes our report. Are there any questions? Comments?

(Mike Mabry) We've got a couple over there, so.

(Question from member, Lisa Wieland) Anne, I think it's interesting, the approach looking at the state freight plans that, that, everyone's been working on and that are due. I guess a question I have about those, is do you have a sense that those freight plans will actually have a significant prioritization or investment in marine transportation systems that are maritime-related priorities, just given that we are, so highway-focused, road focused. I'm just curious whether you think that we'll actually see in these plans a focus on, in this industry in this area?

(Lauren Brand raises her hand asking permission to respond) May I respond to that? Hi, it's Lauren. Hi, Hi, Lisa. Thank you, Anne. I want to respond because our team has already made an agreement with the federal highway, and I'm very pleased to say our strong ports team is

reviewing every state freight plan as it comes in. We've already reviewed eight, I think we have three on the table right now we are looking at, and I'm going to describe the cover of one that absolutely, made me sit back and be speechless. And the cover was a state, that you would not think of as being a maritime state, and their cover was, a map of that state with a link to the nearest port saying, this is our lifeline. The State of Nevada. So, yes, it will have a bigger impact than you think. Now there are states that you would think, oh, it's a no-brainer, sure, it's going to be in there, and it's not. And so, what the team does is send back a review to the federal highway department, that's responsible for the freight office and make recommendations that the state is encouraged to reconsider, we can't force them to do it, but we are compiling, who is, and who isn't. And, so you will get your wish, and yes, we will report back to you the result of all this.

(Anne Strauss-Wieder) It certainly will give us a baseline, and it also goes to our education committee and what they just reported, because if the word hasn't gotten out there, and it isn't a priority, that tells us that is something we need to do. So, it's not just talking to the general public. But, again, bringing in different levels of the importance of the MTS. And, yes it will be a multimodal focus and it'll be very interesting and very gratifying to hear the first cover that comes in, links to port.

(Comment from another member) Yeah, I just wanted to make a comment about something that Jim said earlier about that I thought was really thought-provoking about how we need to bring the cargo closer to the consumer. And you know, the one thing that I think about that our country does so much better than any other countries innovative ideas and creative problem-solving. You know, I live in Seattle where we've got 69 construction cranes building a lot of buildings for Amazon and a lot of other high-tech companies, and one thing a lot of those buildings are going to have is landing pads for drones. And, you know. I see my neighbor, every day getting an Amazon package at their doorstep, right? And you know, it just makes me think that you know, we need to be talking to the Amazons of the world and these other innovative companies that are huge BCOs as well. And really talk to them about what is their vision for this future. How does this include maritime? How do we kind of leapfrog, how do we get to where their vision is because I don't know that we're sharing their vision. I don't know what it is. But I think we need to have conversations with a lot of these, and maybe we already have them, at the ports, I'm sure somebody is. You know, somehow, I think we need to integrate those needs, of these big BCOs to figure out what it is, we need to deliver. And I think without that, we're only talking to each other.

(Anne Strauss-Wieder) That's a very important statement, because as we create this national vision, and hopefully, this is also what we see in the state plans. In terms of supply chains, it's first of all, what is the demand? And you talked about the big BCOs. What's shaping that demand, and you know, freight doesn't move because it feels like going to a city for a particular day. It's a responsive industry, to those demands. So, what are those demands particularly for critical commodities, not just in retail but again, export/import and that's something we can certainly look at? What are those demands? What do those customers need to be competitive in a global marketplace? Second, is anything that affects the supply of freight services and within the MTS world that is first of all, multimodal, it involves short sea shipping, it involves, various rivers, and deeply involves the deepwater ports. So, yes, very much so, from what you said. So that's the idea of beginning to have these conversations. Both within the Department of Transportation and the Department of Commerce has an advisory committee on supply chain competitiveness that has been looking at these subjects. So, bringing organizations like that into shaping that vision of what we need to occur.

(Comment from Jim Pelliccio) One of the things we are learning from our dialog, as that as we speak to the large BCOs, we have to remind ourselves, that we are part of a supply chain, that is being changed dramatically. So, so when a container terminal at a major gateway or a secondary gateway did 10 years ago, is going to be very, very there is a very, very different requirement for it now. So, a traditional look at the obstacles that have been preventing us from instituting change, they're no longer the obstacles. The requirement for us now to meet the needs of inventory that's moving quicker to consumers. And not consumers that are willing to wait. I see in my neighborhoods, the same things you see in yours. Vehicles from everywhere in God's creation showing up with packages. Too many are coming to my house. All right. So, we have to rethink about how we position cargo really. Value of goods, the weight of goods, commodity, hazardous materials, you know, that sort, those sorts of things that drive speed. And, and we will have to look, we have to have visibility to that inventory because we will need to have the free up capacity and what we consider today to be very slow-moving operations like marine terminals, they will need to be freed up to meet the needs of the consumer going forward. That's what's going to change the BCOs mind about who pays. Because if you can't get your goods to consumers faster, when they want them, and the condition they want them, then you're not going to be selling, and you're not going to get paid. So, it's a very complex discussion, but it's helping to crystallize to me exactly what our role is in the supply chain. And in all the presentations today, we can never forget that we're part of something that is linked together. And, and, and we're as the weakest link. And technology is changing that. And I'm not a technology person, but I see the effects in my business today.

(Anne Strauss-Wieder) Jim was part of a meeting we had about a year ago. I'm with the Metropolitan Planning Organization. And one thing that we're mandated to do is look into the future. At this point, it goes out in 2045. So, about a year ago, we got together a team of very senior supply chain executives. And we asked them, a blunt question, what keeps you up at night? A similar question was asked of a similar group of people about eight years ago. And our region said you've got to raise the bay on the bridge, air draft and get double sack trains operational. Well, that all happened. That's the good news. What keeps them up now? Well, one did mention that their daughter was getting her driver's license. But, when we asked them, what they're concerned about because that should be concerning us, to your point, they talked about the retail supply chain, the new last mile of retail. The need to deliver things expeditiously. And he also talked, by the way, talked about the cold chain, temperature controlled movements. But really, they were grasping at how we meet these demands for two-day delivery, next day delivery, same day delivery and by the way, mandate the free shipping to customers. So when we asked them, drill down, what does that mean for the multimodal infrastructure, they talked about you've got to deal with the pinch points, you've got to deal with congestion, you have to have predictable travel times. So that goes across modes and goes to Jim's point as well, and why we have to consider this from a multimodal standpoint. This is our consumer market, but also, we do have products that are serving overseas markets. So again, this is something we want to consider, and as we mine these wonderful reports that are coming in, we can look at the context, that each state is putting together. What do they consider the critical commodities? What do they see as changing in the future? What do they see as priorities? And that, will again, help shape what we need to do here and what message we have to get out.

(Lauren Brand) Thank you, Anne. If I can bring us home just before lunch, I want to say, first of all, please read the two white papers that were done by the port subcommittee. This committee will be asked to comment on them. They put a tremendous amount of thought and effort to it. And every subcommittee has done a lot of very thoughtful, very energetic work. This has been the most energetic MTSNAC we've had the privilege to have to date. if we are listening to the subcommittees, there's a thread that ties each of the topics together, and while each subcommittee

can stand alone and is doing excellent work, it's going to be the challenge of the committee to thread these thoughts together into recommendations that go forward into the administration and the department. So this afternoon, you have the opportunity, at lunchtime you have an opportunity, to talk more, get together more, and then, this afternoon, come out with recommendations to the chair and to committee from the subcommittees you'll take some action, and I wanted to make sure that you kind of circle February, our next full meeting together in Washington, with February, the administrator will be here at that time and it sounds like that will be good timing to get, recommendations made to the administrator at that meeting, by the subcommittee.

(Gene Seroka asks) Do we have dates yet, Lauren?

(Lauren Brand responds to his question.) No, we don't have dates yet, Gene. But as soon as we get them we will. We were lucky yesterday to focus on the month. So, one thing at a time, right? 2018, we got the year. Get the date next.

(Gene Seroka) Understood.

(Comment from Gary LaGrange) Lauren can I asked that it not be on Mardi Gras Day?

(Lauren Brand) What day is that?

(Gary LaGrange) I don't know.

(Lauren Brand) What? Gary LaGrange doesn't know what day.

(Gary LaGrange) Tuesday.

(Jeff Flumignan at the podium interjects) Only if you're buying the Hurricanes.

(Joel Szabat) Or could we have it in New Orleans on Mardi Gras Day?

Item 10: Public Comments

(Jeff Flumignan) OK. Folks. At this time, I'm going to dispense with public comments this morning. We did not receive any notifications from any members of the public that they wanted to make comments., we will have a second comment period in case somebody does want to make public comments this afternoon.

Item 11: Break for Lunch

(Jeff Flumignan) We are going to break for lunch; everybody is invited to use our DOT cafeteria; it's out the door to the right and down the stairs. You can stay in the building, and it's in the atrium in the building next to us. Also, you can go to some restaurants. Often times there are some food trucks available. If you haven't given Morris your \$12 for refreshments, please do that. We're going to reconvene in the breakout sessions. The Mariner Workforce Working Group will reconvene in this room. I would ask everybody to congregate around the elevators, and we'll have our staff liaison take folks up to the second floor and MARAD's conference room. We have four conference rooms that are set-aside for each of the other four subcommittees. We are going to use the Liberty, the Linelocker, the Clipper and the Victory rooms which all of the staff liaisons know where those are and take you up to your conference room for your breakout sessions. And then we'll meet here and at 1:30, and we'll begin our report outs to the chairman. And then we'll have a motion for consensus out on the working report, public comments, and the way ahead, and then

we'll close out today approximately around 3:30, 4:00, depending on how things go.

(Mike Mabry) Just a reminder if you go outside, you will have to turn in your badge and recheck in when you come back.

(Question from Call in) Sorry to interrupt. Are there call-in numbers for the Break Out Sessions?

(Jeff Flumignan) There will only be a call-in number for the Mariner Workforce Working Group, here in the Plenary Room. We can also arrange for call-in numbers for each of the subcommittees because their conference rooms have Polycom phones and we will do that, that's relatively easy.

(Mike Mabry) And will you send that out in an email, or how know?

(Jeff Flumignan) We'll send out an email blast here probably in the next 15-20 minutes with those call-in numbers.

(Mike Mabry) Ok. Thank you.

(Another Question from Call in) Some of us weren't on the original email blast. So, can you include additional people?

(Jeff Flumignan) Only if we know who you are.

(Comment from Call in) I did send a message to Jeff this morning.

(Jeff Flumignan) OK. Thank you. Ok. All right. Thank you, folks.

(Mike Mabry) We're adjourned for lunch.

Item 12: Breakout Sessions (Not recorded)

Item 13: Report Out to Chairman

(Mike Mabry) All right. Hello. I hope everyone had a robust discussion in his or her subcommittee breakout sessions. We'll hear reports out here now. I would ask that during your report out that your subcommittee's ready to move forward with recommendations and would like the committee to adopt their recommendations just let us know during that, and we'll have discussion and vote after you report out. So. We'll start with the Marine Highway Subcommittee with Dan and Jim.

(Mike Mabry) Didn't you have time to get Jim briefed up for this, so you're going to handle it yourself? (Laughter from the audience.)

(Daniel Harmon) I'll sit down and put my coat back on.

(Mike Mabry) So, you really could talk.

(Daniel Harmon) That's right. So, we had a pretty good discussion of the project that Jim had brought up earlier in the Northeast. As you know, most of, with our problem statement the kind of the items that we're looking at as recommendations are policy related. They are much more to MARAD and even to Congressional level. But we've been looking at the project that Jim mentioned as kind of a more down to earth interaction and will start pursuing and seeing what we

can do to help them get that as a Marine Highway project off the ground. So, we can work on that as we're trying to strengthen our white paper for you guys to take up for a little higher look. That's pretty much what we did today. Questions?

(Question from a member. Hard to hear. Wasn't utilizing the microphone.)

(Comment from member) And you're going to have people with many viewpoints on that.

(Jim Pelliccio) (Shares his thoughts to the member.) (Call in interrupts and requests whoever is speaking to use the microphone so people on the phone can hear what is being discussed.)

(Jim Pelliccio) I apologize. One of the things we discussed in the subcommittee meeting is that the research has got to be tested. It's got to be real, because when it goes primetime, there's going to be a lot of shots taken at it, and we don't want the credibility of the program to be affected by the fact that we haven't been critical enough of the ideas that have. But what we see so far, is that it's, it's absolutely worth taking the effort forward, and we have to put more minds around it.

(Question from member) Who are the detractors you're referring to?

(Lisa Wieland responds to the question.) So, I mean, I think many of us have lots of concerns about the HMT, but it is also a primary source of dredging funding. So, to the extent that it is eliminated, I think there will be constituencies who say, all right, what will be the source going forward, and we know it's not fully allocated today, those funds, but I think those kinds of questions will be asked and so, just as you said, we have to be prepared for the people who will try and poke holes in this, and I think that's one that you'll get questions on.

(Jim Pelliccio) Yeah, and I think that you know when it applies to certain types of cargo, and this is highway, marine highway cargo, that becomes a much smaller part of what is actually being gained through the HMT. So, we have to identify that, we have to clear it, and if we're successful, it would be a good problem to have, and we could deal with that in the future, right? Because of the savings on the, on the other side of the equation, if they're not considerable, we shouldn't do this, right? But I believe that they are.

(Daniel Harmon) Any other questions?

(Mike Mabry) Comments? All right. So, if I understand, then you, the subcommittee wants to continue to work on their, their recommendations.

(Daniel Harmon) That would be correct, sir.

(Mike Mabry) All right. Thank you, Dan. Appreciate it.

(Mike Mabry) All right, Gene.

(Gene Seroka) Ok. Great. Our subcommittee just met and we had some wordsmithing, a couple more appendices to add in some paragraph realignment. All, all seems to be in good order. We'll have a final draft ready by, next Friday, October 6. We'll circulate that amongst the subcommittee members who are present today and those on the phone, and we had a couple including our co-Chair, Griff Lynch who was not here today, give him a final read of it. And then we'd like to circulate to the entire MTSNAC and Chair if it's appropriate, we'd like to ask an electronic vote no earlier than October 20, and if we receive a supermajority upvote, we'd then like to tender the

document to the Administrator and to the Secretary, and our ask of you and the Vice Chair is to and set up meetings with both, face to face before the year-end holidays. If that's appropriate given MTSNAC's calendar look.

(Mike Mabry) Yeah. Any, any questions for Gene on their recommendations are final? So, I think you can anticipate then getting a final readout from their subcommittee, and we'll do a teleconference in October, sometime.

(Gene Seroka) Ok. And then we would sync up with leadership and senior staff to make sure the narrative and the messaging going into a meeting with the Admiral and the Secretary is succinct, and they have an understanding of our specific asks are for permission to move forward. Not just asking for budgetary allocations Yep.

(Mike Mabry) Thank you.

(Gene Seroka) Ok, very good. Thanks. Also, I would be remiss if I didn't thank, in no certain order: Ryan McDonald from the Georgia Ports Authority, Dennis sat in for Karl Simon of the EPA, Jim Kruse, who was on the phone today, Susan Monteverde, from AAPA, Susan Hayman, Peter Ford, William Pennella, and from MARAD staff, Travis Black and Seneca Sock. For their, their great work, especially in the crafting of the two white papers that were distributed today. So, thank you all very much.

(Mike Mabry) We'll hear next from the Education and Awareness Subcommittee.

(Kristin Decas) So we put together a framework for our white paper around the core focus areas. That we presented earlier. And we're going to refer a lot to our SWOT Analysis to inform our paper. And actually, we had some ideas come out of our meeting today, and we're going to try and make it kind of speak to priorities of the administration at the rollout and what we heard this morning of the national maritime strategy, how outreach, advocacy, and education can be a primer to help leverage the push out and roll out of that document, so what we have come up is a game plan, to how we'll build our white paper. We're going to have several doodle polls go out, set up other meetings; we'll be assigned our committee members to their tasks, writing each piece of our white paper. So, we hope to come forward with some robust recommendations for you all to consider at the next meeting in February. So. Ok.

(Mike Mabry) Thank you.

(Kristin Decas) Yep.

(Mike Mabry) All right. Then. International Competition and Global Trends.

(Ann Strauss-Wieder) So, this morning, we set the stage. And hopefully, we got you thinking. But what our committee has been working on, and a shout out to the members who were able to join us in person, as well as on the phone, so we can move forward on this for full committee consideration and vote today. We have three recommendations and a little bit of homework for the other committees. Our first recommendation from this morning relates to the freight state plans that are being put together and provided to FHWA for review and approval by December 4. And this is the specific recommendation here. That we are directing U.S. Maritime Administration and staff to review the plan and report back to us and other relevant groups on the following items: the locations and types of MTS related investments that have been identified as priorities. The state views of the MTS within a multimodal framework and also how it works

within the state levels economies and freight systems. Now, this is a third element that we added as a result of conversations this morning, and particularly, this afternoon. Do the State freight plans generate a cohesive national freight picture? And if not, what are the gaps? We feel that would be very informative and inform us of an education committee or anything else, what we need to do. And additional context material. And that's kind of the homework. We started talking about some of the questions we wanted to answer. Whether we want to know about innovation, key commodities, so forth. But that is something we could ask all the committees, what are the questions or information, as U.S. Maritime Administration staff are looking at these, what do you want to learn from them. So, turning to Mike, how do you want to do this? Do you want to vote by recommendations or report all three of them?

(Mike Mabry) I think to go through all three and then will...

(Anne Strauss-Wieder) Ok. So, let's go to number 2. So, this is the top down piece. (Presents Recommendation 2 slide) And starting with, we want to have some sort of National Freight Master Plan. Now think of the State Plans and the National Plan. But we have to start with the discussion. So, we are directing you as Maritime Administration staff to advance the discussions within U.S. DOT and other agencies. DoD, DoC, others, to coalesce the group needed to move forward on the idea of developing a freight master plan. And similarly, we're asking for MARAD's staff to report back to us on those conversations to see what we can do to advance them. So, going to 3, (Recommendation 3 slide). We've talked about, one belt, one road, as a competitive strategy and here it's a two-fold approach. One is what's our version. What's the U.S. version of one belt, one road, and how do we respond to China's efforts in this regard. So, what we're asking is for MARAD to take a leadership role in formulating a multi-agency, multimodal competitive strategy. And advance discussions similar to recommendations to, on what are the considerations, the approaches and particular actions on three areas. One is international competitiveness; second is protecting and securing and enhancing our supply chains; both in terms of imports and exports. And we're talking about those commodities that are absolutely needed for our businesses here, and those markets we serve overseas. And this is taking the long view. So, and finally, and most importantly, the national defense as well, and someone to report back on MTS.

(Inaudible question from member)

(Anne Strauss-Wieder responds) From a competitive business standpoint, we need uninterrupted access to specialized and potentially critical minerals sourced from overseas. Essentially, think of it as, and Tony related some facts to us, there are at least 41 commodities on which the US is import-reliant. That's startling. If we don't have them, we've got a problem. So, the question is, what do we need to do to secure those critical supply lines. Now, this is not related to a national competitive strategy, but if you think back to the disaster of Fukushima and all the different supply chains throughout the world that were affected, when certain businesses went offline, that's another way of looking at business continuity.

(Inaudible comment from a member)

(Anne Strauss-Wieder) I think it's that too. But let's open it for discussion.

(Mike Mabry) Any, any questions on the three other recommendations? I would remind you; we do have people on the phone.

(Anne Strauss-Wieder) I'm going to go back to my seat and turn it back to the Chair.

(Mike Mabry) No, no questions? All right. If we don't have any questions, do we have a motion to adopt these recommendations? By the larger group? Oh, we do have a question?

(Question from member)

Sorry. In terms of the cyber component seems to be increasingly a great concern to our business community. Have you considered cyber concerns with respect to security protection?

(Anne Strauss-Wieder) I think if we talk about supply chains, we have to talk about both physical and information infrastructure. It's, it's all together these days. So, I think that's a critical piece when we talk about the considerations, approaches and so forth that we have that we do have to consider, yes. So.

(Comment from Call in) Ma'am, financial flows as well. Yeah, there's Scott.

(Anne Strauss-Wieder addresses Mike Mabry) Yes, I will move, if you need someone to put it forward.

(Mike Mabry) All right. So, we have a move from the subcommittee Co-Chair to, approve the recommendations. Do we have a second?

(Joel Szabat requests to make a comment) In this point of order, may I make a comment before you move?

(Mike Mabry) Please.

(Joel Szabat) Just delicious irony. In having a FACA like the MTSNAC, this gives the Department of Transportation, their 10-minute administration the opportunity to you know bring in their subject matter experts and bright minds like yourself, and ask you to do work for us. And now we get the recommendations back from you, and you're directing us to do work, appropriately that would help you, but since, I'm speaking out for those of us that will be receiving these directions, specifically the bullet points and your Recommendation 3, I don't want to amend the Recommendations or change them, I would just ask if we are going to be voting to adopt them, that you do it in the spirit of, that you can still work with us, so, for example, the first bullet point Recommendation 3, it probably would not be appropriate for MARAD specifically, to take a lead role if we're trying to bring in other federal agencies outside of DOT. That would be a Department of Transportation function, but it would be a maritime administration's job to work with the rest of the department and get the Secretary on board and ensure that we, you know we take charge of this and try to do that. So that would be our commitment to you, but understanding that any direction that says MARAD, you should go out there and make sure Treasury and the Commerce Department and the State Department, are going to follow your lead on international competitiveness is a failed strategy, to begin with.

(Mike Mabry) Great, context, and we actually had some of that discussion that we did not fully expect.

(Jeff Flumignan requests to make a recommendation) Mr. Chair, if I could make a recommendation.

(Mike Mabry) Yes.

(Jeff Flumignan) Perhaps we do adopt and amend the motion, so the committee can consider the recommendations to be adopted. However, subject to amendments in written format, that would perhaps be discussed in the same phone call, in October that we're going to set up.

(Mike Mabry) I have no objection to that. Do we have the language that Jeff just, just, gave us? A motion to adopt and amend these recommendations? Ok.

(Scott Sigman on the phone) All right, I move, this is Scott Sigman, Co-Chair, accept that recommendation for that amendment.

(Mike Mabry) All right. Scott, we'll take yours as a second since Gene had already made the motion. So.

(Scott Sigman on the phone) Ok.

(Mike Mabry) All right. So, all in favor?

(Members) Aye.

(Mike Mabry) Any opposed? Hearing none. It's adopted. All right. Sasha? Kevin? You guys?

Item 14: Motion for Consensus Agreement on the MWWG Report

(Dr. Shashi Kumar) Good afternoon, everyone. I hope you had a good lunch. You know, I sailed for over 10 years on all kinds of ships, big ships. It's a lot easier to sail ships than to call mariners, to be honest with you. Thank you all for taking the time to read our 140-page long report, thank you for doing that, thanks for all the feedback we received this morning, all the comments you gave us. When we convened at 12:30, the MWWG members were here, those who are attending here physically, we had one participant via phone. We reviewed your comments, as you may recall there was a request this morning from one of our members to delete one paragraph from one of our appendices, Appendix, K, we worked out so Appendix K will go, Appendix L will not be there, the rest of the report remains the way it is now. So, in other words, rather than the number of appendices will reduce from the letter W to the letter V, as in Victor. So, that's really where we are right now at this point. We are in unanimous consent as to the contents of this report. Recommendations are nicely summarized in the Executive Summary. If you have not had time to read through the whole report. I am happy to answer any questions you may have.

(Mike Mabry) Any questions for Sasha? Anybody on the phone? So, do I have a motion, then too, as described, and amended, too, approve the Working Group's recommendations? Do I have a straight recommendation to accept? All right. All in favor?

(Members) Aye.

(Mike Mabry) Do I hear any nays? All right. Approved.

(Dr. Shashi Kumar) Thank you.

(Mike Mabry) So, I think at this time, Joel, you going to address them...

(Joel Szabat) So, so, I'm on the agenda to speak later, on the way ahead, but in the best tradition of the way ahead, I'm going to jump ahead and talk a little bit right now. We've been talking earlier about it would be most appropriate to talk right after the presentations, about what we do with the recommendations that we have from the MTSNAC. So, I think loud and clear; we got the consensus here that you want to have a briefing here with the Secretary and the Administrator. I can promise you the fact, that the administrator, is interested will make himself available. I can promise you that the Secretary is interested. I cannot promise that she will be able to make herself available. That's the Secretary's time is more precious than diamonds or gold. However, we will work to make that happen. I think the format that we're looking at is first off; you want to have all subcommittee reports finalized as amended and approved. We'll be looking for one time, and one time only to bring everybody in, and probably it will be a maximum of one hour., so one hour is going to have to cover all the briefing material, all the subcommittees, and allow time for questions. Just a note from me, as I'm getting to know our two bosses in the Maritime Administration. First the administrator, his style is generally, for the most part, he'll let a presentation go, and he'll fire off his questions, and Secretary of Transportation, exactly the opposite. You get halfway through your first sentence, and she'll start peppering you with questions. And don't actually ever think of finishing a presentation as you'd originally drafted and presented in. So, it will be interesting if we have both of them in the same room at the same time, and for you to figure out how to make that presentation. I give that back to you, as a challenge., if we can't get the Secretary, we will still set up a time with the Administrator and senior leadership from the Department., including the folks the Secretary would rely on in addition to the Administrator to inform her about, what's going on in matters maritime. And then I think I would turn it back, I would like as part of the discussion here, when do you think would be the right time when you're prepared and right now I'm just looking, you know, in a window of a few weeks, one way or another, what month would that be. And then after that, we can start looking at available dates when people can come in and when the Secretary might be ready.

(Lauren Brand) So, my process question is, of the four subcommittees, now that the working group has finished their job, thank you so much, Dr. Kumar. So, we have two that will be ready before February and two after February. Can we have the two before February meet? And do the presentations?

(Joel Szabat) It's unlikely, so this will be a challenge the group. It's unlikely to get two bites of the apple with the Secretary. We can definitely get two bites from the Administrator. But if you want to get in front of the Secretary, you've got a choice. One option is, depending on which ones are ready when, you can go forward and say, here's the first two we want to talk to the Secretary about those. Or you can say, let's do the first two just with the Administrator and then when you get the next two, you can have the next two, brief the administrator, and then all four go in and brief the Secretary. That would, that would be my recommendation if that's the consensus a vote.

(Mike Mabry) I think that's a great challenge for us. I think probably the best thing to do is let's just get a conference call after this with the subcommittee members and kind of walk through that and we'll come back to you with a path forward there that you've asked us to define.

(Joel Szabat) And the other thing is just to reiterate.

(Member interjects) I was just going to add, having spent a little bit of time with the Secretary, I mean she wants things like on one piece of paper if a page and a half at the most. So, that's going to be a challenge. She doesn't tolerate, so, for what it's worth.

(Joel Szabat) Yup. So, so, so, regarding the 3x5 card, I don't know if you saw. There was just a little news item, that, a college student, the professor allowed college students to bring a cheat sheet of a single 3x5 card, so she brought a sheet, 3 feet x 5 feet, ok, because he did not specify inches. And to his credit he said, you know, I didn't specify it, so she's good to go. And as it turned out, she was a good student anyway, so she did benefit from the card. However, I would not recommend bringing 3 feet x 5 feet cheat cards into meetings with the Secretary. I don't think it would be appreciated in exactly the same way.

Item 16: Way Ahead

(Joel Szabat) The one other item I have for the Way Ahead is what I mentioned, the priorities of the Administrator. So, we want to, you know, you've been given this task and thank you for the amount of time but also for the quality of the work you put into this and the recommendations coming back. I don't know how we would have met the Senate recommendations, for example, the Senate requirements, for example, on reporting back on the Maritime Work Group. Were it not for the work that you folks were willing to do for us. We thank you for that. But we are going to; we've set aside now for several months, the National Maritime Strategy., and, this is important to us within MARAD, it's important to the Administrator, and from what I hear from the comments here, this is an important part of what we're trying to do and reinvigorate the marine transportation system. So, both somewhat tied to what you're going to make recommendations here, but also separate, for those of you who are willing to continue heavy lifting for, us, this is going to be something Administrator Busby is going to be asking us, MARAD, and us, you, MTSNAC, to work together on. He's going to take a crack at it, left over from, Jaenicen came from the previous administration what was handed to him, your review, and with some modifications, he's likely to put this back in your court, in the same way, that Administrator Jaenicen did. , and ask you for your input and comments. So, that, that, just in terms of thinking ahead, that right now is probably the next heavy-lift we're going to ask you to help us tackle.

(Mike Mabry to Joel Szabat) I want to really appreciate your engagement today and feedback, insights, and, and clear direction; it's very helpful to the committee. So, thank you for your time today. Jeff, any Public Comments?

Item 15: Public Comments

(Jeff Flumignan) Thank you, Mr. Chair. We have one Public Comment from a member of the public, Mrs. Denise Krepp.

(Denise Krepp) So, eight years ago this week, I arrived at the Maritime Administration. I was the Chief Counsel. And the reason I'm bringing this up is that of, what Joel just said., this strategy. When I came in eight years ago, I was told cargo preference was something important. That we were going to make it happen. If you guys look around, the preference to regulation was never written. It was never written, and the reason I'm telling you this today is that it was held up by USAID, State Department, Ag, and Energy. I am giving you this insight baseball because I want you to be more successful than we were eight years ago. Eight years ago, I came in as a political appointee, and I thought, huh, we all get along, we're all Democrats. That was the biggest mistake of my life., please be aware, that they will stop you. They will try to do to you, what they did to us. Which is, we won't let OMB review the document. We won't let it get circulated. We won't let it get to the press. We won't let you talk. What you have done today is phenomenal. You've just tasked MARAD with looking at something. You have given stats out. You've done more today than we did in eight years. And please, keep doing this, and please be aware of the hurdles, and I'm doing this for a reason because I didn't know about these hurdles. I thought, again, we're all Democrats, we'll all hold hands, and we'll work together. We didn't, and the same thing is going to happen here with the other agencies that are not going to want you to be

successful. So, knowing your battlefield, as you've talked about already, means you know the folks you're going to have to overcome. And know how to overcome them will also give you the strategy. So, good luck.

Item 17: Closing Remarks and Adjournment

(Jeff Flumignan) Thank you, Ma'am. Mr. Chairman, I believe that concludes our business for the day.

(Mike Mabry) Any other comments from the committee? Seeing no other comments, standing. We adjourn.

(Jeff Flumignan) Yes, sir. Thanks, everybody.

Maritime Transportation System National Advisory Committee



September 27, 2017

Agenda

Meeting Agenda

9:30 AM	Call to Order & Roll Call
Item 1	Welcome and comments from the MTSNAC Chairman
Item 2	Welcome and Comments from the Executive Director
Item 3	Discussion of MTSNAC by-laws
Item 4	Motion for consensus agreement of MTSNAC by-laws
Item 5	Report from the Marine Manpower Working Group
Item 6	Report from the Marine Highway Subcommittee
Item 7	Report from the Port Capacity Subcommittee
Item 8	Report from the Education, Awareness & Advocacy Subcommittee
Item 9	Report from the International Competition & Global Trends Subcommittee
Item 10	Public Comments

Agenda

Meeting Agenda

Item 12
12:30 PM

Breakout Session – Breakout Rooms

- *Review Problem Statement*
- *Prioritize Issue Areas and Desired Outcomes*
- *Update Problem Statements*

Item 13

Report out to Chairman by Subcommittee Chairs, Maritime Transportation System National Advisory Committee

Item 14

Motion for consensus agreement on MWWG Report

Item 16

Way Ahead

~ 3:30 PM

Closing Remarks and Adjournment

Maritime Transportation System National Advisory Committee

Mariner Workforce Working Group (MWWG) Subcommittee

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

NDAA Section 3517

The National Defense Authorization Act for Fiscal Year 2017 (NDAA) 3517 sets forth establishing a working group tasked to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency.

Four tasks to be accomplished within 12 months (December 23, 2017):

- (1) Identify the number of United States citizen mariners
- (2) Assess the impact on the United States merchant marine and the maritime academies if their graduates were assigned to certain maritime positions based on the overall needs of the United States merchant marine
- (3) Assess the Coast Guard Merchant Mariner Licensing and Documentation System, and its accessibility and value to the Maritime Administration for evaluating the United States citizen mariner pool
- (4) Make recommendations to enhance the availability and quality of interagency data for evaluating the pool of United States citizen mariners

Mariner Workforce Working Group (MWWG)

- Established as a subcommittee of the U. S. Maritime Transportation System National Advisory Committee (MTSNAC)

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

MWWG Membership

- **The MWWG is comprised of 26 Member Stakeholders and 5 Subject Matter Experts.**
 - Chaired by MARAD
 - In consultation with Committee on the Marine Transportation Systems (CMTS) and Coast Guard Merchant Marine Personnel Advisory Committee (MERPAC),
 - US Coast Guard
 - 3 Member organizations from U.S. NAVY
 - 6 Labour Unions
 - 6 State Maritime academies plus U.S. Merchant Marine Academy
 - 5 Owner representatives of the U.S. Flag Fleet for Coastwise and International trade
 - 5 Subject matter experts
 - DOT Bureau of Transportation Statistics

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

March 2017

- MWWG Kick off Meeting at DOT headquarters 10 MARCH 2017
- FACA Protocol
- Commence drafting Terms of Reference for the NDAA tasking
 - Who is a U.S. citizen mariner?
 - What are the industry standards and typical crewing practices?
 - What are the necessary USCG qualifications for a mariner who would sail on ships activated during a national emergency?
 - What additional caveats would limit qualification, including medical requirements and specialized DoD requirements where applicable?

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

April 2017

- Second Meeting of the MWWG at DOT Headquarters in DC
- Began addressing the first two assignments tasked by the 2017 NDAA 3517 Statute
 - Evaluating the pool of mariners, addressing issues with the MMLD and quantifying mariner data
 - Impact on the U.S. Merchant Marine and the Academies if their graduates were assigned to or required to fill certain maritime positions based on the overall needs of the U.S. merchant marine

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

MAY 2017

- 3Rd Meeting at US DOT Headquarters in Washington DC.
 - Guidance from congressional staff to help clarify congressional intent
 - Finalized Terms of Reference
 - Result: First round of input from stakeholders received in late June.

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Federal Register Public Docket Results

- **Federal Register issued in July announcing Public Docket for public comment.**
- **Public docket open from July 11 – 31 2017**
 - **13 Comments received**
 - **12 Comments incorporated / 1 comment non-substantive**
 - AMERICAN MARITIME OFFICERS
 - AMERICAN ROLL ON ROLL OFF CARRIERS GROUP
 - CONSORTIUM OF STATE MARITIME ACADEMIES
 - CROWLEY MARITIME
 - GENERAL DYNAMICS
 - KINGS POINT CLASS OF 1967
 - MAERSK
 - MARINE ENGINEERS BENEFICIARY ASSOCIATION
 - MARINE FIREMENTS UNION
 - MASTERS MATES & PILOTS
 - SEAFARERS INTERNATIONAL UNION
 - TOTE

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

August 2017

- Final in person meeting of the MWWG
- Preliminary report outline distributed for comment
- Input / revisions received from stakeholders and incorporated late August
- Report revised and redistributed on September 13, 2017 with one week for additional comments
- All additional comments reviewed, and final draft ready for transmission and MTSNAC review on September 22, 2017

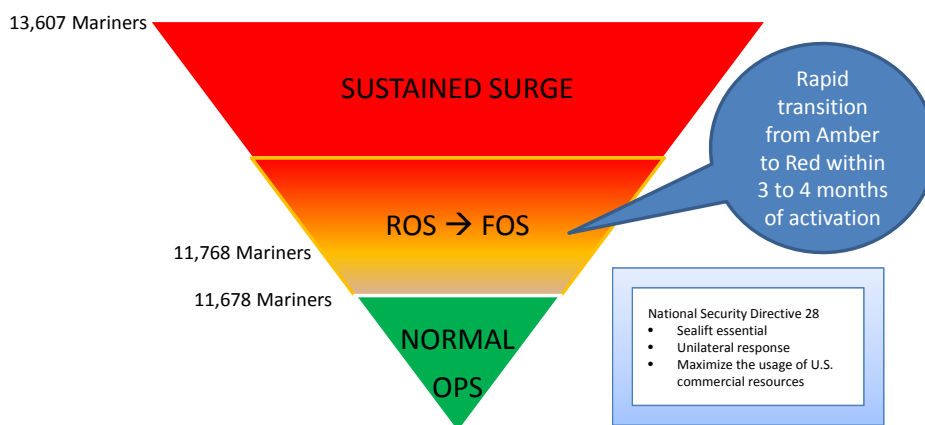
Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Findings and Recommendations

- Findings: §3517 D (1)
- Identify the number of United States citizen mariners...
 - MWWG estimates that there are sufficient mariners working in the industry to activate the surge fleet if the entire pool of qualified United States citizen mariners identified by MWWG are available and willing to sail when required.
 - The MWWG estimates that **11,768 qualified mariners** with unlimited credentials as described above are available to crew the ready reserve fleet.
 - Concurrent operations of the commercial fleet and sustained sealift that demands crew rotation will demand a total of **13,607 mariners** with unlimited credentials.
 - There is an estimated deficit of at least **1,839 mariners** with unlimited credentials assuming of all those mariners being available and willing to sail.

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Findings and Recommendations



Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Findings and Recommendations

- FINDINGS: §3517 D (2)
- Assess the impact on the United States merchant marine and the United States Merchant Marine Academy if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine.
 - State Maritime Academy graduates who receive Student Incentive Payments (SIP) are obliged to serve when called upon
 - Outside of those SIP students, the federal government has no legal authority to conscript students either before or after graduation

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Findings and Recommendations

- FINDINGS: §3517 D (3)
- Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners.
 - MMLD Designed for issuing mariner credentials
 - Until 2014 MARAD was able to process MMLD extracts to populate the Mariner Outreach System in MARAD and conduct mariner availability analysis
 - Internal changes to MMLD programing within the USCG have prevented the processing of MMLD data within MARAD since 2014
 - MARAD was able to use MMLD data for this report but only in its raw form

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Findings and Recommendations

- FINDINGS: §3517 D (4)
- Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.
 - Unanimous agreement that the MMLD must be replaced with a modern system that has good data analytics capability
 - As an interim measure, some workarounds may be possible with changes in data coding practices and enhanced sea service visibility
 - System-wide limitations may impact USCG’s ability to make interim changes

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Current Status



MWWG to be disbanded once the MTSNAC process is complete
 Many thanks to all participants and contributors

Maritime Transportation System National Advisory Committee - Advising the Secretary of Transportation on the Marine Transportation System

Short Sea Shipping

MTSNAC
Marine Highways Sub-Committee

Problem Statement

There are significant barriers to SSS/Marine Highways that prevent expanded utilization by new and traditional users.

Domestic Marine Transportation

Already a robust system in place

- ▶ Traditional Jones Act coastwise trade
- ▶ Hawaii, Alaska, US Territories
- ▶ Inland waterways and Intracoastal Canals

Challenge is to expand usage to non-traditional or new services

- ▶ Container on Barge (COB)
- ▶ Non-divisible loads
- ▶ Over-Size / Overweight Loads (OS/OW)
- ▶ New commodities or cargos

Domestic Marine Transportation

Observed characteristics of non-traditional Marine Highway services

- ▶ Limited scope
- ▶ Niche market: Single customer, specific commodity, OS/OW
- ▶ Subsidy dependent: Service ends when subsidies end.

Plan of Attack

Identify stakeholders and institutional barriers

- ▶ stakeholders
- ▶ regulatory, statutory and cultural
- ▶ jurisdictional issues

Identify infrastructure barriers

- ▶ connectivity gaps
- ▶ capacity constraints
- ▶ Identify funding shortfalls

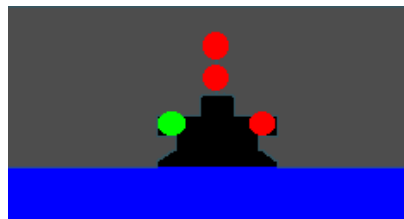
Identify economic barriers

- ▶ starting or preventing service
- ▶ incentives and disincentives
- ▶ long term sustainability solutions

The Common Theme

US domestic maritime transportation LACKS...

- ▶ Clear direction
- ▶ Comprehensive program
- ▶ Project prioritization
- ▶ Clean funding



Domestic Maritime Programs

- ▶ No lead agency for policy development, program oversight, or regulatory authority
 - US Army Corps of Engineers: Infrastructure construction, maintenance, permitting
 - US Coast Guard: Navigation safety, maritime law enforcement, environmental response
 - Customs and Boarder Patrol: Jones' Act compliance
 - States and Local Government: Local laws, environmental compliance
 - Inland Waterways User Board: Advises USACE on projects.
- ▶ Funding
 - WRDA
 - Coast Guard Authorization
 - DOD appropriations.
 - DHS
 - TIGER / FASTLANE

Other USDOT Programs

Surface and Air transportation characteristics:

- ▶ Lead agencies (FHWA, FTA, FRA, FAA, etc)
- ▶ Policy and program oversight
- ▶ Regulatory authority
- ▶ Funding legislation that establish priorities for stakeholders

MARAD

- ▶ Limited focus on *Transportation*
- ▶ Policy and program oversight limited
- ▶ Approx \$531M Budget
 - \$194M Academies and Training
 - \$258M Ready Reserve and Maritime Security Program
 - \$59M Ops and Programs



Less than 10% for Marine Highways and port programs.

Sub-Committee Recommendations

1. Designate MARAD lead agency for domestic maritime transportation.

- ▶ Prioritize infrastructure investment
- ▶ Better integrate maritime into National Freight Network on par with highways, rail and air.
- ▶ Coordinate with other agencies

Sub-Committee Recommendations

2. Seek “clean” funding for marine navigation and infrastructure projects without flood control, environmental, or drinking water.


- ▶ Option 1: Standalone bill
- ▶ Option 2: Include in Surface Transportation Bill.

Sub-Committee Recommendations

- ▶ Recognize maritime transportation as equal partner with other modes
- ▶ Maritime transportation strategy and planning in transportation agency
- ▶ More effective coordination across modal lines
- ▶ Leverage resources

Port Capacity Subcommittee

Addressing Nationally Significant Maritime Gateways



MTSNAC
September 27, 2017

The image features a world map with a network of red lines representing shipping routes. The lines are most dense in the North Atlantic and Indian Ocean regions, indicating major maritime gateways. The map is set against a dark background with a subtle grid pattern.



Problem Statement 1

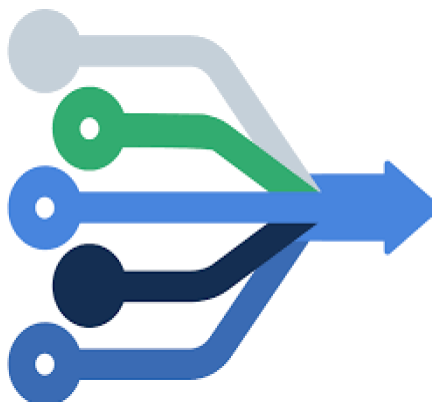
The nation's Maritime Gateways will either facilitate or impede economic growth. The nation lacks a dedicated effort to assess, develop and maintain port capacity to ensure the identified Gateways support national competitiveness, security and sustainable economic growth.

This assumes a supply chain approach, rather than a location-based approach.

Objectives

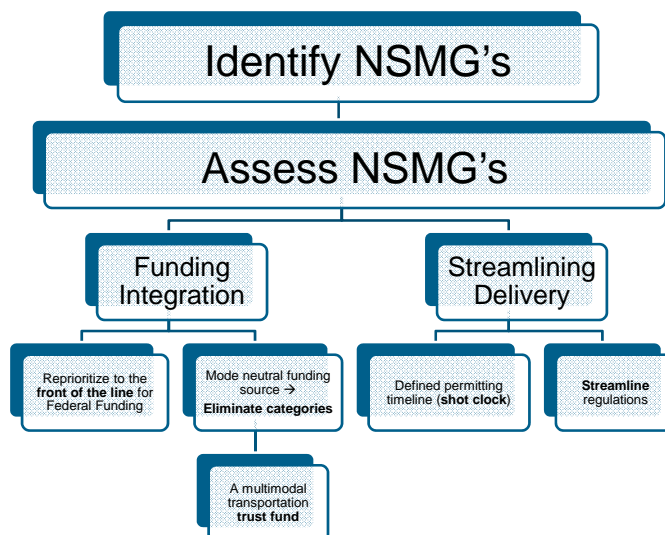
of the Nationally Significant Maritime Gateway (NSMG) approach

1. Identify Nationally Significant Maritime Gateways
2. Assess NSMG's
3. Integrate funding approaches
4. Streamline regulatory processes



3

Proposed Actions For Nationally Significant Maritime Gateways



4

Factors for Identifying Nationally Significant Maritime Gateways

1. Defined by Commodity Groups (separate to compare):
 - Container
 - RoRo
 - Breakbulk/general
 - Dry Bulk
 - Liquid Bulk
 - Military?
2. Resiliency for U.S.:
 - How does this port fit into the national system (National Multimodal Freight Network)?
3. Market reach / impact:
 - Nationally significant to the economy and security of the U.S. → i.e. bananas vs. chlorine
 - Can other ports within the community substitute for this port until more infrastructure can be built?
 - Supply chain disruption resulting from challenges at the port.
4. How does this fit into end-to-end supply chains?

5

Assessment of Nationally Significant Maritime Gateways

After defining a framework for NSMG's, then work to prioritize projects within each commodity group. Build an assessment of financial, institutional, regulatory, and other barriers.

1. Who has capacity chokepoints (i.e. congestion)?
 - Channel depth
 - First and last mile (modal connections)
 - Terminal infrastructure
 - Air draft restrictions
 - Operational constraints
2. Level of planned investment by port and industry (shows commitment to development)
3. Who is being held back by regulatory process?



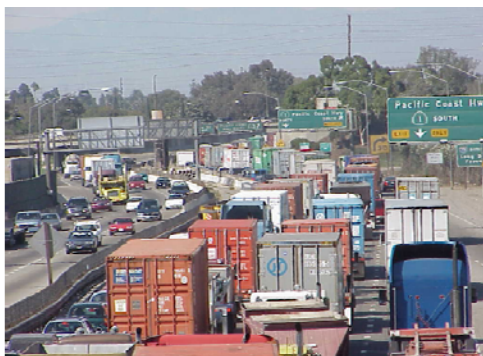
Shot Clock



6

IMPORTANT STAKEHOLDERS

- Shippers / BCOs
- Port Authorities
- Terminal Operators
- Adjacent Residential Communities
- System (Highway) Users
- Distribution Centers / Warehouses
- Transportation Service Providers
 - Ships
 - Barge
 - Rail
 - Truck
 - Pipeline
- Port Services
- Port Workforce
- Intermodal Equipment Providers (IEP's)
- State government (State DOT's)
- Metropolitan Planning Organizations (MPO's)
- Local Governments
- Regional Transportation Agencies
- Relevant Federal Agencies
 - U.S. Coast Guard
 - USDOT
 - USACE
 - Federal Inspection Agencies (CBP)



Problem Statement 2

Develop recommendations for the USDOT on ports and maritime ITS topics:

- Defining the critical challenges in port operations that could be addressed by better connectivity between ports, terminals, trucks, and the regional surface transportation system.
- Look for opportunities to include ports and maritime transportation in USDOT's ITS JPO research efforts
- Identifying gaps in port and local/regional surface transportation system connectivity – particularly the ability of port systems and operations to interface with new ITS systems and to accommodate emerging connected vehicle, vehicle-to-vehicle, and vehicle-to-infrastructure technologies.

8

ITS MARAD Program

- **Co-led by ITS-JPO and MARAD**
- Seeks to develop foundational research to support ITS projects that will improve the performance of ports and terminals and will further integrate ports into the larger transportation system
- **Execution in 3 Phases:**
 - Exploratory Phase (Year 1-2)
 - Research, Development and Testing (Year 2-3)
 - Demonstration Phase (Year 4-5)

Phased Approach

- Phase 1: Pre-Deployment Preparation & Analysis (2016-2017)
- Phase 2: Development & Demonstration Planning (2017-2018)
- Phase 3: Demonstration & Assessment (2018-2020)

Current ITS Initiatives

- **Business Case Assessments (4)**
 - Queue Detection and Wait Time Systems
 - Truck Appointment System
 - Advanced Transportation Management Information and Security System (ATMIS) and Freight Advanced Traveler Information Systems (FRATIS)
 - Port Community System (PCS)
- **Truck –Port Staging State of Practice Analysis**
- **Port Planning and Investment Toolkit ITS Module**

Next Steps

1. Finalize the white paper(s)
2. Develop formal presentations
3. Continue work on the ITS topic
4. Present both to a wide audience ideally to include the MARAD Administrator and the Secretary of Transportation







EDUCATION, AWARENESS AND ADVOCACY COMMITTEE

ROAD MAP FOR COMMITTEE DELIVERABLES

ROAD MAP _ NEXT STEPS

- EXPERT INPUT – WEBINARS
- DEVELOP SWOT ANALYSIS
- WHITE PAPER



EXPERT INPUT

- Full Committee Participation?
- 2 weeks to provide contacts by full committee (Complete)
- Committee Chairs recommend webinars (Complete)
- Approval of recommendation by Committee (Complete)
- Federal Register, Post Agenda (Complete)
- Host Webinars May – June 2017 (Complete)


Plan Webinars: February - May 2017

Webinars: May – June 2017



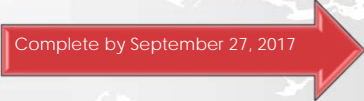
EXPERT PANELS

- PANEL 1 – May 24, 2017
 - Kurt Nagel
President
American Association of Port Authorities
 - Curtis Whalen
Executive Director
Intermodal Conference at American Trucker Association
 - Andrew Strosahl
VP Government Relations
Transportation Institute
- PANEL 2 – June 15, 2017
 - John Nardi
President
New York Shipping Association
 - Debra A. Calhoun
Senior VP
Waterways Council, Inc.
- PANEL 3 – June 27, 2017
 - Matt Paxton
President
Shipbuilders Council of America
 - Tom Allgretti
President & CEO
American Waterways Operators
 - Gregory Stuart
Executive Director
Broward County's Metropolitan Planning Organization



THE U.S. MARITIME TRANSPORTATION SYSTEM NATIONAL ADVISORY COMMITTEE (MTSNAC)

SWOT ANALYSIS

Complete by September 27, 2017 


Fill in SWOT with Committee after each expert input session, Assistance from MARAD

Develop consistent with industry input over June and August

Final by September 27, 2017 to share with MTSNAC

Use to inform the White Paper Deliverable (Complete)

Strengths	Weaknesses	Threats	Opportunities



ADDITIONAL RESEARCH – APPENDIX CO-CHAIR, RICHARD SUTTIE

Inform White Paper – October 2017 

- Navy maritime strategy

“ A Conversation with our Country”

'make national constituents aware and educated on the new Navy maritime strategy and the resources required to attain it'



THE U.S. MARITIME TRANSPORTATION SYSTEM NATIONAL ADVISORY COMMITTEE (MTSNAC)

WHITE PAPER

- Group A – Unified Voice
- Group B – Policy Influence (reach American People)
- Group C – National Prioritization

October to January 2017

Group A •Task 1
•Task 2

Group B •Task 1
•Task 2

Group C •Task 1
•Task 2

THE U.S. MARITIME TRANSPORTATION SYSTEM NATIONAL ADVISORY COMMITTEE (MTSNAC)

THE U.S. MARITIME TRANSPORTATION SYSTEM NATIONAL ADVISORY COMMITTEE (MTSNAC)

COMPLETE WHITE PAPER

- Full Committee Review & Approval
- Circulation
- Where do we go from here?

Complete by January 31, 2017

U.S. Maritime Transportation System National Advisory Committee

<https://www.connectmeeting.att.com>
Meeting Number(s): (877)336-1831 or (404)443-6397
Access Code: 3660788

DOT Conference Center
1st Floor, West Building, Media Center
1200 New Jersey Ave., SE
Washington, DC

Meeting Agenda

- 9:30 AM Call to Order & Roll Call**
Jeff Flumignan, Co-Designated Federal Official
- Item 1 Welcome and comments from the MTSNAC Chairman**
Joseph “Mike” Mabry, Chairman, Maritime Transportation System National Advisory Committee
- Item 2 Welcome and Comments from the Executive Director**
Joel Szabat, Executive Director
- Item 3 Discussion of MTSNAC by-laws**
Joseph “Mike” Mabry, Chairman, Maritime Transportation System National Advisory Committee
- Item 4 Motion for consensus agreement of MTSNAC by-laws**
Joseph “Mike” Mabry, Chairman, Maritime Transportation System National Advisory Committee
- Item 5 Review and Overview of Marine Manpower Working Group**
Joel Szabat, Executive Director
Kevin Tokarski, Associate Administrator for Strategic Sealift
Dr. Shashi Kumar, Deputy Associate Administrator for Maritime Education and Training
- Item 6 Review and Overview of Marine Highway Subcommittee**
Daniel Harmon, Texas Department of Transportation
James Pelliccio, Port Newark Container Terminal
- Item 7 Review and Overview of Port Capacity Subcommittee**
Griffith Lynch, Georgia Ports Authority
Gene Seroka, Port of Los Angeles
- Item 8 Review and Overview of Education, Awareness & Advocacy Subcommittee**
Kristin Decas, Port of Hueneme
Richard Suttie, Center for Homeland Security and Defense
- Item 9 Review and Overview of International Competition & Global Trends Subcommittee**
Scott Sigman, Illinois Soybean Association
Anne Strauss-Wieder, North Jersey Transportation Planning Authority
- Item 10 Public Comments**
Jeff Flumignan, Co-Designated Federal Official
- Item 11 Break for Lunch**
11:30 AM

U.S. Maritime Transportation System National Advisory Committee

<https://www.connectmeeting.att.com>

Meeting Number(s): (877)336-1831 or (404)443-6397

Access Code: 3660788

DOT Conference Center
1st Floor, West Building, Media Center
1200 New Jersey Ave., SE
Washington, DC

Item 12 Breakout Session – Breakout Rooms A, B & C

12:30 PM *Staff Liaisons & Subcommittee Chairs to facilitate breakout session*

- *Review Problem Statement*
- *Prioritize Issue Areas and Desired Outcomes*
- *Update Problem Statements*

Item 13 Report out to Chairman

Subcommittee Chairs, Maritime Transportation System National Advisory Committee

Item 14 Motion for consensus agreement on MWWG Report

Joseph “Mike” Mabry, Chairman, Maritime Transportation System National Advisory Committee

Item 15 Public Comments

Jeff Flumignan, Co-Designated Federal Official

Item 16 Way Ahead

Joel Szabat, Executive Director

Item 17 Closing Remarks and Adjournment

~ 3:30 PM *Joseph “Mike” Mabry, Chairman, Maritime Transportation System National Advisory Committee*

Maritime Transportation System National Advisory Committee

Committee Bylaws

Section I: Purpose

The Maritime Transportation System National Advisory Committee (MTSNAC or Committee) provides information, advice and recommendations to the U.S. Secretary of Transportation (Secretary), through the Maritime Administrator (Administrator), on matters relating to impediments hindering effective use of short sea transportation, including the expansion of America's Marine Highways, as directed in 46 U.S.C. § 55603. The MTSNAC may also provide advice and recommendations regarding the following topics:

- a. Impediments hindering effective use of short sea transportation, including the expansion of America's Marine Highways, as directed in 46 U.S.C. § 55603, and methods to expand the use of the Marine Transportation System for freight and passengers;
- b. Expand capacity of U.S. international gateway ports to accommodate larger vessels;
- c. Improve waterborne transport to reduce congestion and increase mobility throughout the domestic transportation system;
- d. Strengthen maritime capabilities essential to economic and national security;
- e. Modernize the maritime workforce and inspire and educate the next generation of mariners;
- f. Drive maritime innovation; and,
- g. Topics related to the MARAD mission about which the Administrator may request the MTSNAC to provide advice.

Section II: Authority

The Committee is established pursuant to 46 U.S.C. § 55603, and is subject to the Federal Advisory Committee Act (FACA), as outlined in its Charter. The Secretary delegated to the Administrator authority to carry out functions related to the MTSNAC under 49 CFR § 1.93(a). The MTSNAC is in the public interest and supports the Maritime Administration (MARAD) in performing its duties and responsibilities.

Section III: Meeting Procedures

- A. Scheduling Meetings:** The Committee will be expected to meet at least three times per fiscal year. Meetings may be conducted via teleconference, with adequate public access, if necessary. The agenda for each meeting shall be developed and approved in advance by the DFO.

The following procedures shall govern the conduct of MTSNAC meetings:

1. MARAD will publish notice of meetings in the *Federal Register* at least 15 calendar days prior to the date of the meeting. The Notice shall include the agenda, date, time, location, and purpose of the meeting.

Maritime Transportation System National Advisory Committee

Committee Bylaws

2. Each meeting will be held at a reasonable time, in a place reasonably accessible to the public, and in a room large enough to accommodate MTSNAC members, staff, and interested members of the public.
- B. **Prepare an Agenda:** For each MTSNAC (or subcommittee) meeting, the DFO, in consultation with the Chair and Vice Chair will prepare the agenda. Any MTSNAC member may submit items for the agenda to the DFO, Chair or Vice-Chair. Agendas will be outlined in the *Federal Register* notice announcing the MTSNAC meeting and the DFO will distribute the agenda to MTSNAC members before each meeting. Items for the agenda may also be suggested by non-members, including members of the public.
- C. **Recommendations:** All advice and recommendations from subcommittees must be presented to the full MTSNAC for deliberation, discussion and achievement of consensus. On behalf of the committee, the Chair in consultation with the Vice-Chair must submit advice and consensus recommendations through the DFO to the Administrator.
- D. **Consensus:** The MTSNAC will use a consensus process to make recommendations to the Secretary through the Administrator.
 1. **Definitions:** Consensus is a process, an attitude, and an outcome. Consensus processes have the potential of producing better quality; more informed and better-supported outcomes. As a process, consensus is a problem-solving approach in which all members:
 - i. Jointly share, clarify and distinguish their concerns;
 - ii. Educate each other on substantive issues;
 - iii. Jointly develop alternatives to address concerns; and then
 - iv. Seek to adopt recommendations everyone can embrace or at least live with.

In a consensus process, members should be able to honestly say:

- i. I believe that other members understand my point of view;
- ii. I believe I understand other members' points of view; and
- iii. Whether or not I prefer this decision, I support it because it was arrived at openly and fairly and because it is the best solution we can achieve at this time.

Consensus as an attitude means that each member commits to working toward agreements that meet their own and other member needs and interests so that all can support the outcome.

Consensus as an outcome means that agreement on decisions is reached by all members or by a significant majority of members after a process of active problem solving. In a consensus outcome, the level of enthusiasm for the agreement may not be the same among all members on any issue, but on balance, all should be able to live with the overall package.

Maritime Transportation System National Advisory Committee

Committee Bylaws

Levels of consensus on a committee outcome can include a mix of:

- i. Participants who strongly support the solution
- ii. Participants who can “live with” the solution
- iii. Some participants do not support the solution but agree not to veto it.

2. **Consensus Guidelines:** The MTSNAC will seek consensus decisions on their recommendations. Achieving consensus is a participatory process whereby, on matters of substance, the members strive for agreements which all the members can accept, support, live with or agree not to oppose.

In instances where, after vigorously exploring possible ways to enhance the members' support for the final decision on a package of recommendations, and the Committee finds that 100% acceptance or support is not achievable, final decisions will require at least 67% favorable vote of all members present and voting. This supermajority decision rule underscores the importance of actively developing consensus throughout the process on substantive issues with the participation of all members and which all can live with.

The MTSNAC, Subcommittees or Working Groups will develop their recommendations and report using consensus building techniques with the assistance of facilitators. Techniques such as the use of brainstorming, ranking and prioritizing approaches will be utilized. Where differences exist that prevent the MTSNAC or a Subcommittee from reaching a final consensus decision (i.e. with the support of at least 67% of the members) on a key issue or group of issues, the committee will outline the differences on the issue in its report.

To enhance the possibility of constructive discussions as members educate themselves on the issues and engage in consensus building, members agree to refrain from public statements which may prejudge the outcome of the Advisory Committee's consensus process. In discussing the Committee process with the media, members agree to be careful to present only their own views and not the views or statements of other participants.

3. **Consensus Draft Development:** The Chair or Subcommittee Chair, as appropriate, may appoint drafting Work Groups, to be chaired by an MTSNAC member, to seek consensus recommendations for the Committee's consideration utilizing the Committee's consensus procedures and guidelines. Committee members may be asked to individually rank each initial draft recommendations from a Committee drafting Work Group using a consensus testing scale. Plenary review and discussion of the ranked recommendations will follow. MTSNAC Committee members in plenary and drafting Work Group sessions will be asked to address concerns and suggestions in redrafting and refining the recommendations. Redrafted recommendations will ultimately be compiled into a single text for the Advisory Committee's review, refinement, and adoption.

Maritime Transportation System National Advisory Committee Committee Bylaws

- E. **Minutes and Records**: For each MTSNAC or Subcommittee meeting, the DFO will keep minutes and records of all meetings. Minutes of all MTSNAC and subcommittee meetings must be prepared and include:
1. Time, date, and place of the meeting.
 2. List of the attendees at the meeting, including members of the public if available.
 3. Complete and accurate description of matters discussed and conclusions reached with a description of public participation, including the members of the public who presented oral or written statements.
 4. Copies of all materials received, issued, or approved.

The Chair of the MTSNAC (or the subcommittee) certifies the accuracy of the minutes within 90 days of the meeting. Once approved, minutes will be published on the MTSNAC website and made available to the public.

- F. **Public Procedures**: Unless otherwise determined in advance, each meeting of the MTSNAC will be open to the public. Once an open meeting has begun, it will not be closed for any reason. All materials brought before, or presented to the MTSNAC during an open meeting will be made available to the public. Interested persons may attend meetings, appear before the Committee as time permits, and provide oral or written comments to the committee. Persons wishing to appear before the MTSNAC must notify the DFO at the beginning of the meeting. Written materials may be submitted to the MTSNAC at any time by notifying the DFO.

Members of the public may attend MTSNAC meetings or portions of an open meeting and may offer oral comment at a time provided in the meeting agenda. The Chair may decide in advance to exclude oral public comment during a meeting, in which case the meeting announcement published in the *Federal Register* will note that oral comment from the public is excluded and will invite written comment as an alternative.

Materials brought before or presented to the MTSNAC during the conduct of a meeting, including the minutes of the proceedings of a meeting, will be available to the public for review or copying at the time of the next scheduled meeting.

Meetings of the MTSNAC will be closed only in limited circumstances and according to applicable law and DOT policies. Where the DFO has determined in advance that discussions during an MTSNAC meeting will involve matters about which public disclosure would be harmful to the interests of the Government, industry, or others, an advance notice of a closed meeting, citing the applicable exemptions of the Government in Sunshine Act, will be published in the *Federal Register*. The notice will announce the closing of all or a portion of a meeting. If during an open meeting, matters inappropriate for public discussion arise, the Chairman will order such discussion to cease and will schedule it for closed session. Notice of closed meetings will be published in the *Federal Register* at least 15 calendar days in advance. Requests for closed meetings must be approved by the Department of Transportation Office of General Counsel.

Maritime Transportation System National Advisory Committee

Committee Bylaws

Section IV: Role of the MTSNAC Officials

- A. Chair:** The Chair shall be designated by the Maritime Administrator, and works with the DFO in establishing priorities, identifying issues to be addressed, determining support required, facilitating open and fair discussions, determining when a vote is required, and serving as the principal for the MTSNAC's membership. In addition, the Chair is responsible for certifying the accuracy of minutes.
- B. Vice-Chair:** The Vice-Chair shall be a member of the Committee designated by the Maritime Administrator, and works closely with the Chair. If the Chair is unavailable, the Vice-Chair shall serve in his or her place.
- C. Designated Federal Officer:** The Maritime Administrator designates an agency representative to serve as the DFO for the MTSNAC and shall serve as the DOT's representative for all matters related to the MTSNAC's activities.

In addition, the DFO is responsible for providing adequate staff support for the MTSNAC administrative functions, namely:

- a. Provide tasks or specific requests for recommendations, advice or analysis concerning marine transportation;
- b. Assist in developing plans for the activities of the Committee and its subcommittees;
- c. Serve as liaison between the Committee and other relevant Department of Transportation offices and Federal entities;
- d. Coordinate invitations for subject matter experts to comment and participate in meetings in accordance with Department of Transportation policy and the Federal Advisory Committee Act;
- e. Call meetings of the Committee after consultation with the Chair and determine the date, time and location where they will be held;
- f. Formulate an agenda, in consultation with the Chair, for each meeting;
- g. Notify all Committee members of the date, time, place, and agenda for any meeting;
- h. Provide administrative support for all meetings of the Committee, including the designation of an Agency liaison or acting DFO;
- i. Attend each Committee meeting and ensure compliance with the FACA;
- j. Maintain all MTSNAC files and disseminating information in accordance with applicable statutes, resolutions, and instructions;
- k. Adjourn any meeting when it is determined to be in the public interest; and,
- l. Chair meetings when directed to do so by the Administrator.

Maritime Transportation System National Advisory Committee Committee Bylaws

- D. Subcommittee Chairs:** When subcommittees are formed, the Maritime Administrator, will designate MTSNAC members to serve as the Subcommittee Chairs. The Chairs of the subcommittees shall be members of the Committee. The Chairs may establish working groups to address issues for the subcommittee. The Chairs, in coordination with the DFO, are responsible for leading subcommittee meetings, setting the agenda, overseeing issues assigned to the subcommittee, supervising the subcommittee or working groups, notifying all subcommittee members of the agenda, time and place for any meeting, and reporting all recommendations and advice to the full MTSNAC.
- E. Working Group Team Lead:** When working groups are formed, the Chair will designate one MTSNAC member to serve as the Working Group Team Lead (Team Lead). The Team Lead is responsible for leading working group meetings, setting the agenda, overseeing issues assigned to the working group, supervising the working groups, notifying all working group members of the agenda, time and place for any meeting, and reporting all recommendations and advice to the subcommittee and full MTSNAC, as appropriate.

Section V: Role of MTSNAC Members

MTSNAC members are expected to:

- a. Attend MTSNAC meetings in person or by an alternative means provided. If a representative member is unable to attend, the member may designate an alternate to attend on his or her behalf and shall notify the DFO of the substitution.
- b. Use available resources to seek information, opinions and data from members of the community, public or industry represented, so it may represent the interests of their segment of the marine transportation industry as well as the industry in general.
- c. Join or otherwise actively support one or more of the subcommittees and/or working groups.
- d. Make a motion to vote and vote as required.

Section VI: Subcommittees

Subcommittees may be established by the Maritime Administration (MARAD). Establishment of a subcommittee will be considered when MARAD, in consultation with the Chair, Vice-Chair, and DFO, deem it in the best interest in completing specific tasks. Subcommittee membership shall be established by the Chair, in consultation with the Vice-Chair and the DFO. In addition to MTSNAC members, subcommittees may also include persons who are not members of the Committee. MTSNAC members may call upon subject matter experts to provide input, advice, or subject matter expertise. Only Committee members, however, may vote on subcommittee issues and recommendations.

Each subcommittee meeting must have in attendance a MARAD staff member, who may also serve as the DFO's representative.

All advice and recommendations from subcommittees must be presented to the full MTSNAC for deliberation and discussion.

Maritime Transportation System National Advisory Committee

Committee Bylaws

Section VII: Working Groups

Working groups are *ad hoc* and therefore temporary in nature; they are used to address a specific task and will be dissolved upon completion of the assignment. MARAD, in coordination with MTSNAC Subcommittee Chairs, the DFO, and Chair and Vice-Chair, may designate working groups, determine the issues they are to address and determine the length of their existence. Non-MTSNAC members may only be allowed to join a working group upon approval from the DFO, and Chair, Vice-Chair, and specific Subcommittee's Chairs with the understanding that balance would be achieved or maintained with the addition of any non-MTSNAC members. In addition, MTSNAC members on the working group may call upon subject matter experts to act in an advisory capacity.

All advice recommendations from the working group must be presented to the Subcommittee and the full MTSNAC for deliberation and discussion, as appropriate.

Section VIII: Reimbursement

While engaged in the work of the Committee, all members may be allowed reasonable travel, subsistence, and other necessary expenses, including per diem in lieu of subsistence, in accordance with the rates and rules set under the Federal Travel Regulations.

Section IX: Additional Information

The General Services Administration's Committee Management Secretariat is responsible for Government-wide oversight of advisory committees. The Secretariat will provide advice to the DFO as needed to ensure compliance with all Federal advisory committee statutes and regulations.

MTSNAC / MWWG DRAFT REPORT

12/22/2017

Maritime Workforce Working Group
(MWWG) Report in response to FY 2017
National Defense Authorization Act
(NDAA) Section 3517

U.S. Maritime Transportation System National Advisory Committee
(MTSNAC) and the MWWG in consultation with Coast Guard
Merchant Marine Personnel Advisory Committee (MERPAC) and
the Committee on Marine Transportation Systems (CMTS)

Table of Contents

- EXECUTIVE SUMMARY4**
- INTRODUCTION6**
 - The Subcommittee Charter 6
- BACKGROUND.....7**
 - Surge Fleet Mariner Credential 8
 - Merchant Mariner Credentials..... 9
 - 1st Criterion: Shipboard Department..... 9
 - 2nd Criterion:..... 9
 - 3rd Criterion: 10
 - 4th Criterion..... 11
 - “Other” or Specialized Criteria..... 11
 - Medical Certificate 12
 - Transportation Worker Identification Card (TWIC) 13
 - Security Clearance 13
 - Civil Service Mariners Employed by Military Sealift Command..... 14
 - Credentials and Training 15
 - Force Projection Assumption 16
 - The Working Group..... 16
 - Methodology 18
 - Estimating the “Available” Qualified Mariner Pool using MMLD Database 18
 - MARAD Methodology for Estimating the Available Qualified Mariner Pool..... 21
 - MWWG Methodology for Estimating Actively Sailing Mariners with Unlimited Credentials 22
 - Mariner Demand Estimation under Normal and Surge Activation/Sustainment Conditions. 25
- FINDINGS: §3517 D (1)27**
 - Summary of Findings Under §3517 D (1)..... 33
- FINDINGS: §3517 D (2)34**
- FINDINGS: §3517 D (3)36**
- FINDINGS: §3517 D (4)38**
- APPENDIX A – FY17 NDAA SEC. 351741**
- APPENDIX B – CITIZENSHIP AND NAVY RESERVE REQUIREMENTS44**
- APPENDIX C – TERMS OF REFERENCE45**
- APPENDIX D – EVALUATION OF MMLD QUERIES AND DATA ON UNLIMITED OCEAN MASTERS 50**

NOTICE: Do not share or disseminate this information to any person or organization outside of the U.S. Maritime Transportation System National Advisory Committee’s (MTSNAC) members without the express approval of the Maritime Administration. This document is a draft report and its contents were prepared by the Maritime Workforce Working Group (MWWG), a subcommittee of the MTSNAC. Any information, assessments, conclusions, or recommendations do not necessarily reflect the final position of the MTSNAC. Any and all content is pre-decisional, part of the deliberative process and intended for the exclusive use of the MTSNAC.

APPENDIX E – MERCHANT MARINE PERSONNEL ADVISORY COMMITTEE (MERPAC) TASK STATEMENT #100.....	57
APPENDIX F – USCG SUBMISSION TO MWWG	62
USCG FINDINGS: §3517 D (1).....	65
USCG FINDINGS: §3517 D (3).....	68
APPENDIX G – MILITARY SEALIFT COMMAND SUBMISSION TO MWWG	69
APPENDIX H – SUBMISSION FROM COMMANDER, NAVY RESERVE FORCES COMMAND TO MWWG	71
APPENDIX I – COMMENTS FROM DOD AND USTRANSCOM.....	74
APPENDIX J – COMMENTS FROM CONSORTIUM OF STATE MARITIME ACADEMIES.....	84
APPENDIX K – SUBMISSION FROM AMERICAN MARITIME OFFICERS TO MWWG	86
APPENDIX L – CONSOLIDATED COMMENTS FROM AMERICAN MARITIME LABOR ORGANIZATIONS	89
APPENDIX M – COMMENTS FROM MARINE FIREMEN’S UNION.....	98
APPENDIX N – COMMENTS FROM MARINE ENGINEERS’ BENEFICIAL ASSOCIATION ...	106
APPENDIX O – COMMENTS FROM SEAFARERS INTERNATIONAL UNION	112
APPENDIX P – COMMENTS FROM AMERICAN ROLL-ON ROLL-OFF CARRIER GROUP..	119
APPENDIX Q – COMMENTS FROM CROWLEY MARITIME CORPORATION	121
APPENDIX R – COMMENTS FROM GENERAL DYNAMICS	124
APPENDIX S – COMMENTS FROM MAERSK LINE, LIMITED	126
APPENDIX T – COMMENTS FROM TOTE SERVICES	2
APPENDIX U – COMMENTS FROM USMMA CLASS OF 1967	130
APPENDIX V – UNITED STATES TRANSPORTATION COMMAND COMMENTS.....	132
MEMBERSHIP.....	133
Members	133
Subject Matter Experts.....	135
US Department of Transportation – Maritime Administration	135

MTSNAC / MWWG DRAFT REPORT

MARITIME WORKFORCE WORKING GROUP (MWWG) REPORT IN RESPONSE TO FY 2017 NATIONAL DEFENSE AUTHORIZATION ACT (NDAA) SECTION 3517

EXECUTIVE SUMMARY

The Maritime Workforce Working Group (MWWG) was convened in consultation with the Coast Guard Merchant Marine Personal Advisory Committee and the Committee on Marine Transportation System as tasked by Section 3517 of the National Defense Authorization Act for Fiscal Year 2017, Pub. L. 113-328. The assignments for the Working Group included providing answers to significant questions related to the number of United States citizen mariners available to crew the surge sealift fleet in times of national emergency; assessing the impact on the United States merchant marine and the maritime academies if their graduates were assigned to, or required to fulfill, certain maritime positions based on national needs; assessing the accessibility and value of the Coast Guard (USCG) Merchant Mariner Licensing and Documentation (MMLD) System and its accessibility and value to the Maritime Administration (MARAD) for the purposes of evaluating that subset of mariners; and making recommendations to enhance the availability and quality of interagency data used by the MARAD for evaluating that pool. A fully qualified mariner for the surge fleet is one who holds a current and valid unlimited tonnage or unlimited horse power oceans license without limitations and meets the required STCW (Standards for Training, Certification, and Watchkeeping) standards; a current and valid Transportation Worker Identification Credential (TWIC); a current and valid USCG STCW Medical Certificate; and when required, holds a current and valid security clearance.

The MWWG estimates that 11,768 qualified mariners with unlimited credentials as described above are available to crew the ready reserve fleet. The number of mariners required to activate the entire surge fleet as well as operate the commercial fleet concurrently is 11,678 and is documented within this Report. Thus, MWWG estimates that there are sufficient mariners working in the industry to activate the surge fleet if the entire pool of qualified United States citizen mariners identified by MWWG are available

and willing to sail when required. This assumption is of paramount importance given the voluntary nature of mariner service. Should the need for mariner services be prolonged through concurrent sustained sealift and commercial fleet operations, it will necessitate crew rotations and accordingly, increased demand for additional qualified mariners from the identified subset. Currently the estimated demand for mariners with unlimited credentials under such operating conditions is 13,607. Thus, the Report documents a deficit of mariners with unlimited credentials to meet the national security and force projection needs. The deficit will escalate if actively sailing qualified mariners from the identified are unable or unwilling to continue sailing during times of national emergency. It is to be noted that the willingness to sail either commercially or as part of the surge sealift fleet during such times is presently unknown and beyond measurement. The Working Group strongly endorses biennial survey of the pool of identified subset of qualified mariners to overcome this uncertainty.

The impact on the United States merchant marine should either the United States Merchant Marine Academy or the State Maritime Academy graduates be asked to pursue certain maritime positions based on the overall needs of the U.S. Merchant Marine remains unclear. The graduates of the United States Merchant Marine Academy and those from the State Maritime Academies who receive Student Incentive Payments are obliged to serve when called upon. Aside from this, the federal government has no legal authority to conscript students either before or after their graduation to meet the overall needs of the U.S. merchant marine. Any attempt to do so without appropriate authority is likely to have a negative impact.

Lastly, the MWWG reviewed the Coast Guard MMLD system, and its accessibility and value to the Maritime Administration. For the purposes of evaluating the pool of U.S. Citizen mariners, the working group found the MMLD to be lacking in ease of use and functionality to accurately estimate the available pool of credentialed mariners. The MMLD was designed for issuing mariner credentials which it accomplishes very eminently. The MARAD processed and analyzed MMLD data extracts received through a data sharing agreement with the USCG using its own Mariner Outreach Database System (MOS) until 2014. However, as a result of changes in MMLD data encoding practices at the USCG, the MOS has been unsuccessful in processing MMLD data since 2014. For the purpose of this Report, MWWG used the MMLD data in its raw form.

It is the unanimous opinion of the MWWG that the MMLD should be replaced with a modern database capable of supporting high analytics. However, the national security needs are current and ongoing, and MARAD is required to provide information on mariner availability to meet the national security needs contemporaneously. While analyzing the MMLD extracts as currently coded, MARAD found that continued use of its MOS system will require changes in MMLD data coding practices. Data analysis would also benefit from enhanced sea service visibility in the current system which it currently lacks. These interim changes would help resolve the ongoing inability to generate data on mariner availability until a new database is available. However, system-wide limitations may preclude USCG from making those changes. A larger U.S.-flag fleet, as well as increased training capability through commissioning new training ships for the maritime academies will also go a long way toward establishing an effective and dependable supply of qualified and willing mariners with the appropriate credentials and thus, a healthy U.S. Merchant Marine to meet the national security needs.

INTRODUCTION

Section 3517 of the National Defense Authorization Act (NDAA) for Fiscal Year 2017, Pub. L. 113-328 tasked the Maritime Administrator to convene a Maritime Workforce Working Group (MWWG) “to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency,” in consultation with the U.S. Coast Guard Merchant Marine Personnel Advisory Committee (MERPAC) and the Committee on the Marine Transportation Systems (CMTS). Accordingly, pursuant to authority delegated by the Secretary of Transportation (Secretary) to the Maritime Administrator (Administrator) and in accordance with the Federal Advisory Committee Act implementing regulations, MARAD established the MWWG subcommittee (Subcommittee or MWWG) of the U.S. Maritime Transportation System National Advisory Committee (Committee or MTSNAC). The subcommittee was charged to investigate and advise on the tasks posed by Congress within a year at which time its Charter as well as all MWWG member appointment terms would expire.

The Subcommittee Charter

The Maritime Administration requests the **Maritime Workforce Working Group** to examine and assess the size of the pool of citizen mariners necessary to support the United States Flag Fleet in times of national emergency. The subcommittee will consider and provide recommendations on the following issues over the course of the Work Plan:

1. Identify the number of United States citizen mariners:
 - a. in total;
 - b. that have a valid Coast Guard merchant mariner credential with the necessary endorsements for service on unlimited tonnage vessels that are subject to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended;
 - c. that are involved in Federal programs that support the United States merchant marine and the United States flag fleet;
 - d. that are available to crew the United States flag fleet and the surge sealift fleet in times of a national emergency;
 - e. that are full-time mariners;
 - f. that have sailed in the prior 18 months;
 - g. that are primarily operating in non- contiguous or coastwise trades; and
 - h. that are merchant mariner credentialed officers in the United States Navy Reserve;

2. Assess the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State maritime academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine;

3. Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners; and

4. Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.

BACKGROUND

The Ready Reserve Force (RRF) was established in 1976 to augment the nation's sealift in a timely and responsive manner. The activation of RRF ships during Operation Desert Shield/Storm gave the first opportunity to evaluate the program's readiness and operational effectiveness. Accordingly, a joint Department of Defense/Department of Transportation (DoD/DOT) Ready Reserve Force Working Group (RRFWG) was chartered in 1991 to evaluate the lessons learned from those activations and make recommendations for overall enhancement of the RRF program.¹ The Report documents a shortage of appropriately qualified senior marine engineers that delayed the activation of some RRF ships² as well as the declining trend in the number of civilian mariners during the preceding decade. At that time, MARAD estimated a pool of 11,000 mariners by the turn of the century owing to declining U.S.-flag fleet size and the increasing tendency toward reduced crew size on board ships.³ This finding was one of the driving factors leading to the creation of the Maritime Security Program (MSP) in 1997. Among the challenges identified in 1991 were the gradual decrease in the number of steam-powered ships and mariners trained in operating steam power plants, as well as mariners with the skills to operate shipboard cargo handling gear.⁴ The 48 RRF vessels together with 15 Military Sealift Command (MSC) Surge vessels combined to form the 63 ship Surge Sealift Fleet.

The surge sealift fleet performs delivery of military unit equipment and provides support functions to ensure that the logistics chain conveys the equipment and supplies for a major contingency. These ships arrive in the theatre of operations in surges, with preposition ships arriving first, followed by ships from ports in the United States and other parts of the world. The surge period varies by scenario, but may last up to 180 days. These ships may face difficult conditions, call underdeveloped ports, and in most likelihood, encounter damaged infrastructure, or possibly enemy action.

The 2004 Report to Congress titled *Merchant Mariner Training to Meet Sealift Requirements*⁵ was an indirect follow up to the 1991 Report, and documents mariner data and related issues during the turn of the century. It found approximately 16,000 fully-qualified U.S. mariners who could crew the government's surge sealift fleet in 2004.⁶ Although the decline in mariner numbers was not as precipitous as forecasted by the RRFWG Report, the drop from 25,000 qualified mariners in 1990 to 16,000 in

¹ Joint Department of Defense/Department of Transportation Ready Reserve Force Working Group, "The Ready Reserve Force: Enhancing a National Asset," Oct. 1991. Hereafter referred to as the RRFWG Report.

² See RRFWG Report p. 6-11

³ See RRFWG Report p. 1-8

⁴ See RRFWG Report p. 1-7

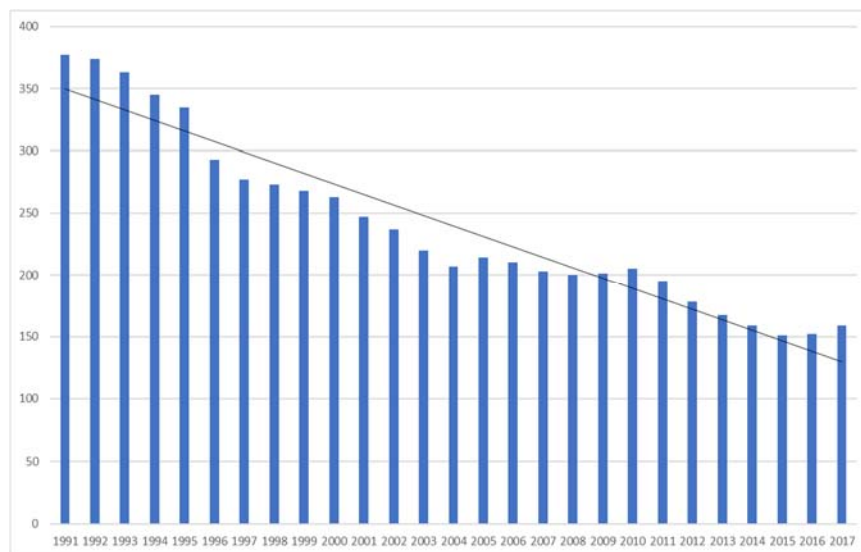
⁵ U.S. Department of Transportation Maritime Administration, "Merchant Mariner Training to Meet Sealift Requirements", Aug. 2004. Hereafter referred to as MMT 2004 Report

⁶ See MMT 2004 Report p. i

2004 was nonetheless highly significant.⁷ The 2004 Report went on to predict a continuation of the declining trend driven by depleting U.S.-flag privately-owned fleet size; Figure 1 shows the continuing decline from 1991 until now.

The 2004 Report also documented the impact of the 1995 amendments to International Convention on the Standards of Training, Certification and Watchkeeping For Seafarers (STCW) on U.S. mariners of the training and certification requirements. Introduced by the International Maritime Organization (IMO), the STCW Convention came into force in 1978.⁸ The United States became a party to the Convention in 1991. The 1995 amendments increased the training requirements and minimum proficiencies required to obtain and/or maintain mariner qualifications for all signatory members.

Figure 1 – United States Flag Privately-Owned Merchant Fleet, 1991 – 2017. Self-Propelled, Cargo-Carrying Vessels of 10,000 Gross Tons and Above



Surge Fleet Mariner Credential

United States Coast Guard credentials are typically valid for a 5-year period and include 63 National endorsement combinations of U.S. mariner credentials and 30 STCW International endorsement combinations. Deciphering the correct number of mariners with the appropriate credentials is a complicated task, and determining how many of them are willing to sail at any given time, given their volunteer status, is even more puzzling.

⁷ See RRFWG Report p. 1-7

⁸ The STCW Convention was amended in 1995 and 2010.

Question 3 of the NDAA tasking specifically requires an assessment of the accessibility and value of the United States Coast Guard (USCG) database Merchant Mariner Licensing and Documentation system (MMLD) to MARAD for evaluating the pool of U.S. citizen mariners. The USCG developed the MMLD in the 1990s to issue mariner licenses and documents in a consistent and timely manner. It was not developed to quantify information on active, credentialed mariners available for national sealift purposes, and the ability to mine the MMLD for this type of information has always been limited. As the MMLD has grown and the types of credentials have changed and expanded through both regulatory changes and international requirements, the MMLD's limitations as a source of mariner statistics has been greatly amplified, particularly over the last decade. These limitations are discussed later in this report. Before a discussion of the use of MMLD data, however, it is first necessary to discuss the types of credentials it records.

Merchant Mariner Credentials

The USCG is responsible for issuing all U.S. mariner credentials. Mariners earn many different types of merchant mariner credentials (MMC). These license and rating credentials with endorsements can be grouped by various criteria based on the type, size, and engine type of vessels, route, and for the duties and authorities of the mariner on a given vessel, i.e., license endorsements or rating endorsements. A discussion of these criteria follows next.

1st Criterion: Shipboard Department

Mariner credentials are assigned in accordance with the shipboard department the mariner will work in. These include:

1. Deck Department – responsible for the navigation of the vessel, handling of cargo, and general maintenance of the vessel other than the engine room and shipboard machinery
2. Engine Department – responsible for operation and maintenance of the propulsion plant and shipboard machinery
3. Steward Department – responsible for hotel services on the vessel
4. Staff Officers – includes medical personnel and administrative support personnel (typically these mariners are not part of the crew on most commercial vessels).

2nd Criterion:

Mariner endorsements are further assigned by level of responsibility and the scope of the level of authority associated with each credential. Generally, endorsements fall into three levels of authority:

1. The management level for a vessel's senior officers, i.e., the Master (Captain) and Chief Engineer and the officers next in seniority (Chief Mate/Second Mate and First Assistant Engineer/Second Engineer Officer) who would assume the duties of the Master or Chief Engineer

in the event of incapacitation. It takes on average 10 years to become a Master or Chief Engineer.

2. The operational level for junior officers (Mates and Assistant Engineers)
3. The support level for non-officer mariners (referred to as unlicensed mariners or “ratings”). These are further divided into:
 - a. entry-level credentials and
 - b. those requiring qualification and experience

3rd Criterion:

Officer endorsements are issued for vessels of specific sizes (measured in gross tons⁹) for deck officers, and by the type of propulsion machinery and its power output for engineers.

Deck officer credentials are issued in the following general tonnage (size of vessel) categories:

1. Less Than 200 Gross Register Tons (GRT)
2. Less Than 500 GRT
3. Less Than 1,600 GRT
4. Unlimited Tonnage

Deck officers without experience may have credentials issued on limited tonnage. Once the mariner has met the sea service requirement of at least 6 months’ experience on vessels of 1,600 GRT or more or the calculated limitation equals or exceeds 10,000 GRT, s/he receives an “unlimited tonnage” credential. This means that mariner holds a credential that allows him/her to work on a vessel of any size, or stated another way, to work without “limitation” to vessel size.¹⁰

Engineer endorsements are for specific types of propulsion machinery, either steam-powered engines, motor (diesel) engines, or gas-turbine engines that follow propulsion power increments listed below. It is common for an engineer to have multiple endorsements for more than one type and/or power criteria of the propulsion plant:

1. Less Than 1,000 Horsepower (HP)
2. Less Than 4,000 HP
3. Unlimited HP

⁹ Gross tonnage is a volumetric measure of the ship, where 100 cubic feet = 1 gross ton.

¹⁰ See 46 CFR Subpart D 11.402

For vessels with HP over 4,000, mariners may be limited to the total engine HP propulsion they are credentialed to operate in 1,000 HP increments up to 10,000 HP (46 CFR Subpart E 11.503). Once the mariner provides evidence of at least 6 months' experience on vessels of 4,000 HP or greater, or the calculated limitation equals or exceeds 10,000 HP or larger, they receive an "unlimited horsepower" credential.

4th Criterion

Deck officer credentials are valid for work on specific waterways or "routes", and with one exception, follow a hierarchy in which the "higher" credential is also valid for all "lesser" waterways. The general rank order of deck officer endorsements based on the type of routes is:

1. Oceans
2. Near-Coastal (up to 200 miles offshore)
3. Great Lakes
4. Inland waterways
5. Rivers

"Other" or Specialized Criteria

Pilot – In addition to the above, USCG also issues endorsements for First Class Pilots for specific waterways. First Class Pilots are mariners who will serve as navigational advisors on vessels navigating where specialized "local knowledge" is needed for the vessel to transit the waterway safely.

Restricted Waterways - USCG may also issue endorsements which limit mariners to vessels working on a specific waterway with unique operational needs for which the "normal" requirements of an officer endorsement are not applicable. These are typically issued for deck officers on small vessels operating exclusively on unique inland waterways without substantial commercial traffic.

National vs. International Service - Mariners who operate exclusively in US domestic waters are only required to hold "national" endorsements. Mariners serving on vessels on international voyages, other than voyages to Canada, must also hold an internationally recognized credential issued in accordance with the STCW Convention as amended.

Vessel Type/Installed Equipment - USCG issues endorsements for mariners working on vessels which perform specific functions like towing vessels and oil, chemical, and Liquefied Natural Gas (LNG) tankers all of which require individualized endorsements. Specific credentials may also be required for deck officers on vessels with specialized navigational and safety equipment such as radar and automatic radar plotting aids (ARPA), electronic chart display information systems (ECDIS), or communication and distress alert equipment for the global maritime distress and safety system (GMDSS).

One additional factor influencing the pool of qualified mariners is the precipitous decline in the use of steam-powered vessels. Of the 63 organic surge sealift vessels, 24 use steam propulsion.¹¹ However, the U.S.-flag commercial fleet currently consists of only 12 actively trading steamships, which is inadequate to produce additional appropriately-qualified steam engineers to support the organic surge fleet. It is expected that by end 2020, these 12 steamships will be replaced by motor vessels. The low commercial steamship count means the industry is very limited in its ability to upgrade engineers above the entry-level steam endorsement (or Third Assistant Engineer Steam) which would only worsen once the existing steam ships are deactivated.

Minimum Safe Manning - Every U.S.-flag vessel included in this study must possess a current Certificate of Inspection (COI) issued by the USCG. The contents of the COI include minimum safe manning for moving a given ship from point to point. A ship may surpass the COI manning level but not fail to meet that vital minimum requirement. It is also noteworthy that mariners holding a superior endorsement may sail in all capacities that are inferior to their endorsement (subject to propulsion mode limitations). For example, a Second Assistant Engineer of Motor Vessels may also sail as a Third Assistant Engineer on a motor vessel, and a Chief Mate may sail as Second Mate or Third Mate.

Credentials Needed to Work on Surge Sealift Vessels - The types of credential mariners must possess to work on an organic¹² surge fleet vessel is one that is not limited by tonnage, horsepower, vessel type or water. Accordingly, the surge fleet requires a fully qualified mariner, commonly referred to as a mariner with unlimited credentials, (and when applicable, which allows for work on steam powered engines of any size). The mariners must also meet all the requirements of STCW because the surge sealift vessels are most likely to call foreign ports, where mariner STCW compliance is enforced.

Medical Certificate

In addition to being qualified to meet the national and international credentialing requirements, all officers and qualified [unlicensed] ratings must be medically and physically qualified to sail with their credential. Upon demonstrating that they are qualified, USCG issues Medical Certificates for service on board vessels. Medical Certificates have a 2-year validity for those holding STCW endorsements or first-class pilot, and 5-year validity for national endorsements.

The standards for merchant mariner medical certification are contained in 46 CFR, Part 10 subpart C. The standards include requirements for vision, hearing, general medical examination, and demonstration of physical ability and are listed below:

1. Vision Requirements as stated in 46 CFR 10.305.
2. Hearing Requirements as stated in 46 CFR 10.306.

¹¹ The term "organic" refers to government owned and operated sealift vessels.

¹² The term "organic" refers to government owned and operated sealift vessels.

3. **General Medical Examination:** Title 46 CFR 10.304 requires that the general medical exam be documented and of sufficient scope to ensure that the applicant has no conditions that pose a significant risk of sudden incapacitation or debilitating complication. The regulation also requires documentation of any conditions requiring medications that impair cognitive ability, judgment or reaction time.

4. **Physical Abilities:** The duties and responsibilities that a mariner may perform on board a ship can vary widely by the credential earned. Mariners should be physically capable of performing all potential duties, both routine and emergency, associated with their credential(s). The median age for USCG credentialed merchant mariners is 46 years old, compared to a median age of 42 for all U.S. workers and 43 for all transportation and material moving occupations.¹³

In summary, for mariners to sail on a vessel, they must be able to demonstrate, and the vessel operator should ensure, their holding a valid Medical Certificate.

Transportation Worker Identification Card (TWIC)

In addition to national and international credentialing requirements, all credentialed mariners included in this analysis must possess a valid Transportation Worker Identification Credential (TWIC). The U.S. Code at 46 U.S.C. 70105 requires that individuals issued a license, certificate of registry, or merchant mariner document must possess a biometric identity card issued by the Department of Homeland Security. This requirement is applicable to those mariners serving on board the surge sealift ships. A TWIC is not issued if the mariner poses a security risk.

Security Clearance

At times and in accordance with the mission performed by sealift vessels supporting DoD and the contingency involved, it may be necessary for mariners to possess the appropriate level of security clearance. Current industry experience places the time required for interim clearances at approximately 4 months and full clearances at about 2 years from the day investigation starts.

In summary, a fully qualified mariner for the surge fleet is one who holds:

- A current and valid unlimited tonnage or unlimited horse power oceans license without limitations and meets the required STCW standards
- A current and valid Transportation Worker Identification Credential (TWIC)

¹³ MMLD data analysis and Department of Labor, Bureau of Labor Statistics, Household Data Annual Averages, 11b. Employed persons by detailed occupation and age, 2016 data.

- A current and valid USCG STCW Medical Certificate
- A current and valid security clearance if required

The USCG provided data that represents the number of mariners holding valid credentials per the first two bullets above. Information is also included on the STCW Medical Certificate. No information, however, is included concerning mariner security clearances. Note that the total number of mariners provided by the USCG under FINDINGS D (1)¹⁴ represent the number of mariners according to their highest held endorsement, even when they sail in a lower capacity.

Civil Service Mariners Employed by Military Sealift Command

The Navy Civil Service Mariner (CIVMAR) community constitutes a significant component of the qualified mariner pool and is routinely involved in crewing ships operated by the Military Sealift Command (MSC). CIVMARs are Federal Government employees. The following is a synopsis of the CIVMAR community and its size, as well as a broader description of the MSC fleet, and its capabilities and mission.

CIVMARs are trained to USCG standards and receive USCG credentials and are recorded in the MMLD in the same way as any other mariner. In addition, they also receive Navy-specific training necessary to operate MSC vessels during both war and peace. The length of the required training varies depending on the individual's responsibility or position on board the ship and the ship type.

CIVMARs are normally assigned to a ship for a minimum of four months at a time, after which the mariner may request a relief prior to taking earned leave. Although MSC attempts to relieve them on the date requested, if a relief is not readily available, a mariner may be required to remain with the ship until the replacement arrives. During periods of extended contingency operations, it may be necessary for mariners to remain with their vessel for periods longer than four months.

For every shipboard position, MSC employs 1.22 CIVMARs to allow for leave rotations, shore-based training, disciplinary action, and emergent requirements that address peculiarities with:

- 1) T-AH (Hospital Ships) Reduced Operational Status 5-day activation;
- 2) EPF Class - High Speed Craft Type Rating training and certification; and
- 3) T- AKE/T-AO (Dry Cargo/Ammunition and Fleet Replenishment Oiler) station ship surge capability. The requirement for CIVMARs varies from year to year depending on variables such as the number of ships in operation.

The MSC pipeline is relatively lean compared to the private sector primarily because CIVMAR leave is limited by statute to one to two months a year depending on years of service. In an emergency, MSC can

¹⁴ Appendix F.

cancel or delay CIVMAR leave, recall CIVMARs from leave, cancel non-essential training and use part of this pipeline for emergent requirements.

The U.S.-flag commercial merchant fleet and the government-owned RRF and MSC ships constitute the nation's sealift capability. Over 90 percent of U.S. military equipment and supplies travel by sea. MSC's mission is to support the joint warfighter across the full spectrum of military operations. It provides logistics, strategic sealift, as well as specialized missions, operating about 115 ships daily around the world. The MSC fleet--a mix of 124 government-owned and chartered vessels--is divided into eight programs as follows:¹⁵

- PM1 - Fleet Oiler (15 ships)
- PM2 - Special Mission (24 ships)
- PM3 - Prepositioning (27 ships)
- PM4 - Service Support (9 ships)
- PM5 - Sealift (23 ships, of 15 are surge ships)
- PM6 - Fleet Ordnance and Dry Cargo (14 ships)
- PM7 - Afloat Staging I Command Support (4 ships)
- PM8 - Expeditionary Fast Transport (8 ships)

Approximately 53 of the MSC ships are operated by CIVMARs, with the balance of the MSC owned or chartered vessels operated by private citizen U.S. mariners contracted through labor unions (referred to as CONMARs). Majority of these 53 vessels are naval auxiliaries operated either solely by CIVMARS or by hybrid crews consisting of both military personnel and CIVMARs.¹⁶ MSC employs 5,576 full-time CIVMARs for the government-operated vessels.

Credentials and Training

All MSC CIVMAR officers hold credentials to sail on vessels of any tonnage and horsepower. However, serving on some vessels will require specialized qualifications such as:

- High Speed Craft Type-Rating - T-EPF
- Towing Endorsement - T-ATF and T-ARS
- Steam License - T-AH, AS, LCC and AFSB(I)
- Gas Turbine License - T-AOE and T-AKR
- Tankerman DL (dangerous liquids) Endorsement - T-AO, T-AOE and T-AKE

¹⁵ For more information about these vessels, see U.S. Navy, Military Sealift Command, Ship Inventory, <http://www.msc.navy.mil/inventory/>

¹⁶ Many MSC ships, including all 15 fleet oilers, have military personnel in their crews.

Force Projection Assumption

The ability of the U.S. Transportation Command (USTRANSCOM) to meet combat force projection mobility requirements is measured against the most demanding wartime scenario. This scenario calls for activation of the entire 48-vessel Ready Reserve Force and 15-vessel MSC Surge fleet to provide the organic surge sealift capacity required to meet the supported commander's operational timeline. It is anticipated that the surge timeframe for the most demanding activation scenario will require crew rotations that would significantly challenge the ability of labor unions to supply mariners to both the activated RRF and MSC Surge fleet as well as the U.S. commercial fleet simultaneously. Typical crew rotations for mariners on board commercial ships are between 90 and 120 days, followed by a comparable amount of time on shore. However, full surge sealift activation would require many of these mariners to report to sail on organic surge sealift vessels prior to the expiration of their time ashore. Additionally, mariners volunteering to sail during a full RRF/MSR activation, whether on organic sealift or commercial vessels, may have to endure prolonged assignments or tours of duty until the emergency is over.

The Working Group

The MWWG was established to address the tasking as required by the FY2017 NDAA. Congress tasked the Maritime Administrator to convene the Working Group and assess the pool of U.S. citizen mariners necessary to support the U.S.-flag fleet in times of national emergency in consultation with the USCG's MERPAC and the CMTS.

The Working Group was constituted as a subcommittee of the MTSNAC. MWWG is established pursuant to the Federal Advisory Committee Act (FACA) with a membership of 25 stakeholders whom represent 22 subcommittee member organizations. As specified in the FY2017 NDAA, the member organizations include MARAD as chairperson, MERPAC, CMTS, the USCG, the U.S. Navy, MSC (a component of the U.S. Navy and USTRANSCOM), U.S.-flag fleet vessel owners and non-profit labor organizations representing the U.S.-flag fleet, the U.S. Merchant Marine Academy (USMMA) and the six State Maritime Academies.¹⁷ Three organizations were also brought in as subject matter experts (SMEs); those being representatives from USTRANSCOM, DoD, and the U.S. Army.

As the MWWG progressed it became evident that it would benefit from leaders from other areas of the industry that employ mariners, including the oil and offshore industries as well as the smaller maritime labor unions. Accordingly, additional stakeholders were offered membership or SME spots on the subcommittee to broaden the representation within the MWWG and facilitate wider dialog. This led to a final stakeholder membership of 26 Members and five SMEs. Although all SMEs were willing to provide

¹⁷ The six state maritime academies are: California Maritime Academy, Great Lakes Maritime Academy, Maine Maritime Academy, Massachusetts Maritime Academy, SUNY Maritime College, Texas A&M Maritime Academy

background information, much was provided off the record. Among the four additional SMEs approached, only two accepted the formal invitation to participate in the MWWG.

The working group began with an administrative meeting in March 2017 during which all participants were introduced and the FACA protocol highlighted. The first order of business included establishing a set of common terms, referred to as “terms of reference” to be used by stakeholders for subsequent discussions and in responding to the tasking from Congress. The intention was to come to a consensus on topics ranging from the definition of a mariner for the purposes of this Report and which mariners are qualified to support the U.S.-flag fleet in times of national emergency. The adoption of this base set of definitions and assumptions was fundamental in providing consistent and logical responses to the NDAA tasking. This effort focused on thirteen specific terms used in the statute for which clarification would help the MWWG address the concerns of Congress including questions such as:

- Who is a U.S. citizen mariner?
- What are the industry standards and typical crewing practices?
- What are the necessary USCG qualifications for a mariner who would sail on ships activated during a national emergency?
- What additional caveats would limit qualification, including medical requirements and specialized DoD requirements where applicable?
- What would be a reasonable approach in estimating the “availability” of mariners given the voluntary nature of their service in general?

The discussions during the first MWWG meeting also included brainstorming on the study methodology and how members could contribute to this Report. The various methods to derive mariner numbers used by different stakeholders were briefly discussed as well as the challenges in extracting (“mining”) information from mariner data available in the USCG MMLD. The methods are listed later in this Report along with detailed discussions about their limitations for data analytics.

The MWWG held its next meeting in April during which the terms of reference for use in this report were further refined through extensive dialog and discussions. Further, the working group also began addressing the first two deliberative assignments tasked by the 2017 NDAA §3517 statute through two separate breakout groups. One group of stakeholders addressed issues related to the MMLD such as its accessibility and value to MARAD for purposes of evaluating the pool of mariners, and the other group addressed the impact on the U.S. Merchant Marine, USMMA, and also the State Maritime Academies if the graduates of those academies were assigned to, or required to, fill certain maritime positions based on the overall needs of the U.S. Merchant Marine.

During the May MWWG meeting, the group completed its discussions on the terms of reference. A Congressional staff member provided guidance on congressional intent in relation to some of the questions posed through the NDAA tasking. The agreed terms of reference are included in Appendix (C). During the meeting, a request was made to key stakeholders including the USCG, labor unions, MSC, DoD, USTRANSCOM, and the U.S. Navy to respond to specific aspects of the tasking that fell directly under

their operational responsibilities. The first round of inputs was received in late June, and all the contents received are integrated within this Report.

In early July, MARAD issued a Federal Register Notice announcing a public docket to solicit comments from the public at large, specifically segments of the industry and/or interested individuals who may have had no other opportunity to provide comments to the questions on mariner pool raised by Congress. Docket No. MARAD 2017–0117 opened on July 11 and closed on July 31, 2017. During this open period, the docket received a total of 13 comments from the industry, labor, and the public. Twelve of the comments were substantive and are included in this report. All inputs received from stakeholders and via the docket can be seen in Appendix (E – W) of this report.

In August, the MWWG held its last face-to-face meeting. During this meeting a preliminary draft Report outline with inputs received from some stakeholders was distributed for comments and review. USCG, MSC, and various offices of DoD submitted comments which were promptly incorporated into this Report.

Methodology

Estimating the “Available” Qualified Mariner Pool using MMLD Database

The only comprehensive source for generating statistics of the total pool of U.S. mariners with USCG credentials of any category is the USCG MMLD system.¹⁸ The system was built on 1991 architecture and is currently in serious need for advancements to enable better data analytics. Its primary objective when built was to issue mariner licenses and documents (and now, credentials). While the MMLD is very efficient in meeting its core function of issuing the credentials, it supports limited data mining in general and has severe limitations in responding to queries such as those posed to MWWG through the FY2017 NDAA. These limitations have become more severe over the last decade due to changes in the way credentials and limitations are recorded in the MMLD, particularly since 2009.

The MWWG found various examples of the complexity of the data mining using the MMLD. A review of MMLD data provided by USCG on marine engineers with unlimited credentials show 6,580 with Motor (diesel) endorsement, 3,024 with Steam endorsement, and 3,115 with Gas Turbine endorsement. However, a simple addition of these numbers would be erroneous because many marine engineers have comparable endorsements for all three propulsion systems. Double and triple counting of this type can be corrected, however, in the query process. Another example of the complexity of the MMLD pertains to the number of mariners reported out of it. The number of Deck Ratings with unlimited credentials which the database reports, for instance, is over 13,500. However, the maritime labor unions, which claim to represent the great majority of actively sailing Deck and Engine Ratings with unlimited credentials and are contractually committed to crewing the surge fleet, report a cumulative membership base consisting of

¹⁸ Labor unions maintain current records on their members, and MSC and the U.S. Army maintain information on their CIVMARS. Also, individual vessel operating companies keep some records on personnel employed by them. The MMLD, however, is the only source that maintains comprehensive records on all mariners receiving USCG credentials.

Deck, Engine, and Catering Ratings of only about 6,000. There are various possible explanations for this discrepancy, including that the USCG count may include the following mariners: holders of unlimited ratings who have not recently sailed; non-union mariners sailing on near-coastal (e.g., offshore supply vessels) or Great Lakes or inland waterways vessels; and mariners working ashore.¹⁹ There is, however, no ready avenue for MARAD to verify or quantify the impacts of these possible causes regarding the 6,500 Deck, Engine, and Catering Ratings listed in the MMLD but are not members of the labor unions. When available, sea service records for individual mariners listed in the MMLD are helpful for this purpose, but unfortunately such records are not recorded in the MMLD for many mariners.

The MWWG acknowledges that the MMLD database as currently structured is not effective for responding to questions such as the pool of qualified mariners available to crew the sealift fleet. Therefore, making such assumptions and drawing conclusions based solely on the number of credentials issued, for the purpose of this report, is erroneous for the following reasons:

- MMLD does not consistently, nor was it designed to track what a mariner does with his/her credential once it is issued (unless complete sea service records are available)
- Mariners may renew their credential/endorsement without recent sea experience by taking exams or courses
- MMLD does not track mariners with unlimited credentials who pursue other careers, e.g., those employed on board offshore supply boats, employed ashore, etc., although in some cases sea service records (when available) may indicate sea service on smaller vessels
- MMLD does not track deceased or incapacitated mariners unless the mariners report such incapacitation and/or if they fail to renew their Medical Certificates
- Sea service data are often not recorded in the MMLD
- The fact that a mariner is listed as holding current credentials in the MMLD does not imply that the mariner is available or willing to sail in a national emergency

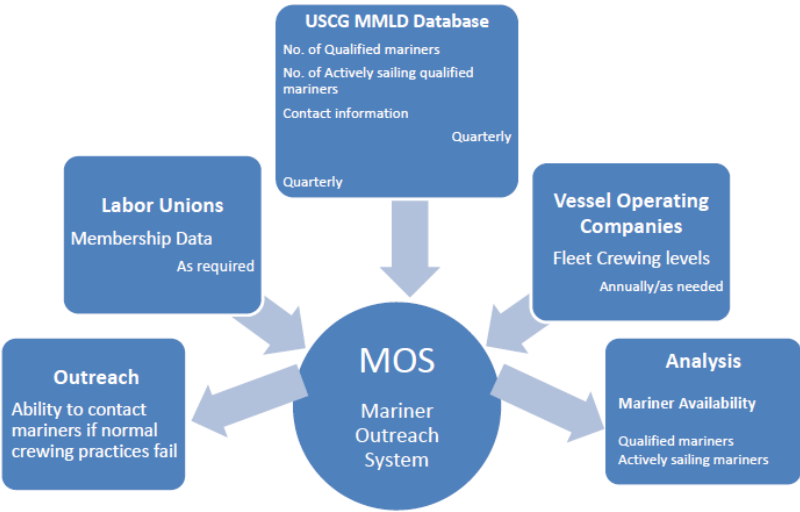
Further complicating the use of the MMLD for quantifying the pool of mariners qualified to work on surge sealift is a recent change in MMLD data coding practices. Prior to 2014, USCG personnel coded information on mariner credentials into specialized fields within the database. In the previous decade, MARAD had developed its Mariner Outreach System (MOS) in cooperation with USCG to process data from these specialized fields in MMLD to count mariners with credentials unlimited by tonnage, horsepower, vessel type, or body of water (MOS uses data from other sources to supplement the findings from MMLD).

The main purpose of MOS is to monitor the U.S.-flag fleet and ensure that there are sufficient sealift capabilities in a time of national emergency or sealift crisis. To achieve this, MOS generates reports based on a combination of the vessel requirements (mariner demand) and the USCG MMLD data (mariner supply). It provides a systematic way to monitor the adequacy of the nation's mariner pool and when

¹⁹ Processing STCW data recorded in the MMLD is very difficult. For the MWWG exercise, USCG assumed that all mariners with a STCW Medical Certificate met all STCW mariner requirements.

possible maintain contact information and qualifications of mariners who participate in the system. It is a crucial tool for MARAD and its federal partners in projecting mariner availability, identifying potential mariner shortfalls, and strategizing crewing options if and when such shortages occur. Figure 2 depicts the information flow to and from the MOS system. It is updated mainly with data from the MMLD along with those received from vessel owners and operating companies and labor unions. Additionally, MOS provides functionality which allows mariners, via its portal, to consent to be contacted in the event of a national emergency and to enable them to provide updated contact information since the information in the MMLD database could be as old as five years. In return, MARAD allows mariners access to the system and review their sea service (if available) and credential information.

Figure 2. Mariner Availability Tracking



After March 2014, in order to support the new regulations published on 24 December 2014, USCG ceased encoding mariner credential data in specialized fields for each mariner and instead recorded this information exclusively as free text within the database. This change effectively disabled the interface between the MOS (which relied on the encoded fields to identify mariner limitations) and the MMLD. Subsequently, MARAD has been unable to process MMLD data in the MOS.

For the WMMG exercise, the USCG developed an alternative means to query the MMLD for unlimited credential mariners. This approach searches for key words indicating unlimited credentials within the free text fields of the MMLD as well as the mariner possessing a current STCW Medical Certificate.

NOTICE: Do not share or disseminate this information to any person or organization outside of the U.S. Maritime Transportation System National Advisory Committee's (MTSNAC) members without the express approval of the Maritime Administration. This document is a draft report and its contents were prepared by the Maritime Workforce Working Group (MWWG), a subcommittee of the MTSNAC. Any information, assessments, conclusions, or recommendations do not necessarily reflect the final position of the MTSNAC. Any and all content is pre-decisional, part of the deliberative process and intended for the exclusive use of the MTSNAC.

Additionally, the USCG provided MARAD with the raw data (as part of the ongoing data sharing agreement) that allowed MARAD data specialists and economists to perform parallel analysis using relevant methods and statistical techniques. The purpose for providing these data was to replicate the MMLD query at MARAD and validate the mariner numbers reported by USCG. MARAD conducted a detailed review of the USCG finding of 2,466 unlimited oceans masters (a manageable subset of the 33,215 unlimited mariners identified by USCG) and found that one in ten of these masters appeared to have restrictions that would cause them not to qualify as unlimited. Additionally, sea service data, which was available for 53 percent of qualifying masters, allowed MARAD to confirm that 767 of the unlimited ocean masters identified in the USCG query had sailed within the last 18 months (one of the conditions required under 2017 NDAA §3517). The actual number with recent sea service in the last 18 months is certainly higher, but MARAD did not have information to determine by how much (see Appendix D for a summary of this analysis). Also, except to confirm that the masters had STCW Medical Certificates, MARAD could not confirm that the masters identified in the query met all STCW requirements.

MARAD Methodology for Estimating the Available Qualified Mariner Pool

MARAD receives the MMLD database raw data in the form of extracts on a quarterly basis per the provisions of its MOU with the USCG, executed most recently on November 29, 2016. These extracts were used in the past to populate the MOS.²⁰ MARAD must reconfigure and reprogram the MOS whenever changes are made within the MMLD system. However, the most recent changes to the MMLD, beginning in March 2014, included a fundamental shift in the way data is entered in the MMLD. Prior to June 2017, MARAD was unable to accommodate the changed MMLD data protocols in the MOS but is currently making good progress in doing so, largely because of information learned through the MWWG exercise.

Once the MOS is fully re-integrated with the MMLD, it will still be subject to the same limited data mining capability discussed earlier for the MMLD. As noted in Figure 2, MOS corroborates data it extracts from the MMLD with information about mariners from labor unions, mariner outreach, and vessel operating companies. U.S.-flag vessel operating companies provide MARAD with data on the number of ships owned that employ mariners with unlimited credentials and the number of billets (crew positions) on those ships. Labor unions that have collective bargaining agreements with the employers provide MARAD with membership data.

Given the current inability of the MOS system to calculate the relevant number of available mariners with unlimited credentials from the MMLD, MARAD's practical approach to estimating the subset of unlimited mariners is based on the size of the current U.S.-flag fleet of large self-propelled merchant-type vessels that require non-CIVMAR mariners or commercial mariners (CONMARs) (gleaned from the operating companies, USCG, and commercial data sources) with unlimited credentials, multiplied by the mariners needed to operate the ships over the course of a year (usually the number of billets for all qualifying

²⁰ Owing to changes in the USCG data entry process—switching over from the old practice of entering a code for each designated endorsement to making free text entries--MARAD has been unable to populate the MOS database with any level of accuracy from the 1st quarter of 2014.

vessels multiplied by 2 full-time mariners per billet), and supplemented by the number of CIVMARs that MSC reports are under its employment. MARAD believes that mariners in this pool by definition have current unlimited credentials and have maintained their proficiency by sailing on board large oceangoing ships during the last 18 months. STCW compliance is assumed for those mariners on internationally trading vessels because otherwise they would be unable to sail. Historically, CONMARs belong to labor unions and those entities have consistently mustered them to crew the surge sealift fleet in recent times of contingency—thus, these mariners are also assumed to be available and willing to sail. Willingness to sail, however, is difficult to confirm and may depend on the specific emergency scenario, including expectations of potential casualties.

MWWG Methodology for Estimating Actively Sailing Mariners with Unlimited Credentials

Because the USCG MMLD database cannot be queried to respond to questions beyond a historical count of unlimited credentials issued during the most recent five-year window, the MWWG has come to a consensus among stakeholders on a workable methodology that can serve the nation's needs until a more versatile mariner database, with robust datamining capability, becomes available. This interim methodology is based on the current MARAD methodology, but with enhancements. It consists of counting the number of mariners employed to operate the current fleet of large, self-propelled merchant-type ships that have characteristics comparable to those of the organic surge sealift fleet. These organic vessels generally consist of large oceangoing vessels that are 10,000 GRT or larger in size and with engine capabilities of 10,000 HP or higher. In addition to the larger vessels of the commercial fleet, there are some known smaller vessels that have historically employed mariners holding unlimited ocean credentials. As of June 2017, a total of 176 commercially-owned oceangoing merchant-type vessels constitute the source of such mariner employment. These vessels include MSP vessels, large Jones Act domestic trade ships, and U.S.-flag foreign trade vessels not in the MSP. Of these vessels, 99 are in the Voluntary Intermodal Sealift Agreement (VISA) program. MSC vessels outside of the CIVMAR-employed category, which include some that are on long-term charter and some government-owned contractor-operated (CONMAR-manned) vessels along with the RRF permanent crew portion of the surge sealift fleet.²¹

The number of actively sailing mariners is calculated by taking the total number of billets on board these vessels and multiplying that number by the crewing ratio of two (i.e., two mariners per billet on board each vessel) for all ships other than the RRF. The RRF manning requirement is calculated by a ratio of one mariner per ROS billet. The MWWG considers the resulting number of mariners as constituting the pool of mariners available to crew both the U.S.-flag commercial fleet and the surge sealift fleet in times of a national emergency.

²¹ The RRF is composed of government-owned vessels with contractor crews (CONMAR manned).

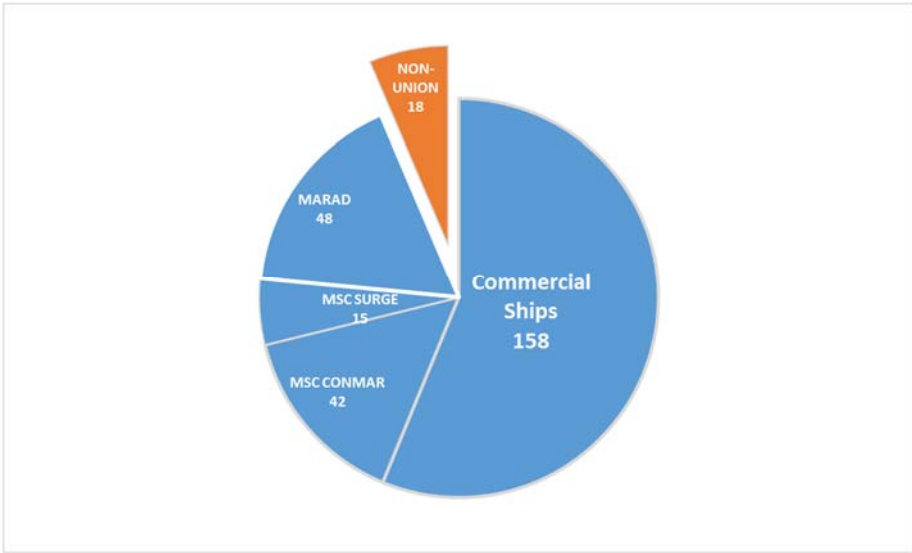
Table 1. MWWG Estimation of Actively Sailing CONMARs with Unlimited Credentials*

	Ships	Billets	Mariners*
Commercially Owned Coastwise/Oceangoing Fleet**	176	4549	9,098
Military Sealift Command (MSC) Fleet (non-CIVMAR SHIPS)**			
Government Owned	32	842	1,684
Commercially Owned	10	180	360
Reduced Operating Status (ROS) Maintenance Crews for RRF Vessels***	63	623	626
Total Supply of Actively Sailing Mariners with Unlimited Credentials			11,768

Notes:
 * Crewing ratio of 2 mariners per billet for commercially operated & MSC fleets and 1 mariner per billet for ROS (surge) fleet
 ** 218 Active commercially owned and non-CIVMAR MSC vessels with full crew = 5,571 billets crewed by CONMARs
 *** ROS crew at minimum level to maintain vessel readiness

As part of the working group collaboration with the labor unions and industry, the number of actively sailing mariners presented in Table 1 was cross checked and validated. The MWWG received information on qualified mariners from six stakeholder labor unions, which is shown in Table 2. Labor unions are responsible for crewing 94% of the 281 commercial vessels considered in this report, and 18 ships constituting 6 percent of the fleet have non-union crew.

Figure 3. Crewing Distribution between Union and Non-Union Labor



NOTICE: Do not share or disseminate this information to any person or organization outside of the U.S. Maritime Transportation System National Advisory Committee's (MTSNAC) members without the express approval of the Maritime Administration. This document is a draft report and its contents were prepared by the Maritime Workforce Working Group (MWWG), a subcommittee of the MTSNAC. Any information, assessments, conclusions, or recommendations do not necessarily reflect the final position of the MTSNAC. Any and all content is pre-decisional, part of the deliberative process and intended for the exclusive use of the MTSNAC.

Additionally, MARAD reached out to the major non-union vessel operating companies for information on the number of mariners employed on board their ships. This outreach revealed another 500 mariners who are actively sailing with unlimited oceans credentials. The combined union and non-union reported workforce is listed in Table 2. These numbers are very close to those estimated in Table 1, although this is largely due to the pervasive representation by unions of mariners on the types of commercial vessels deemed comparable to government sealift assets.

Table 2. Mariners with Unlimited Credentials, Union and Non-Union

	Officers	Ratings	Total
Union	5,116	6,000	11,116
Non-Union²²	200	300	500
Total	5,316	6,300	11,616

As noted earlier in this report, an additional 5,576 full-time CIVMARs are employed by MSC to crew the government-owned and -operated vessels. However, the CIVMARS are considered fully committed to existing government vessels, and with a mariner to billet ratio of only 1.22, this would not represent a significant pool of mariners that could be drawn from to crew surge sealift assets.

The maritime industry operates in a challenging commercial environment and the number of CONMARs sailing at any given time is not static. Additionally, the mariner counts shown in Tables 1 and 2 are much less than totals revealed by the USCG’s query of mariners currently holding unlimited oceans credentials (calculated at 33,215—see Findings in next section). The USCG count includes CIVMARs and almost certainly includes inactive mariners (i.e., those mariners who have not sailed in the last 18 months), mariners who have not recently sailed on large oceangoing vessels, those without full STCW credentials, and incorrectly selected mariners. Regardless, the disparity between the mariners identified by the MWWG in Tables 1 and 2 and the USCG’s number of unlimited credentials issued will remain unresolved until more research is completed.

In summary, the MWWG believes that a reliable estimate of the subset of mariners actively sailing under the authority of their unlimited credentials (excluding the MSC CIVMARs) is an estimated 11,768. These are individuals with recent sailing experience, which a majority of the MWWG interprets unanimously as having sailed within the preceding 18 months. Their credentials are current, and they attend required refresher courses to maintain their endorsements as well as their competency. In addition, a large

²² Non-union mariner numbers represent those with unlimited credentials employed by three major non-union ship operating companies that operate 18 ships.

majority of them are affiliated with labor unions that have collective bargaining agreements with the companies that have the contracts to crew the surge sealift fleet. These U.S. mariners constitute the pool of dedicated professionals who have responded positively to the nation’s need for sealift capability and force projection during national emergencies. However, while their availability and ability to sail on the surge sealift ships can be verified, their willingness to do so is beyond prediction. This is because, as civilians, mariners’ services at any time are voluntary by nature; they have no obligation to report when called. Improved outreach to mariners to verify willingness to sail through regular surveys of the mariner base would help to resolve this important uncertainty.

Mariner Demand Estimation under Normal and Surge Activation/Sustainment Conditions

The MWWG estimates a total supply of 11,768 qualified mariners with unlimited credentials are available to crew the ready reserve, MSC CONMAR, and commercial U.S.-flag fleets (see Table 1). Upon initial activation of the surge sealift fleet, the vessels in Reduced Operating (ROS) Status augment to the Full Operating (FOS) Status. This requires an addition of 1,303 mariners to the initial 626 full-time maintenance crew on board those ships.²³ Thus, a total of 1,929 mariners are on board the surge sealift fleet when fully activated. At that point, MARAD estimates show a total of 7,500 mariners with unlimited credentials being at sea to crew the entire fleet²⁴ which is equivalent to the number of billets on board the consolidated fleet of 281 vessels (see Table 3).

However, once the surge fleet is activated, the identified pool of mariners ashore who are available to replace the 7,500 at sea drops to 4,268. The labor unions that supply these mariners have acknowledged that under such conditions, crew rotations will not be the normal six months on-six months off (i.e., the two mariners per billet) model, but on the contrary a longer six to nine-month rotation model that might approximate a crewing ratio of 1.75 mariners per billet from the very start of surge ship activation. Table 3 shows a total demand for 11,678 qualified mariners at the crewing ratio of 1.75 mariners per billet for the Commercially Owned (CO) and the MSC CONMAR Fleet along with the initial complement of 1,929 mariners required to activate the surge fleet. Under this model, concurrent operations of the commercial fleet and sustained surge sealift that demands crew rotation will require a total of 13,607 mariners with unlimited credentials. The model assumes that all identified mariners with unlimited credentials are willing to sail when activated.

Table 3. Estimation of Demand for Mariners Under Surge Fleet FOS (Full Operating Status) Conditions for Initial Activation and Sustained Surge

Category	Ships	Billets	Mariners**	Mariners***
----------	-------	---------	------------	-------------

²³ The additional 1,303 mariners required to activate the surge fleet represent approximately 23% of the pool of identified available mariners with unlimited credentials who are ashore on vacation or for other purposes.

²⁴ The entire CONMAR-manned fleet includes 218 commercial and non-CIVMAR MSC ships, 46 RRF vessels, 15 MSC surge vessels, and 2 MARAD special mission vessels.

			INITIAL ACTIVATION	SUSTAINMENT
Commercially Owned (CO) Coastwise and Oceangoing Fleet	176	4,549	7,960	7,960
MSC CONMAR Fleet	42	1,022	1,789	1,789
CO and MSC Demand for Mariners			9,749	9,749
Sealift Fleet				
Full Operating Status (FOS) Crew Demand*	63	1,929	1,929	3,858
Total Number of Ships and Billets	281	7,500		
CO, MSC & FOS DEMAND FOR MARINERS			11,678	13,607
ESTIMATED SUPPLY OF AVAILABLE MARINERS			11,768	11,768
STATUS			SUFFICIENT	INSUFFICIENT

Notes:

*Vessel fully crewed to meet current USCG requirements, and for mission accomplishment

Crewing ratio of 1.75 mariners/billet for CO & MSC fleets, and 1/billet for the ROS Fleet INITIAL Activation* Crewing ratio of 1.75 mariners/billet for CO & MSC fleets, and 2/billet for the FOS Fleet Sustained Surge Operations

FINDINGS: §3517 D (1)

(1) Identify the number of United States citizen mariners—

A U.S. citizen mariner is anyone who holds a valid USCG MMC and allowed to sail lawfully on a documented vessel per 46 USC 8103 (Appendix B). 46 USC 8103 authorizes USCG to issue MMC to unlicensed seamen who are an “...alien lawfully admitted to the United States for permanent residence”. These individuals are issued USCG credentials and currently sail aboard U.S.-flag vessels as common practice and hence, comprise a valid subset of the U.S. mariner pool with rating endorsements.

A fully qualified mariner for the surge fleet is one who holds:

- A current and valid unlimited tonnage or unlimited horse power oceans license without limitations and meets the required STCW standards
- A current and valid Transportation Worker Identification Credential (TWIC)
- A current and valid USCG STCW Medical Certificate
- A current and valid security clearance if required.

(a) The number of United States citizen mariners in total:

As of July 18, 2017, the USCG MMLD database shows the issuance of a total of 208,718 current national and STCW MMCs.²⁵ Mariners in this group include both officers and unlicensed ratings. Their endorsements comprise a wide category of vessel types and sizes, from the very small to the unlimited range.

Approximately 90,000 of the total mariners listed above hold endorsements authorizing service only on Uninspected Passenger Vessels (OUPVs), inspected under Subchapter T of Title 46 CFR (also known as “T-boats”), and towing vessels.

(b) The number of United States citizen mariners that have a valid Coast Guard merchant mariner credential with the necessary endorsements for service on unlimited tonnage vessels that are subject to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended

As per the USCG MMLD database, 33,215 unlimited mariner credentials have been issued in the last 5 years. The MWWG concurs unanimously that the MMLD output of 33,215 reflects solely the number of mariners who have been issued unlimited oceans credentials, and does not reflect the number of full-time mariners that have recent experience on large oceangoing vessels or would be available in a real-world scenario.

²⁵ See Appendix F (USCG)

The following caveats would apply to the number of mariners with unlimited credentials identified by the USCG MMLD:

DECK

- The number of endorsements is based upon the most superior endorsement held by an individual mariner. If a mariner holds lesser endorsements, those are not included in the count of mariners at the lower endorsement level.
- At each level of deck officer endorsement, the mariner counted holds a national endorsement with no limitation as well as the associated STCW endorsement (this latter endorsement is assumed if a mariner has an STCW Medical Certificate because full STCW status could not be queried from the MMLD).
- The mariners holding deck ratings are only included as deck rating if they did not also hold an officer endorsement

ENGINE

- The number of endorsements is based upon the most superior endorsement held for that propulsion mode by an individual mariner. If a mariner holds lesser endorsements, they are not included in the count of mariners at the lower endorsement level for the same propulsion mode.
- At each level of engine officer endorsement, the mariner counted holds a national endorsement with no limitation as well as the associated STCW endorsement.
- The mariners holding engine ratings are only included as an engine rating if they did not also hold an officer endorsement.

(c) The number of United States citizen mariners that are involved in Federal programs that support the United States merchant marine and the United States flag fleet

The following nine Federal programs support the United States merchant marine and the U.S.-flag fleet:

- i. Maritime Security Program (MSP) – The MSP provides financial support to 60 privately-owned large self-propelled U.S.- flag vessels to remain commercially viable in the foreign commerce of the United States and available upon request by the Secretary of Defense during times of war or national emergency. Financial support and access to U.S.-government impelled preference cargoes are necessary to offset the higher-cost of U.S.-flag vessel operation. The MSP helps retain 2,386 skilled American mariners, who are available to crew the U.S. Government-owned strategic sealift fleet and the U.S. commercial fleet, during times of peace or war.

Total number of Mariners employed by the MSP fleet of vessels: 2,386

ii. Voluntary Intermodal Sealift Agreement (VISA) - The VISA program is a partnership between the U.S. Government and the commercial maritime industry which helps provide the Department of Defense (DOD) with “assured access” to commercial sealift and intermodal capacity to support the emergency deployment and sustainment of U.S. military forces. Intermodal capacity includes dry cargo ships, equipment, terminal facilities, and intermodal management services.

Total number of Mariners employed through the VISA Program and whom are not included in other vessel categories: 1,724²⁶

iii. MSC-owned vessels (Civil Service Mariners (CIVMAR) and Contract Mariners (CONMAR))- CIVMARs are federal government employees, and consist of licensed and unlicensed personnel. The current 5,567 mariner CIVMAR pool represents 80 percent of the MSC non-military workforce. CONMARs are commercial contract mariners working onboard MSC vessels and employed by commercial ship operating companies. These mariners are not part of the federal civilian workforce.

Total Civil Service Mariners: 5,576

iv. MSC-chartered vessels – This program provides a highly efficient and cost-effective means for the Department of Defense and the Navy to provide logistical support to the military during both war and peace. The program manages a mix of privately-owned vessels on charter including tankers, dry cargo, and other special mission vessels.

The number of Mariners onboard MSC Chartered ships varies depending on the total number of ships on charter at any given time.

v. MARAD Ready Reserve Force (RRF) – This program supports the expedited worldwide deployment of U.S. military forces. It is primarily tasked with the transportation of Army and Marine Corps Unit equipment, combat support equipment, and initial resupply during the critical surge period before commercial ships can be marshaled/commanded. This fleet is composed of 46 vessels in Reduced Operating Status (ROS). The vessels are maintained and operated by commercial operating companies through ship management contracts and are crewed permanent at a reduced level by CONMARs.

Total Mariners currently manning the RRF ROS ships: 626

vi. CARGO PREFERENCE - The Cargo Preference Program supports the U.S. merchant marine by mandating that all military cargo and 50 percent of most civilian Federal cargo be transported on U.S.-flag ships when available. Any curtailment of this form of federal support would directly result in some ship owners reflagging their ships to foreign registries which would reduce the number of mariner jobs and hence, a decline in the number of mariners with unlimited credentials available to meet the nation’s sealift needs.

²⁶ Note that MSP vessels belong to the VISA program, as do as significant number of Jones Act vessels. Additionally, many vessels in the VISA programs are tugs, and mariners serving on these tugs would not have experience relevant to crewing surge sealift vessels. Only VISA program mariners on large self-propelled ships not in the MSP program are counted.

vii. U.S. Navy Strategic Sealift Officer Program (SSOP) - The Program (discussed in much more detail later in this section) allows students from the Federal and State Maritime Academies to be commissioned as an officer in the Navy Reserve upon their graduation and earning the unlimited credential as Merchant Marine Deck or Engine Officer.²⁷

Total SSOs: 2,253

Total SSOs with valid MMC: 2,122

viii. Student Incentive Payment (SIP) Program—MARAD provides each year incentive payments for up to 75 eligible students as an incentive to become unlimited credentialed officers in the U.S. Merchant Marine. Students selected for the program receive up to \$8,000 per year during their four years of enrollment. Upon graduation, the SIP recipients must sail in the Merchant Marine for three years and maintain their Navy reserve commitment for at least eight years.

(d) The number of United States citizen mariners that are available to crew the United States flag fleet and the surge sealift fleet in times of a national emergency;

The U.S. citizen mariner available to crew the U.S.-flag fleet and the surge sealift fleet in times of national emergency must be an individual who holds the appropriate STCW credential and the necessary endorsements in addition to meeting the mandatory STCW medical standard. These individuals must have sailed recently and be able and willing to respond positively to an activation notice at short notice. Any attempt to equate this total with the 33,215 mariners listed with unlimited credentials as per the MMLD database is misleading and incorrect. As responses to questions (d), (e), and (f) are interconnected, the following discussion addresses all three questions.

The number of U.S. citizen mariners that are available to crew the U.S.-flag fleet and the surge sealift fleet in times of a national emergency are defined as the 11,768 currently sailing mariners with unlimited credentials shown in Tables 1 and 2 of this report. Table 3 shows MARAD's reconciliation of the total number of mariners with current unlimited credentials issued as per the MMLD with the verified pool of CIVMARs (with unlimited credentials) employed by MSC and the estimated 11,768 mariners with unlimited credentials presented in Table 1. As shown in Table 4, an estimated 15,871 of the 33,215 mariners the USCG counted as having unlimited USCG credentials cannot be accounted for. The availability and the continuing proficiency of these mariners to sail on vessels with unlimited tonnage remains unknown in addition to any knowledge of their willingness to sail. Potential reasons for this predicament were discussed on page [19](#).

²⁷ Many SSO officers listed in these totals are already counted in other mariner categories, such as serving on MSP or other commercial vessels, and thus SSO amounts are not necessarily additive to the mariner pool calculated in other programs.

Table 4. Mariners with Unlimited Credentials Issued by USCG²⁸

		Category	Total
Officers	Deck	7,794	14,645
	Engine	6,851	
Ratings	Deck	13,560	18,570
	Engine	5,010	
USCG Count of Total Credentials Issued			33,215
Verified Pool of MSC CIVMARS	Officers	1,136	5,576
	Ratings	3,985	
	Others	455	
Total USCG Credentials Issued less MSC CIVMARS			27,639
Total Supply of Actively Sailing Mariners with Unlimited Credentials (see Table 1)			11,768
Total Credentials Issued Less Actively Sailing Pool including MSC CIVMARS			15,871
Source: USCG MMLD, and MARAD estimate of actively sailing mariners with unlimited credentials			

(e) *The number of United States citizen mariners that are full-time mariners;*

Full-time U.S. citizen mariners are dedicated professionals who have repeatedly shown their commitment and passion to a maritime career. These individuals have recent sailing experience which the MWWG interprets unanimously as having sailed within the preceding 18 months. Their credentials are current, and they attend required refresher courses to maintain their endorsements as well as their competency. While their availability to sail on the surge sealift ships can be verified through their affiliation with labor unions in most cases, their willingness to do so is beyond prediction. Being civilians, their services at any time are voluntary by nature; they have no obligation to report when called unless they are within the service obligation phase for attending the Federal academy or receiving MARAD’s SIP payment through a State Maritime Academy.

The total number of United States citizen mariners that are full-time mariners is the same as letter (d): 11,768

(f) *The number of United States citizen mariners that have sailed in the prior 18 months;*

²⁸ See Appendix F for a detailed breakdown of mariners with specific qualifications.

The number of United States citizen mariners that have sailed in the prior 18 months is the same subset of actively sailing mariners quantified in letters (d) and (e) above: 11,768.

(g) The number of United States citizen mariners that are primarily operating in noncontiguous or coastwise trades

There are approximately 97 large, self-propelled oceangoing merchant ships in the U.S. Jones Act trades. These vessels would employ approximately 3,380 unlimited oceans mariners. Additionally, some non-union companies operating various non-merchant vessels (e.g., offshore supply ships) have identified approximately 500 unlimited oceans mariners that would be supplemental to this total.

(h) The number of United States citizen mariners that are merchant mariner credentialed officers in the United States Navy Reserve

The SSOP is a naval reserve program established to facilitate collaboration between the US Navy and all segments of the maritime industry. The SSOP supports national defense sealift requirement and capabilities, as executed by MSC as well as provides Navy Reserve Officers who are licensed merchant marine officers with experience in sealift, maritime operations, and logistics management.

All SSOs are required to obtain and maintain a USCG-issued MMC of (at a minimum) 3rd Mate unlimited tonnage or 3rd Assistant Engineer unlimited horsepower with oceans and STCW endorsements. Engineers are identified by their highest capacity across the power plant types of steam, motor, or gas turbine. Dual deck and engine credentialed SSOs are also identified by their highest capacity (deck or engine) which eliminates double counting within the program.

The SSOP's mission is to maintain a cadre of SSOs within the Reserve Component of the U.S. Navy composed of the following:

- Selected Reserve (SELRES)--component which primarily supports MSC and other Navy and joint commands.
- Individual Ready Reserve (IRR)--component comprised of actively sailing officers in the U.S. Merchant Marine who are qualified to operate merchant ships as naval auxiliaries and provide officer crewing for ships in the RRF and MSC's Surge Sealift Fleet.

It is important to note that the SSOP is a subset of the Navy Reserve and does not account for all persons within the U.S. Navy reserve who hold valid merchant mariner credentials.

SSOs are divided into the following categories:

Active Status- Officers on the Reserve Active Status List (RASL) who are eligible to train with or without pay, based on the members' category; serve on Active Duty (AD), Active Duty for Training (ADT), Inactive Duty, or perform Inactive Duty Training (IDT); earn retirement points; or be considered for advancement or promotion, if eligible.

- Recalled to Active Duty- Members who are voluntarily or involuntarily recalled to Active Duty per 10 U.S.C.

- SELRES - Active status members who drill for pay
- IRR - Personnel who must fulfill their military service obligation (MSO) under 10 U.S.C., members fulfilling a service obligation incurred via contract, and those who have fulfilled their MSO but voluntarily remain in an active status. The IRR is composed of the Active Status Pool (ASP) and the Volunteer Training Unit (VTU). Reservists in this category are on the RASL and are subject to involuntary recall to Active Duty per 10 U.S.C., 12301(a) and 12302.

Inactive Status- Reserve members on the Reserve Inactive Status List (ISL) are not eligible to receive pay for training, earn retirement points, or be considered for advancement or promotion or be advanced or promoted.

Because SSOs are comprised of actively employed and sailing or active duty military members, they are treated as a subset of the total number of the actively sailing mariner pool and not an addition to the total pool of mariners. As of May 23, 2017, the SSOP is comprised of 2,253 SSOs. Of the 2,253 SSOs, 2,122 hold valid MMCs split almost evenly across the deck (1,064 endorsements) and engine (1,058) endorsements, and 66 are in inactive status.

Summary of Findings Under §3517 D (1)

The MWWG estimates a total supply of 11,768 actively sailing and qualified mariners with unlimited credentials available to crew the ready reserve fleet. MARAD estimate of the mariners required to activate the entire surge fleet²⁹ as well as operate the commercial fleet concurrently is 11,678³⁰. Accordingly, there are sufficient mariners to activate the surge fleet assuming they are available and willing to sail.

Concurrent operations of the commercial fleet and sustained sealift that demands crew rotation will demand a total of 13,607 mariners with unlimited credentials. Accordingly, there is a deficit of 1,839 mariners with unlimited credentials even under the assumed condition of all those mariners being available and willing to sail.

²⁹ The entire surge fleet includes 46 RRF vessels, 15 MSC surge vessels, and 2 MARAD special mission vessels.

³⁰ See Table 3 for details.

FINDINGS: §3517 D (2)

Assess the impact on the United States merchant marine and the United States Merchant Marine Academy if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine.

Students at the U.S. Merchant Marine Academy (USMMA) are beneficiaries of a federally funded four-year academic program that enables them to earn a baccalaureate degree, an entry-level USCG unlimited credential for Deck or Engine officer and commission in any branch of the United States armed forces if offered. In return, USMMA graduates are required to sail in the merchant marine for a period of five years, maintain their USCG credential for a period of six years, and also maintain their Navy Reserve commitment for a period of at least eight years. The USMMA graduates may opt to join one of the military branches for five years of active duty in lieu of their five-year service in the merchant marine.

A small number of students at the SMAs receive limited financial support through the Student Incentive Payment (SIP) Program to defray the cost of their mariner education. The SIP Program enrollment is currently limited to 75 students annually from all six SMAs, whereas their annual total enrollment is approximately 4,000. SIP recipients compose less than 2percent of the total SMA student body, and in return for the financial support, they are required to sail in the merchant marine for three years, maintain their USCG credentials for six years, and also maintain their Navy Reserve commitment for at least eight years. They also have the option of pursuing an active duty military career in lieu of serving in the merchant marine.

In addition to SIP payments, MARAD provides other assistance to each SMA that directly benefits all students. These annual appropriations typically include \$2.4 million in direct support, about \$3 million in fuel assistance payments for the academy training ship, and the loan of a MARAD training ship maintained through federally appropriated funds.

The impact on the United States merchant marine should either USMMA and/or SMA graduates be asked to pursue certain maritime positions based on the overall needs of the U.S. Merchant Marine remains unclear.

While SIP Program graduates are obliged to serve when called upon, other SMA students are not required to do so. The federal government has no legal authority to conscript these students either before or after their graduation to meet the overall needs of the U.S. merchant marine. Any attempt to do so is likely to have a negative impact on the SMAs' recruitment efforts for future years.

Assignment of USMMA graduates to a maritime position (except through the Navy Reserve, of which the graduate may be a member) may be appropriate for the USMMA given its institutional mission and the

federal support provided to its students for their education.³¹ However, this could also have an impact on USMMA's recruitment efforts in future years.

While the infusion of a new cadre of fresh merchant mariners with nationally acclaimed maritime academy education credentials is good for the industry and may enhance operational standards, even the appearance of mandated mariner service (particularly for non-SIP State Maritime Academy graduates) and possible conscription would be seen negatively by potential applicants to these academies unless there are concurrent incentives to offset and even reward their personal sacrifices.

³¹ If this action were taken, there would be an impact on students who choose to join active duty military. About 25 percent of each graduating class chooses this option. If this option was not available because graduates were required to take a maritime position, it could impact USMMA's future recruitment efforts.

FINDINGS: §3517 D (3)

Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners.

The MWWG was tasked “to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency...”. The MWWG used the USCG MMLD data as a basis to evaluate the pool of USCG credentialed mariners, and to make recommendations to enhance the availability and quality of interagency data. The MMLD is the only comprehensive source of data on qualifications of all U.S. merchant mariners (although sea service data on each mariner are not always consistently recorded). The maritime unions also maintain information on their respective members, including detailed sea-time data, but this information is not available to the U.S. Government.

The MMLD database is housed within the USCG Operations Systems Center and managed by the USCG Vessel Operations Center. In accordance with the provisions of a memorandum of understanding (MOU) between MARAD and USCG, MARAD receives an extract of the MMLD database on a quarterly basis. MARAD uses this information for populating its Mariner Outreach System (MOS) and analyzing the mariner population. MARAD re-programmed its MOS system to accommodate changes in MMLD database structure that occurred in 2014 to accommodate the new Merchant Mariner Credential (MMC) requirements.

The USCG designed the MMLD to facilitate the production and tracking of Merchant Mariner Credentials and the qualifications and limitations attached to the credentials. They did not, however, create the system to serve as a tool for counting the number of U.S. citizen mariners suitable for crewing U.S. government reserve vessels or otherwise able to operate vessels useful for military sealift, nor does the database provide any data on mariner availability or willingness to support sealift. Accordingly, the MMLD does not have pre-set query capabilities to determine the number of such mariners. Querying the MMLD for mariner data is further complicated by the complexity of the database and the USCG’s modification of the database during the last decade, including the reliance on text fields to record credentials issued after March 2014.

To support the MWWG, USCG personnel assembled a series of MMLD queries using key words and phrases to identify those mariners recorded in the MMLD who are likely to hold the unlimited ocean credentials needed to sail on U.S. Government sealift assets. These queries identified 33,215 mariners in all officer and rating categories out of approximately 210,000 mariners with unexpired credentials recorded in the MMLD. Based on MARAD’s long term expertise associated with MOS, agency staff analyzed the MMLD data on mariners with unlimited credentials. MARAD’s goal was to replicate the analysis of this information to ensure consistency in terms of data integrity and methodology across the agencies. MARAD and USCG personnel spent a significant amount of time in the discovery and learning phase, and gained knowledge and understanding of the data by conducting a detailed review of individual mariner records.

The USCG queries had to sort through some 27,024 possible combinations of credential and limitation data in text format for domestic licenses and ratings, and 10,130 different combinations of limitations for international licenses and ratings. Consequently, the extraction of qualified mariners was subject to some miscounting and other errors. Additionally, information on the mariner sea service is incomplete in the MMLD.

It is the unanimous opinion of the MWWG that the MMLD should be replaced with a modern database capable of supporting high analytics. However, the national security needs are current and ongoing, and MARAD is required to provide information on mariner availability to meet the national security needs contemporaneously. In the interim, MARAD believes that with some methodological and technical adjustments, the quarterly extract of MMLD data provided to the MOS can serve as a reliable basis for ascertaining the pool of U.S. citizen mariners necessary to crew U.S. ships for national security surge and sustainment operations. USCG and MARAD are working to fully understand and thoroughly document the MMLD and MOS for this purpose. The interaction between the two systems, however, in their current state will take several additional months to complete. At a minimum, a complete coding of credential limitations into the MMLD, rather than by recording credentials limitations through text fields, would greatly increase efficiency and accuracy of evaluating the mariner pool. However, system-wide limitations may preclude USCG from making those changes.

In addition to the composition of the pool of credentialed mariners, MARAD must also assess the willingness of mariners to voluntarily sail in the U.S. merchant marine for wartime sealift or emergency operations. The MMLD is not suited for this purpose, however. Rather, MARAD would conduct a biannual survey of the pool of qualified mariners to determine the willingness and availability of mariners.

Because the MMLD is the only comprehensive source of information on U.S. mariners, it (or a successor USCG database) must necessarily be the basis to determine the size of the current mariner population and a sample needed for survey purposes. Regarding a survey based on MMLD information, MARAD staff has met with members of the DOT Bureau of Transportation Statistics (BTS) Office of Survey Programs to discuss the time, cost, and resource requirements necessary to undertake such a survey, both initially, and on a recurring biennial basis. BTS has experience in surveying mariner availability and conducted two such surveys in 2001 and 2002.

FINDINGS: §3517 D (4)

Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.

The work conducted through the MWWG has provided an opportunity for MARAD, USCG, DOD and merchant marine stakeholders to reach consensus on how to identify and count U.S. citizen mariners suitable for crewing U.S. government reserve vessels or otherwise able to operate vessels useful for military sealift. The MWWG recommends the following actions to reliably count the number of U.S. mariners in the future.

Update to MMLD – Analysis of the existing MMLD data and its capabilities highlighted a number of shortcomings, the MWWG recommended that a new system supporting merchant mariner credential is necessary in order to address these shortcomings and to provide for additional capabilities that would assist in a more accurate count of available mariners.

It is the unanimous opinion of the MWWG that the MMLD should be replaced with a modern database capable of supporting high analytics. However, the national security needs are current and ongoing, and MARAD is required to provide information on mariner availability to meet the national security needs contemporaneously. So, until such time a replacement to the MMLD with core mariner availability functionality is available, the following are recommended although the USCG may be precluded from making those interim adjustments because of system-wide limitations:

Credential Limitations should be coded. – Currently, credential limitations in the MMLD are not coded, but instead entered in the system in free text leading to tens of thousands of permutations that must be queried by key word to determine if the required qualifications for an individual mariner exist. New permutations can be created each time the data on credential limitations are entered due to changes in text wording. The text entered may also vary depending on the person entering the information which complicates a key word search. Restricting the entries to codes that represent a finite set of credential limitations would eliminate this problem.

Sea Service should be recorded more comprehensively in the MMLD. – The review of sea-service data in the MMLD indicates that it is very valuable when it is available, but is incomplete for various reasons (e.g., reliance on letter reports and the ability of mariners to renew credentials without actual sea service). This lack of sea service data cannot be corrected through modifications to the MOS, but rather would need to be entered by USCG in its updates to the MMLD. Some stakeholders have also recommended that a low-cost alternative may be to require companies to submit sea service data by mariner reference number to USCG in alignment with payroll transmission within 24 hours of paid wages.

A periodic survey of the U.S. citizen mariner pool qualified to crew U.S. government reserve vessels should be undertaken to measure Mariner availability – Since merchant mariner employment is voluntary, the number of people willing to sail in times of national need is unknown. A survey would allow MARAD to determine, with reasonable certainty, how many qualified mariners would be available and willing to sail in U.S. government reserve vessels if called upon to do so. The survey should be conducted at a minimum biennially to adequately keep track of changes in the mariner workforce' availability and willingness to sail.

Enhancing Interagency coordination between USCG and MARAD – Improvements in coordination could be reflected in an updated MOU between MARAD and USCG. The process by which USCG extracts data from MMLD and sends it to MARAD works well. However, given that MARAD receives data as of a specific date and the MMLD is continuously updated by the USCG, control totals against the extract should be established to ensure that the data are transmitted correctly and reflect at MARAD exactly what was produced by the MMLD for a given date and time. Establishing such control totals will facilitate the immediate identification of any differences in the data between the USCG extract and what MARAD receives. In the current process, anomalies may go unnoticed to the point at which errors cannot be resolved.

MARAD should have a more active role in USCG's Change Control Process for MMLD. - MARAD as well as other key stakeholders for mariner availability including USTRANSCOM should be included as part of USCG's Change Control Board meetings for MMLD and new MMLD system development to remain aware of any program or system changes that may impact the data, methodology, output, or process used, particularly those affecting the MOS. While the communication between USCG and MARAD remains strong and both agencies work well together, the MWWG determined that there is no formal written process for identifying or assessing the potential impact of changes made on the MMLD on the MOS.

Develop a broad-based reserve program. MARAD should implement a purely civilian mariner reserve program that would identify and support qualified mariners willing to sail in commercial, MSC, and surge ships during an emergency. MARAD would provide limited financial assistance in training mariners and maintaining credentials, in turn for which mariners who participate would be obligated to sail in the event of a contingency. The reserve would ensure that adequate numbers of fully qualified and trained mariners are available and committed to meeting our nation's contingency crewing needs. Such a reserve would be easily adjustable in size and composition to reflect potential shortages by department in the mariner labor pool. A civilian reserve would also provide assured access to mariners with the specific skills needed for activation and operation of Government vessels.

MARAD and other U.S. Government Agencies should support a healthy Merchant Marine. – Ultimately, the presence of qualified CONMARs depends on a healthy private Merchant Marine industry, supported by modern vessels supporting a diversity of international and domestic markets. Vessels support sealift directly and provide jobs to the mariners who are needed to crew government surge assets. The Government should fully support programs including the MSP, cargo preference, the Jones Act, and government chartering of

privately-owned vessels. When DoD determines that national needs require more mariners and vessels than can be provided through current programs, those programs should be expanded to meet such needs.

MARAD should provide modern Training Ships to the Maritime Academies. – The ability to train new generations of licensed and unlicensed mariners is dependent on the availability of modern training platforms. The current fleet of MARAD-supplied training ships used by the academies are approaching the end of their operational lives and do not reflect the technology found on board the world merchant fleet. Replacement of these older vessels is critical to the nation’s ability to provide crews for sealift in the future.

APPENDIX A – FY17 NDAA SEC. 3517

SEC. 3517. MARITIME WORKFORCE WORKING GROUP.

(a) IN GENERAL. —Not later than 120 days after the date of the enactment of this Act, the Maritime Administrator, in consultation with the Coast Guard Merchant Marine Personnel Advisory Committee and the Committee on the Marine Transportation System, shall convene a working group to examine and assess the size of the pool of United States citizen mariners necessary to support the

United States flag fleet in times of national emergency.

(b) MEMBERSHIP. —The Maritime Administrator shall designate individuals to serve as members of the working group convened under subsection (a). The working group shall include, at a minimum, at least 1 representative from each of—

(1) the Maritime Administration, who shall serve as chairperson of the working group;

(2) the United States Merchant Marine Academy;

(3) the Coast Guard;

(4) the Military Sealift Command;

(5) the Navy;

(6) the State maritime academies;

(7) a nonprofit labor organization representing a class of licensed employees who are employed on vessels operating in the United States flag fleet;

(8) a nonprofit labor organization representing a class of unlicensed employees who are employed on vessels operating in the United States flag fleet;

(9) the pool of owners of vessels operating in the United States flag fleet, or their private contracting parties, that are primarily operating in coastwise trades; and

(10) the pool of owners of vessels operating in the United States flag fleet, or their private contracting parties, that are primarily operating in international transportation.

(c) NO QUORUM REQUIREMENT. —The Maritime Administrator may convene the working group virtually and without all members present.

(d) RESPONSIBILITIES. —The working group shall—

(1) identify the number of United States citizen mariners—

(A) in total;

- (B) that have a valid Coast Guard merchant mariner credential with the necessary endorsements for service on unlimited tonnage vessels that are subject to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended;
 - (C) that are involved in Federal programs that support the United States merchant marine and the United States flag fleet;
 - (D) that are available to crew the United States flag fleet and the surge sealift fleet in times of a national emergency;
 - (E) that are full-time mariners;
 - (F) that have sailed in the prior 18 months;
 - (G) that are primarily operating in noncontiguous or coastwise trades; and
 - (H) that are merchant mariner credentialed officers in the United States Navy Reserve;
- (2) assess the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State maritime academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine;
- (3) assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners; and
- (4) make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.
- (e) REPORT. —Not later than 1 year after the date of the enactment of this Act, the Secretary of Transportation shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Armed Services of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives that contains the results of the study conducted under this section, including—
- (1) the number of United States citizen mariners identified for each category described in subparagraphs (A) through (H) of subsection (d)(1);
 - (2) the results of the assessments conducted under paragraphs (2) and (3) of subsection (d); and
 - (3) the recommendations made under subsection (d)(4).

(f) INCLUSION OF MERCHANT MARINE-CREDENTIALLED OFFICERS IN THE NAVY RESERVE. — For the purposes of this section, the term “United States citizen mariners” includes, but is not limited to, officers in the United States Navy Reserve who are holders of merchant mariner credentials, as determined by the Secretary of the Navy.

(g) SUNSET. —The Maritime Administrator may disband the working group upon submission of the report under subsection (e).

APPENDIX B – CITIZENSHIP AND NAVY RESERVE REQUIREMENTS

46 US Code § 8103. Citizenship and Navy Reserve requirements

- (a) *Except as otherwise provided in this title, only a citizen of the United States may serve as master, chief engineer, radio officer, or officer in charge of a deck watch or engineering watch on a documented vessel.*
- (b)(1) *Except as otherwise provided in this section, on a documented vessel—*
 - (A) *each unlicensed seaman must be—*
 - (i) *a citizen of the United States;*
 - (ii) *an alien lawfully admitted to the United States for permanent residence; or*
 - (iii) *a foreign national who is enrolled in the United States Merchant Marine Academy.*
 - (B) *not more than 25 percent of the total number of unlicensed seamen on the vessel may be aliens lawfully admitted to the United States for permanent residence.*

APPENDIX C – TERMS OF REFERENCE

1 - Mariner

Issue: The statute asks the working group to “identify the number of United States citizen mariners.” In order to answer this question a definition of “mariner” needs to be agreed to. What are the characteristics/qualifications of the individuals who we will include in this group?

Should the recommendation be that the working group defines a “mariner” as an individual who holds a valid U.S. Coast Guard (USCG) Merchant Mariner Credential (MMC)?

The intent of the working group is to “...examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency.” The US flag fleet, to include the MARAD and Military Sealift Command (MSC) surge sealift vessels, utilize USCG credentialed mariners. Mariners who do not hold a valid MMC are not qualified to sail aboard these vessels.

ACCEPTED

2 - US Flag Fleet

Issue: How do we define the make-up of the United states flag fleet? The statute states “...shall convene a working group to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency.”

It further states we include Members of Labor for licensed and unlicensed employees in the US flag fleet. Owners of vessels operating in the US Flag fleet for both coast wise and international trade. That are involved in federal programs that support the US flag fleet. That are available to crew the US flag fleet.

One option would be to define the US flag fleet as ONLY those vessels that are US flag vessels, operating in coastwise trades and international trade with the size and configuration ship which is in class with the Ready Reserve Force (RRF) and who employ the same type of mariner necessary to crew the Surge Sealift fleet.

Should the “US flag fleet” include Great Lakes vessels? These vessels are crewed by the same labor unions and many mariners sailing on the Great Lakes have, and maintain, their STCW endorsements.

ANSWERS

- **Include Federal Programs Jones Act vessels**
- **Add SSO back to the list of government programs**
- **If possible break out the list by federal programs. Mariner by vessel and extrapolate total number by the number of necessary by the Jones act or other federal program numbers.**
- **Available mariner – eliminate those who have permanent jobs on other ships as they will not**

be available.

- Subparagraph d/e/f and all interact and ok to explain those relationships in the report.

3 - US Citizen Mariner

Issue: The statute asks the working group to “identify the number of United States citizen mariners.” What is a US Citizen Mariner? Do we account only for the individuals who are US Citizens? Was it the intent of US Congress that we only include mariners who are US Citizens in the answers to the questions? Or do we account also for individuals who are not US citizens but are legally allowed to form part of the crew composition as defined by statute?

46 US Code § 8103. Citizenship and Navy Reserve requirements

- (a) *Except as otherwise provided in this title, only a citizen of the United States may serve as master, chief engineer, radio officer, or officer in charge of a deck watch or engineering watch on a documented vessel.*
- (b)(1) *Except as otherwise provided in this section, on a documented vessel—*
 - (A) *each unlicensed seaman must be—*
 - (i) *a citizen of the United States;*
 - (ii) *an alien lawfully admitted to the United States for permanent residence; or*
 - (iii) *a foreign national who is enrolled in the United States Merchant Marine Academy.*
 - (B) *not more than 25 percent of the total number of unlicensed seamen on the vessel may be aliens lawfully admitted to the United States for permanent residence.*

One option would be to define a U.S. citizen mariner be as any individual who holds a valid USCG MMC without regard to nationality.

46 USC 8103 authorizes USCG to issue MMC to unlicensed seamen who are an “...alien lawfully admitted to the United States for permanent residence”. These individuals are issued USCG credentials and currently sail aboard US flag vessels as common practice. Excluding non-US Citizens will yield inaccurate totals of the mariner population qualified to crew the fleet.

ANSWER – Include all who are qualified to sail per the 46 USC 8103

4 - Answers - Single number answers or broken down by specific mariner qualifications

Issue: Statute does not ask for the answers to be broken down by mariner types. This implies there is only one type of mariner with a single type of qualifications.

Should the working group break down the total number of mariners based on the necessary qualifications? (i.e. Master, chief engineer, QMED)? Should the answers to all of the questions be broken down or would breaking it down for the answer to one question suffice (i.e. Question B)?

Breaking down the answers would demonstrate the complexity of credentialing and what specific types of mariners with specific qualifications are necessary. Mariners are not interchangeable.

ACCEPTED

Conclusion: When possible answers will be provided broken out.

5 - Medical Requirements

Issue: In addition to STCW training requirements, all credentialed mariners would need a valid USCG medical certificate for service on vessels for which STCW applies.

Should the working group take into consideration whether a mariner has a valid medical certificate? Without a valid medical certificate, mariners cannot sail.

One option would be to identify both. _____ mariners hold the necessary qualifications but only _____ of those also have a valid medical certificate for service on vessels for which STCW applies.

ACCEPTED

Also include Transportation Workers ID Card under this caveat.

6 - Endorsements

Issue: Shall the committee look only at the necessary officer or rating endorsements (national and international) or shall it look at all of the necessary endorsements (i.e. security awareness, GMDSS, radar).

In order to sail most mariners need multiple endorsements. This increases the complexity of the analysis.

ACCEPTED

Conclusion: Endorsements being looked at are the basic national / international and kept at high level. Any caveats will be listed via Footnote.

7 - Full Time Mariner

Issue: How do we define a “full time mariner”? For example, if they have sailed aboard a vessel as a crew member in the past ___ months? How does a full-time mariner differ from “sailed in the prior 18 months”?

Recent sea service may be an indicator of availability and willingness to sail.

ANSWER

- **Full-time mariner in unlicensed mariners is anyone who is available to receive medical benefits the entire year according to one labor union.**
- **USCG only looks at a credential as valid if it's valid within the 5 years.**
- **Full-time mariner is someone who has sailed in the last 18 months for licensed and unlicensed and outline it in the report.**

8 - Available Mariner

Issue: How do we determine which qualified mariners are available? Do we create a list of assumptions to try to answer the question? For example, what assumptions should be made regarding non-union mariners, mariners sailing on Great Lakes, etc. What assumptions should be made regarding the effect of casualties?

Should we define “available mariners” only as those who are currently sailing as part of the industry?

ANSWER

- **Explain any assumptions related to availability.**
- **18 months usually means actively sailing and proxy for availability.**
- **Subparagraph d/e/f and all interact and ok to explain those relationships in the report.**

9 - Federal Programs

Issue: NDAA 3517 requires we look at the number of mariners "...that are involved in Federal programs that support the United States merchant marine and the United States flag fleet;"

What federal programs should be included? Should a periodicity be applied?

Should the following programs be included? Are there other programs which should be included?

- Maritime Security Program (MSP)
- Voluntary Intermodal Sealift Agreement (VISA)
- MSC owned vessels (Civil Service Mariners (CIVMAR) Contract Mariners (CONMAR))
- MSC chartered vessels
- MARAD Ready Reserve Fleet (RRF) / SPECIAL MISSION
- CARGO PREFERENCE
- NAVY SSO

ACCEPTED

10 - USCG Qualifications Vs Industry Standards

Issue: Should the working group only take into account USCG qualifications or evaluate if mariners meet industry standard / other necessary qualifications? One example of this is the stewards' department.

The amount of training and qualification necessary to be competent to sail as a steward or cook exceed what is required by USCG. Other sources of data would need to be utilized to determine the number of USCG credentialed mariners are competent to sail as steward vice the number who hold the necessary USCG endorsement. Is this data available and if so what is the source?

IMO Maritime Labour Convention 2006

Guideline B3.2.2 – Ships' cooks

1. Seafarers should only be qualified as ships' cooks if they have:

(a) served at sea for a minimum period to be prescribed by the competent authority, which could be varied to take into account existing relevant qualifications or experience;

(b) passed an examination prescribed by the competent authority or passed an equivalent examination at an approved training course for cooks.

2. The prescribed examination may be conducted and certificates granted either directly by the competent authority or, subject to its control, by an approved school for the training of cooks.

3. The competent authority should provide for the recognition, where appropriate, of certificates of qualification as ships' cooks issued by other Members, which

have ratified this Convention or the Certification of Ships' Cooks Convention, 1946 (No. 69), or other approved body.

ACCEPTED

Include Both UNLTD/LTD ABs

Add Security Clearance for DoD

11 – Surge Sealift Fleet

Issue: Question D of the statute asks the working group to identify the number of mariners "...that are available to crew the United States flag fleet and the surge sealift fleet ". What vessels are included in the "surge sealift fleet"?

The following vessels should be considered for inclusion in the surge sealift fleet. All of these vessels are normally in a reduced operating status:

- 46 MARAD RRF vessels
- 2 MARAD Special Mission vessels
- 15 MSC Surge vessels

ACCEPTED

12 - Primarily Operating

Issue: Question G of the statute asks the working group to identify the number of mariners "...that are primarily operating in noncontiguous or coastwise trades"; How do we define "primarily operating"? what methodology should be used for calculating the number of mariners working on these vessels?

One option would be to identify which vessels are "primarily operating" in these trades. Extract the billets; Billets x 2 = total number of mariners.

Methodology: ACCEPTED

13 - US NAVY Reserve credentialed mariners

Issue: The statute also asks us to identify the number of mariners "... that are merchant mariner credentialed officers in the United States Navy Reserve". How will this question be answered?

The US NAVY SSO program has collected data on the individuals within their reserve program. Are there other sources of information to answer this question?

Should the working group also identify those merchant marine credentialed officers that are in the United States Army Reserve? **If possible, yes.**

ACCEPTED

APPENDIX D – EVALUATION OF MMLD QUERIES AND DATA ON UNLIMITED OCEAN MASTERS

Introduction: The USCG’s Merchant Mariner Licensing and Documentation system (MMLD) is designed only to issue mariner credentials. It is not intended to determine the number of U.S. mariners who are qualified, available, and willing to crew the sealift surge vessels of the United States. As such, there is no simple method by which the U.S. Government may identify the number of mariners who may be contacted during a national emergency to crew various departments on sealift surge vessels. Even so, prior to 2014, the practice of coding information on mariner credentials and limitations into specialized fields enabled MARAD to do a limited amount of data mining from the MMLD through its Mariner Outreach System (MOS). In particular the MOS could process MMLD data to count mariners with credentials suitable for service on unlimited tonnage surge vessels on international voyages.

After March 2014, however, USCG changed its means of recording credentials and limitations in the MMLD. To expedite the issuance of mariner licenses, USCG ceased encoding mariner credential limitation data in specialized fields for each mariner and instead recorded credential and limitation information exclusively as free text within the database. This change in practice disrupted the interface between the MOS (which relied on the encoded fields to identify mariner limitations) and the MMLD. Beginning in 2014, MARAD was no longer able to process MMLD data in the MOS using existing methods. Since then efforts to work around this issue have proven difficult.

MARAD is currently working with its contractors and USCG to modify MOS to work with the text format in MMLD. In practice, MOS would either be reprogrammed to search for key words within text strings in the fields of the MMLD that contain language indicating unlimited oceans permissions, or the MMLD data would be pre-processed to encode such data into specific fields before being processed by MOS. This modification to MOS is complicated, however, by the fact that the text wording to record similar credential and limitation information in the fields can vary from mariner to mariner and over time, including variations due to typographical errors. Moreover, there are many combinations of credentials within any given free text field. Using the March 2017 MMLD data, MARAD found 27,024 possible combinations limitation data for national credentials and 10,130 different combinations of limitation data for international credentials.

As part of the MWWG exercise, USCG conducted a series of queries on MMLD using key words and phrases to identify those mariners recorded in the MMLD who are likely to hold the unlimited ocean credentials needed to serve on U.S. Government sealift assets. These queries identified approximately 33,000 mariners in all officer and rating categories out of approximately 210,000 mariners with active credentials recorded in the MMLD. These queries, if accurate, could expedite the reprogramming of MOS or its interface with MMLD. Accordingly, MARAD personnel supporting the MWWG undertook a detailed review of the mariners selected through these queries for accuracy and completeness of the extracted data.³² Given the complexity of record by record reviews, however, MARAD focused on the query results for 2,466 masters with unlimited ocean credentials in both domestic and international waters.

Results of MARAD Analysis of Selected Unlimited Ocean Masters: The USCG keyword query of unlimited oceans masters indicated there were 2,466 individuals licensed to operate as a master on self-propelled vessels of unlimited tonnage upon oceans both domestically and internationally (in almost all cases this did

³² For this review, MARAD used MMLD data March 2017 extract as provided by the USCG. USCG uses more recent data for their analyses, which contains additions and expirations that have occurred since MARAD received its MMLD extract. Accordingly, MARAD analysis will produce slightly different figures than USCG.

not apply to auxiliary sail vessels, however). MARAD reviewed all limitations for these individuals and found that approximately 1 in 10 of the 2,466 identified masters appeared to have limitations on their licenses that prohibited unlimited oceans operations.³³ As such, 2,205 mariners appear to qualify as unlimited ocean masters. Results are shown in Table 1 below.

Table 1: Total Unlimited Masters Identified by USCG Query of MMLD

		Number	Percent
	Total Unlimited Masters with Supporting Credentials	2,205	89.4%
	Total Unlimited Masters without Supporting Credentials	261	10.6%
	Total All	2,466	

MARAD also evaluated using the MMLD sea-service data to determine if these data could assist in the MWWG to determine the number of U.S. citizen mariners that have sailed in the prior 18 months. Where available, MMLD sea-service data provides valuable information on currency, types of vessels, and the capacity in which mariners have sailed.

As shown in Table 2, MARAD found that of the 2,205 mariners that appear to have appropriate unlimited credentials, only 1,163 (53 percent) have records in the MMLD of actual sea service during the last 6 years. Moreover, only 767 (35 percent) have records of sea service that ended sometime during the 18-month period prior to the last update of the MMLD used in this analysis (for this exercise, the 18-month period was from September 30, 2015 to March 31, 2017).

Unfortunately, records of sea-service in the MMLD are not comprehensive. Several reasons account for the lack of specific sea-service records for many mariners in the MMLD. Certifications of sea service are often submitted by letters to the USCG which are not specifically recorded in the MMLD. Alternatively, some masters renew their credentials without actual sea service during the prior period. They can do this by completing an USCG-approved Renewal/Refresher course or go to the USCG Regional Exam Center and take a test. Thus, as it is, the MMLD cannot be used to provide a complete list of mariners who have sailed within the last 18 months or the specific vessels they sailed on, nor can the scope of completeness of sea service data in the MMLD be determined.

³³ The review indicated that 261 of the masters identified in the USCG query have tonnage or other limitations that preclude their service as masters on self-propelled unlimited ocean vessels (see Table 1). Of these 261 masters, 246 have the limitation (but without reference to tonnage) "Of Towing Vessels Upon Oceans," including variations of this such as "Of Towing Vessels Upon Oceans and Western Rivers," and "Of Towing Vessels Upon Oceans Restricted to Astern Towing." Within the USCG query, these text phrases seem to override clear tonnage limitations pertaining to self-propelled vessels. Other incorrectly selected masters have the following limitations that do not reference tonnage: "Of Offshore Supply Vessels Upon Oceans" (7 masters); "Of Self-Propelled Vessels Not Including Auxiliary Sail Of Unlimited Tonnage Upon the Sheltered Waters of British Columbia..." (2 masters); "Radar Observer, Unlimited (3 masters); and "of High Speed Craft..." (3 masters). It is noteworthy that among the 2,205 qualifying unlimited masters reviewed (see Table 1), similar terminology is found, but it is also accompanied by clear authority to operate unlimited ocean vessels (in most cases, "Of Self-Propelled Vessels Not Including Auxiliary Sail Of Unlimited Tonnage Upon Oceans").

In future queries of the MMLD, the exclusion of the above text terms (e.g., "Of Towing Vessels Upon Oceans") as conveying unlimited self-propelled oceans tonnage authority would reduce the problem of over-counting masters. It is possible that these terms may also have inflated other totals of unlimited credentialed mariners, such as mates, in other MMLD queries conducted for this MWWG exercise, but there was insufficient time to confirm this possibility.

Table 2: Total Unlimited Masters with Supporting Credentials: Records of Sea service

	Number	Percent
Within Last 6 Months (as of March 31, 2017)	457	20.7%
Last 6 to 12 Months (as of March 31, 2017)	230	10.4%
Last 12 to 18 Months (as of March 31, 2017)	80	3.6%
Last 18 to 24 Months (as of March 31, 2017)	88	4.0%
Last 24 to 36 Months (as of March 31, 2017)	104	4.7%
Last 36 to 48 Months (as of March 31, 2017)	96	4.4%
Last 48 to 60 Months (as of March 31, 2017)	97	4.4%
Last 60 to 72 Months (as of March 31, 2017)	11	0.5%
Reported Sea-Time Any Date	1,163	52.7%
No Reported Sea-Time	1,042	47.3%
Total	2,205	

Thus, although at least 767 unlimited ocean masters have sailed within the last 18 months, the actual number is certainly higher. This conclusion is supported by the fact that of the 301 unique vessels cited in sea service reports for persons with unlimited oceans master’s credentials, there are no masters identified for 71 of these vessels (approximately 1 in 4). In these latter cases, the person identified as having unlimited ocean master’s credential did not serve as a master on the identified vessel, but rather as a first mate or other position (see discussion on Table 3, below). Since the vessel would have obviously sailed with a master, it is evident that at least 71 sea-time reports are missing.

Additionally, the existing sea service reports for masters in the MMLD do not contain the names of various large oceangoing vessels known to have been sailing during the last 6 years. On the other hand, some of the vessels on which sea service is recorded are industrial vessels such as dredges, offshore supply vessels, and Great Lakes bulkers that would not necessarily represent suitable experience for operating large self-propelled oceangoing surge vessels on an international voyage.

Table 3 shows that only 42 percent of mariners with unlimited oceans credentials served as masters in their most recent sea service; another 38 percent served as first officers. The presence of sea service in positions below master is not unusual given the limited number of master’s positions available. It is not uncommon for mariners (particularly younger mariners) to switch between serving as masters, first, and even second mates from voyage to voyage depending on position availability. In other cases, a mariner may have received credentials to serve as an unlimited oceans master but may not yet have had the opportunity to serve in this role, working instead as a first or second officer.

Table 3: Total Unlimited Ocean Masters with Credentials: Position at Latest Recorded Sea-Time

		Number	Percent
	Master	479	
	Captain	2	
	Relief Captain	2	
	Total Master	483	41.5%
	Chief Mate	386	
	Chief Officer	43	
	Chief Engineer	2	
	First Assistant Engineer	1	
	First Class Pilot	2	
	First Mate	3	
	First Officer	3	
	Mate	7	
	Total Chief or First	447	38.4%
	Second Mate	109	
	Second Officer	7	
	Second Engineer	1	
	Second Assistant Engineer	1	
	Total Second	118	10.1%
	Third Mate	89	
	Third Officer	6	
	Third Assistant Engineer	1	
	Total Third	96	8.3%
	Offshore Installation Manager	1	
	Marine Radio and Electronic Officer	1	
	Deck Cadet	7	
	Observer Deck	4	
	Total Miscellaneous	13	1.1%
	Able Seaman	6	0.5%
	Total	1,163	

In general, more complete information about actual sea service from the MMLD would be extremely useful for determining the number of available unlimited mariners with recent seagoing experience in large oceangoing vessels. This information would include the dates, times, and vessels names of sea service, and

would be recorded even in the case where letters were submitted. Moreover, there would be a checked box to confirm when credentials were renewed based on completion of a test or other valid method rather than through completion of sea service. With this information, MARAD could confirm recency of service and the type of vessel on which it was achieved for all mariners. For instance, an unlimited oceans master who has only served on the towing vessels in the river system for the last decade would be of less interest for crewing surge sealift assets than one who has served on a large oceangoing merchant ships. MARAD notes that, if it became standard practice to record all sea service for mariners, the utility of the MMLD for confirming the recency and relevancy of sea service over the preceding 18 months would be quickly established.

Note on Masters Who Appear to Have Limited Credentials: MARAD attempted to verify that 261 masters selected by the USCG text query, but whom appeared to have tonnage or other limitations, were in fact not qualified for unlimited oceans service.³⁴

As shown in Table 4, MARAD found that of the 261 masters, only 25 had recorded sea service, and fewer than half of these were recorded during the last 18 months.

Table 4: Total Selected Masters apparently subject to Limitations: Latest Recorded Sea-Time

	Number	Percent
Within Last 6 Months (as of March 31, 2017)	6	2.3%
Last 6 to 12 Months (as of March 31, 2017)	3	1.1%
Last 12 to 18 Months (as of March 31, 2017)	1	0.4%
Last 18 to 24 Months (as of March 31, 2017)	0	0.0%
Last 24 to 36 Months (as of March 31, 2017)	4	1.5%
Last 36 to 48 Months (as of March 31, 2017)	4	1.5%
Last 48 to 60 Months (as of March 31, 2017)	3	1.1%
Last 60 to 72 Months (as of March 31, 2017)	4	1.5%
Reported Sea-Time Any Date	25	9.6%
No Reported Sea-Time	236	90.4%
Total	261	

Of the 25 mariners with recorded sea service, Table 5 shows 15 of those serving as captains, chief mates, or second mates. Only 7 were on large, deep water self-propelled vessels, however. The others (including the captain) were on offshore supply vessels, ATBs, tugs, or Great Lakes vessels. As in the earlier discussion, it is important to note that sea service data in the MMLD are not complete.

³⁴ MARAD notes that its analysis focused on master’s references extracted by the USCG query, but was unable to verify if the USCG query extracted all the references that should have been extracted. In other words, MARAD focused on Type II error (the inclusion of references that should not have been included), but due to the large number of references in the MMLD and limited time, was unable to determine Type I error (the exclusion of references that should have been included).

Table 5: Total Selected Masters apparently subject to Limitations: Position at Latest Recorded Sea-Time

		Number	Percent
Master		-	
Captain		1	
Relief Captain		-	
	Total Master	1	4.0%
Chief Mate		3	
Chief Officer		1	
Chief Engineer		1	
First Assistant Engineer			
First Class Pilot			
First Mate			
First Officer			
Mate		4	
	Total Chief or First	9	36.0%
Second Mate		5	
Second Officer		-	
Second Engineer		-	
Second Assistant Engineer		-	
	Total Second	5	20.0%
Third Mate		5	
Third Officer		-	
Third Assistant Engineer		-	
	Total Third	5	20.0%
Offshore Installation Manager		-	
Marine Radio and Electronic Officer		-	
Deck Cadet		-	
Observer Deck		-	
	Total Miscellaneous	-	
Able Seaman		5	20.0%
Total		25	

Other Information Available in the MMLD: MMLD data can also provide useful information on the age profiles of the unlimited oceans masters. Table 6 shows that the average age and age ranges of the

NOTICE: Do not share or disseminate this information to any person or organization outside of the U.S. Maritime Transportation System National Advisory Committee's (MTSNAC) members without the express approval of the Maritime Administration. This document is a draft report and its contents were prepared by the Maritime Workforce Working Group (MWWG), a subcommittee of the MTSNAC. Any information, assessments, conclusions, or recommendations do not necessarily reflect the final position of the MTSNAC. Any and all content is pre-decisional, part of the deliberative process and intended for the exclusive use of the MTSNAC.

2,205 masters with unlimited oceans credentials. This information could be used to identify mariners most likely to be available during surge situations. For instance, a 70 year of mariner who has no recorded sea service for several years may be deemed as less available than a comparable mariner in his or her fifties. Although there is no age limit for qualified mariners, all U.S. Navy flag officers must retire by age 62, although this can be delayed until age 64 if the Navy Secretary or Secretary of Defense grants an extension, and flag officers may even serve until age 66 at the president's discretion. As shown in Table 4, almost 9 percent of the masters are 65 years or older, with the oldest being 90 years of age.

Table 6: Age Profile of Unlimited Ocean Masters

	Number	Percent
Average Age (Years)	51.2	
Maximum Age	90.0	
Minimum Age	25.2	
Age 65 and Greater	191	8.7%
Age 60 to Less Than 65	394	17.9%
Age 55 to Less Than 60	395	17.9%
Age 50 to Less Than 55	269	12.2%
Age 40 to Less Than 50	483	21.9%
Age 30 to Less Than 40	444	20.1%
Age 25 to Less Than 30	29	1.3%
Total	2,205	

Summary: To assist the MWWG and prepare for potential modifications to MOS, MARAD analyzed the results of the USCG query of the MMLD pertaining to the category of unlimited oceans masters. This analysis revealed that 1 in 10 of the mariner references identified by the USCG query may not reflect unlimited oceans masters, and suggests that further refinement of the text query terms may be merited.

Overall, information learned about the accuracy of the USCG query results could be used to restore the previous functionality of the MOS, either by incorporating the successful text search strings directly into it or by pre-processing the MMLD data to conform to data coding practices used prior to March 2014.

The review of sea-service data in the MMLD indicates that it is very valuable when it is available, but is incomplete for various reasons (reliance on letter reports and the ability of mariners to renew credentials without actual sea time). This lack of sea service data cannot be corrected through modifications to the MOS, but rather would need to be entered by USCG. For instance, records should indicate when a credential is renewed through courses or testing but without sea service. It is unclear as to whether or not modifications to the current MMLD are feasible to address these issues.

Other data in the MMLD could contribute greatly to the nation’s understanding of its mariner resources.

APPENDIX E – MERCHANT MARINE PERSONNEL ADVISORY COMMITTEE (MERPAC) TASK STATEMENT #100

“Maritime Workforce”

I. TASK DESCRIPTION

To provide input to MARAD’s working group that will examine and assess the size of the pool of U.S. mariners necessary to support the U.S. flag fleet in times of national emergency.

II. BACKGROUND

The National Defense Authorization Act of 2017, Section 3517 (Maritime Workforce Working Group) tasked MARAD in consultation with MERPAC and the Committee on the Marine Transportation System, to convene a working group to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency. MARAD chartered the Maritime Workforce Working Group (sub-committee) under the auspices of the Maritime Transportation System National Advisory Committee (MTSNAC) to address the task.

The MTSNAC working group charter states that not later than November 1, 2017 after consideration of the report by the full MTSNAC, the MTSNAC Chair will deliver a final report pursuant to this Addendum to the Secretary of Transportation, through the Maritime Administrator. Pursuant to the National Defense Authorization Act for Fiscal Year 2017, the Secretary must submit the report to to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Armed Services of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives.

III. PROBLEM STATEMENT

The National Defense Authorization Act of 2017, Section 3517, requires that MARAD consult with MERPAC when examining and assessing the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency. The MERPAC chair represents the interest of the Committee in the MTSNAC working group.

IV. TASK

It is requested that MERPAC:

- 1) Provide general comments on the task and a plan on how MERPAC can assist the MTSNAC working group to complete the task.
- 2) Provide comments on the specific responsibilities identified in the Act, specifically:
 - a. identify the number of United States citizen mariners:
 - a. in total;
 - b. that have a valid MMC with the necessary endorsements for service on unlimited tonnage vessels that are subject to the STCW Convention, as amended;

- c. that are involved in Federal programs that support the United States merchant marine and the United States flag fleet;
 - d. that are available to crew the U.S. flag fleet and the surge sealift fleet in times of a national emergency;
 - e. that are full-time mariners;
 - f. that have sailed in the prior 18 months;
 - g. that are primarily operating in non-contiguous or coastwise trades; and
 - h. that are merchant mariner credentialed officers in the United States Navy Reserve.
- 3) Assess the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State maritime academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine;
 - 4) Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners; and
 - 5) Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.

V. ESTIMATED TIME TO COMPLETE TASK

MERPAC will provide the final recommendations to the Coast Guard by the fall meeting of 2017. Preliminary recommendations to the Coast Guard at the spring meeting of 2017. Intercessional meetings will be required to complete the task.

VI. COAST GUARD TECHNICAL REPRESENTATIVE

Luke Harden, (202)-372-1206, Luke.b.Harden@uscg.mil VII.

WORKING GROUP CHAIR

Andrew McGovern

Captain Andrew McGovern
Chairman
MERPAC

Ms. Mayte Medina
U.S. Coast Guard
Designated Federal Officer
MERPAC

ENCLOSURE: Enclosure (1): The National Defense Authorization Act of 2017, Section 3517

Accepted: May 16, 2017 Modified:

Closed:

**MERCHANT MARINE PERSONNEL ADVISORY COMMITTEE (MERPAC) REPORT - TASK STATEMENT #
100**

“Maritime Workforce”

1) Provide general comments on the task and a plan on how MERPAC can assist the MTSNAC working group to complete the task.

General Comments

- Questions contained in the National Defense Authorization Act of 2017, Section 3517 are confusing and ambiguous. Terminology used should be better defined.
- Use the flexibility provided by the STCW Convention and Code (Art. 3&8)
- More US ships will solve problem (cargo preference and other programs) that will grow the mariner pool
- As we go forward with STCW 2010 less non-active and mariners working brown water will renew STCW Certifications due to cost in time and money. Some ideas to offset this issue are;
 - Subsidize upgrades and renewals of STCW Certificates.
 - Merchant Marine Reserve
- How do we retain mariners at that 8 to 12-year mark?
- The security clearance process is presently taking 4+ months for a private operator to turn around an interim secret clearance, this could greatly hamper the ability to ramp up quickly for a response when clearances would be required.
- MERPAC could help in identifying minimum CG and industry qualifications for billets
 - QMED Electrician- CG endorsement as electrician
 - QMED DW – QMED of any rating
 - GVA or GUD/E - entry level position
 - Stewards dept. will be an issue in a call out (SIU)
 - Bosun- by regulation “means the leading seaman and immediate supervisor of deck crew”

2) Provide comments on the specific responsibilities identified in the Act, specifically:

a) identify the number of United States citizen mariners:

a. in total;

- MERPAC could help in identifying minimum CG and industry qualifications for billets
- QMED Electrician- CG endorsement as electrician
 - QMED DW – QMED of any rating
 - GVA or GUD/E - entry level position
 - Stewards dept. will be an issue in a call out (SIU)
 - Bosun- by regulation “means the leading seaman and immediate supervisor of deck crew”

- b. that have a valid MMC with the necessary endorsements for service on unlimited tonnage vessels that are subject to the STCW Convention, as amended;*

Breakdown by management level (upper and lower), operational level (second and third) and ratings without officer endorsements for deck and engine.

- c. that are involved in Federal programs that support the United States merchant marine and the United States flag fleet;*

MARAD and MSC should be able to provide this information.

- d. that are available to crew the U.S. flag fleet and the surge sealift fleet in times of a national emergency;*

- When developing assumptions - use a multiplier of 2 for each position.
- We cannot answer the question of who would answer the call due to many factors including the fact that service would be voluntary, current employment, family situation, personal, recent health, etc
- With a database designed to do so, (not the present system) it may be possible to identify persons who have the appropriate and valid medical certificates, MMCs, endorsements, sea service, TWIC, etc. to be able to sail.
- This does not include security clearances or additional mission based training ie: CBRD, small arms, damage control, etc.

- e. that are full-time mariners;*

Seeking clarification: Does full time = actively sailing?

- f. that have sailed in the prior 18 months;*

Can partially answer because discharges will be in the current database but sea service letters most likely will not.

- g. that are primarily operating in non-contiguous or coastwise trades;*

Same answer as f.

- h. that are merchant mariner credentialed officers in the United States Navy Reserve.*

Only for the SSO program, other parts of the NAVY do not keep track of members' merchant mariner qualifications.

- 3) *Assess the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State maritime academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine;*

Negative impact all the way around without significantly improving mariner availability. Most State Academy graduates have no obligation for service and are not interested in any.

- 4) *Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners; and*

System was not designed to provide the information MARAD needs.

- 5) *Make recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners.*

As MERPAC we can address the CG ability. The CG needs to be funded to build the MMLD system that meets the needs of the CG, DOD, DOT, DOL, etc. as well as labor, shipping companies, mariners and other industry stake holders. In addition to enhancing the availability and quality of interagency data.

APPENDIX F – USCG SUBMISSION TO MWWG

According to the US Coast Guard there are 63 National endorsements for merchant mariner credentials and 30 STCW endorsements. Not all mariners are created equal and capturing credential data becomes a complicated task. The USCG database Merchant Mariner Licensing and Documentation system (MMLD) was developed in the 1990s as a database for the issuance of mariner credentials and to ensure the consistent production of those credentials to the individual mariner. The MMLD was not developed for the purpose of extracting data for analysis and thus there are shortcomings with using the database for analytical purposes. As the system has grown and the credentials have changed and expanded (regulatory changes and international requirements) the limitations of the system have been emphasized. Question 3 of this NDAA task addresses the MMLD as separate tasking and goes into further detail on the issues which affect the MMLD performance.

The US Coast Guard issues credentials for officers and ratings working on vessels of all sizes. As noted above, mariners receive many different types of merchant mariner credentials or “endorsements.” These endorsements can be grouped by various criteria based on the type of vessels, route, and for the duties and authorities of the mariner on a given vessel.

Shipboard Department. Mariner credentials can be classed by the shipboard department the mariner will work in:

1. Deck department – responsible for the navigation of the vessel, handling of cargo, and general maintenance of the vessel other than the engine-room and shipboard machinery;
2. Engine department – responsible for operation and maintenance of the propulsion plant and shipboard machinery;
3. Steward department – responsible for hotel services; and
4. Staff Officers – includes medical personnel and administrative support personnel (these mariners are not carried on most commercial vessels).

Scope of Authority/Duty. Mariner endorsements can be grouped by level of responsibility and the scope of the authority associated with the credential. Generally, endorsements fall into three areas of authority:

1. The *management level* for a vessel's senior officers, the Master (Captain) and Chief Engineer and the officers next in seniority who will assume the duties of the Master or Chief Engineer in the event of their incapacitation (Chief Mate and First Assistant Engineer/Second Engineer Officer);
2. The *operational level* for junior officers (Mates and Assistant Engineers); and
3. The *support level* for non-officer ratings. These are further divided into entry-level credentials and those requiring qualification and experience.

Vessel Size/Engine Type. Officer endorsements are issued for vessels of particular sizes (measured in gross tons) for deck officers, and by the type of propulsion machinery and its power output.

Deck officer credentials are given in the following general tonnage categories:

1. Less Than 200 Gross Tons;
2. Less Than 500 Gross Tons;
3. Less Than 1,600 Gross Tons; and
4. Unlimited Tonnage.

Engineer officer endorsements are for specific types of propulsion machinery, either steam, motor (diesel) or gas-turbine. Engineer credentials are also given for the following propulsion power increments:

1. Less Than 1,000 Horsepower;
2. Less Than 4,000 Horsepower; and
3. Unlimited Horsepower.

Waters. Deck officer credentials are valid for specific waterways, and with one exception follow a hierarchy in which the “superior” credential is also valid for all “inferior” waterways. The general order of superiority of deck officer endorsements based on the waters or “routes” they are valid for is:

1. Oceans;
2. Near-Coastal (up to 200 miles offshore);
3. Great Lakes;
4. Inland; and
5. Rivers.

The Coast Guard also issues endorsements for First Class Pilots for specific inland waterways. These are for mariners who will serve as navigational advisors on vessels navigating where specialized “local knowledge” is need for the vessel to safely transit the waterway.

The Coast Guard may also issue endorsements that are restricted to vessels working on a specific waterway with unique operational needs for which the “normal” requirements of an officer endorsement are not applicable. These are typically issued for deck officers on small vessels operating exclusively on unique inland waterways without substantial commercial traffic.

National/International Service. Mariners who operate exclusively on the domestic waters of the United States are only required to hold “national” endorsements. Mariners serving on vessels on international voyages, other than voyages to Canada, must also hold an internationally recognized credential issued in accordance with the STCW.

Vessel Type/Installed Equipment. The Coast Guard issues credentials for mariners working on specific types of vessels, such as towing vessels and oil, chemical, and Liquid Natural Gas (LNG) tankers. Specific credentials may also be required for deck officers on vessels with certain navigational and safety equipment such as radar and automatic radar plotting aids (ARPA), electronic chart display information systems (ECDIS) or communication and distress alert equipment for the global maritime distress and safety system (GMDSS).

Ready reserve fleet and surge sealift fleet is composed of large ocean going vessels. These are all in the 10,000 GRT or greater tonnage category. Unlimited deck officer endorsements may be issued with tonnage limitations between 2,000 GRT up to 9,000 GRT, in 1,000 GRT increments based upon the mariners limited experience on larger vessels (46 CFR Subpart D 11.402). Once the mariner has sufficient experience to qualify for an endorsement of 10,000 GRT or more they are authorized to work on a vessel of any size or to work without “limitation” to vessel size. The type of mariner credential required to work onboard the surge sealift fleet must be free of any limitation on the type of vessel they can work on. In other words, they must hold an “unlimited” credential for ocean going ships.

On the engineering side, mariners may also be subject to further propulsion power limitation; they may be limited as to the total propulsion power they are allowed to work on up to 10,000 HP in 1000 HP increments (46 CFR Subpart E 11.502). Engine propulsion credentials for the operation of the ready reserve fleet cannot be limited to engine size i.e. the mariner must hold an unlimited HP credential in order to fit the criteria for work onboard a ready reserve asset. Of the 63 ready reserve fleet vessels 24 are of steam engine. However, currently the U.S.-flag commercial fleet consists of only 11 steamships, not enough to produce sufficient steam engineers to support the commercial and surge sealift fleet.

In summary the type of credential mariners must possess in order to work on a ready reserve fleet asset is one which is not limited by tonnage, horsepower, vessel type or water or what is commonly referred to as unlimited credentials (and when applicable, which allows for work on steam powered engines of any size).

Medical Certificate

In addition to being qualified to meet the national and STCW requirements, all credentialed officers and qualified ratings need to be medically and physically qualified for the credential. Upon demonstrating that they are qualified, the US Coast Guard issues medical certificates for service on vessels. The standards for merchant mariner medical certification are contained in 46 CFR, Part 10 subpart C. The standards include requirements for vision, hearing, general medical examination and demonstration of physical ability.

1. Vision Requirements: The vision standards for merchant mariners are discussed in 46 CFR 10.305.
2. Hearing Requirements: The hearing standards for merchant mariners are discussed in 46 CFR 10.306.
3. The General Medical Examination: Title 46 CFR 10.304 requires that the general medical exam be documented and of sufficient scope to ensure that the applicant for medical certificate has no conditions that pose a significant risk of sudden incapacitation or debilitating complication. The regulation also requires documentation of any conditions requiring medications that impair cognitive ability, judgment or reaction time.
4. Physical Abilities: The duties and responsibilities that a mariner may perform can vary widely by credential. Mariners should be physically capable of performing all potential duties, both routine and emergency, associated with their credential(s).

In order for mariners to serve on a vessel, they must be able to demonstrate and the vessel operator should ensure that they hold a valid medical certificate.

TWIC

In addition to national and STCW requirements, all credentialed mariners need a valid Transportation workers' identification card (TWIC). The U.S. Code at 46 U.S.C. 70105 requires that individuals issued a license, certificate of registry, or merchant mariner document to have a biometric identity card issued by the Department of Homeland Security (DHS). This requirement would be applicable to those mariners serving in the strategic surge fleet. A TWIC would not be issued if the mariner poses a security risk.

USCG FINDINGS: §3517 D (1)

1. Identify the number of United States citizen mariners:

a. As of June 12, 2017, there were 208,718 unexpired credentials issued by the Coast Guard

issued to individuals. This number includes:

- Mariners holding either officer or rating endorsements;
- Endorsements authorizing service on all types of ships from small passenger vessels to tankships; and
- 3,291 individuals who are either aliens admitted for permanent residence or foreign nationals with authority to operate state numbered boats.

b. The number of United States citizen mariners that have a valid Coast Guard merchant mariner credential with the necessary endorsements for service on unlimited tonnage vessels that are subject to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended;

The total numbers of mariners (union and non-union) holding an STCW unlimited endorsement in itself does not answer the question of availability of mariners. Not all endorsements qualify a mariner to serve in a particular position. Therefore, we are providing total numbers of mariners for the various positions required on board vessels.

The following tables provide totals for mariners who currently hold the national and STCW endorsements available to crew vessels of over 1,600 GRT and 4,000 HP operating on international/oceangoing voyages (STCW vessels). This is the population that crews the vessels during normal times and would also crew the military surges/ready reserve fleet during a national emergency.

The totals below are for the positions required to be on the vessel by its Certificate of Inspection. For engineer ratings, only total are provided for only the watchstanding Qualified Member of the Engine Department (QMED) endorsements of Oiler, Fireman/Watertender, Junior Engineer, and Engineman.

Please note that a mariner holding a superior endorsement may serve in all capacities that are inferior to their endorsement (subject to propulsion mode limitations). For example, a Second Assistant Engineer of Motor Vessels may also serve as a Third Assistant Engineer on a motor vessel, and a Chief Mate may serve as Second Mate or Third Mate. The totals below represent the mariners who hold the noted endorsements and do not include those with a superior endorsement who can serve in the inferior capacity.

As endorsements may be renewed without recent sea service. The Coast Guard is unable to determine when a mariner last sailed on their credentials based on the limited data in MMLD

DECK ENDORSEMENTS

NATIONAL ENDORSEMENT	STCW ENDORSEMENT	7/18/17	STCW Med Cert
DECK OFFICERS			
Master of Ocean Self-Propelled Vessels of Unlimited Tonnage	Master of Vessels of 3,000- GT or More	2,915	2,453
Chief Mate of Ocean Self-Propelled Vessels of Unlimited Tonnage	Chief Mate of Vessels of 3,000- GT or More	804	710
Second Mate of Ocean Self-Propelled Vessels of Unlimited Tonnage	Officer in Charge of a Navigational Watch on Vessels of 500 GT or More	2,713	2,258
Third Mate of Ocean Self-Propelled Vessels of Unlimited Tonnage	Officer in Charge of a Navigational Watch on Vessels of 500 GT or More	3,061	2,373
DECK RATINGS			
Able Seaman, Unlimited or Limited	Able Seafarer-Deck and Rating Forming Part of a Navigational Watch	16,955	12,467
Ordinary Seaman	Rating Forming Part of a Navigational Watch	1807	1093

- The number of endorsements was based upon the most superior endorsement held by an individual mariner. If a mariner held lesser endorsements they were not included at the lower endorsement level.
- At each level of deck officer endorsement, the mariner was counted if they held a national endorsement with no limitation and also held the associated STCW endorsement.
- The mariners holding deck ratings were only included as deck rating if they did not also hold an officer endorsement

ENGINEER ENDORSEMENTS

NATIONAL ENDORSEMENT	STCW ENDORSEMENT	7/18/17	STCW Med Cert
ENGINE OFFICERS			
Chief Engineer of Vessels of Unlimited Horsepower	Chief Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	2,705	2,187
First Assistant Engineer of Vessels of Unlimited Horsepower	Second Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	875	708
Second Assistant Engineer of Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2,447	1,991
Third Assistant Engineer of Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2,720	1,965

ENGINEER ENDORSEMENTS			
NATIONAL ENDORSEMENT	STCW ENDORSEMENT	7/18/17	STCW Med Cert
ENGINE OFFICERS (STEAM)			
Chief Engineer of Steam Vessels of Unlimited Horsepower	Chief Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	1026	793
First Assistant Engineer of Steam Vessels of Unlimited Horsepower	Second Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	240	167
Second Assistant Engineer of Steam Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	544	413
Third Assistant Engineer of Steam Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2322	1651
ENGINE OFFICERS (MOTOR)			
Chief Engineer of Motor Vessels of Unlimited Horsepower	Chief Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	2,596	2,105
First Assistant Engineer of Motor Vessels of Unlimited Horsepower	Second Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	825	675
Second Assistant Engineer of Motor Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2,306	1,895
Third Assistant Engineer of Motor Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2,633	1,905
ENGINE OFFICERS (GAS TURBINE)			
Chief Engineer of Gas Turbine Vessels of Unlimited Horsepower	Chief Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	1,450	1,103
First Assistant Engineer of Gas Turbine Vessels of Unlimited Horsepower	Second Engineer Officer of Vessels of 3,000 kW/4,000 HP or More	225	161
Second Assistant Engineer of Gas Turbine Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	571	434
Third Assistant Engineer of Gas Turbine Vessels of Unlimited Horsepower	Officer in Charge of an Engineering Watch of Vessels of 750 kW/1,000 HP or More	2,046	1,417
ENGINE RATINGS			
Qualified Member of the Engine Department (Watch-standing)	Able Seafarer-Engine	6422	4865
Wiper	Ratings forming Part of an Engine Watch or Able Seafarer-Engine	207	145

- The number of endorsements was based upon the most superior endorsement held, based upon propulsion mode, by an individual mariner. If a mariner held lesser endorsements they were not included at the lower

endorsement level in the same propulsion mode.

- At each level of engine officer endorsement, the mariner was counted if they held a national endorsement with no limitation and also held the associated STCW endorsement.
- The mariners holding engine ratings were only included as an engine rating if they did not also hold an officer endorsement
 - c. The number of United States citizen mariners that are involved in Federal programs that support the United States merchant marine and the United States flag fleet; The U.S. Coast Guard has no means of measuring this information.
 - d. The number of United States citizen mariners that are available to crew the United States flag fleet and the surge sealift fleet in times of a national emergency; The U.S. Coast Guard has no means of measuring this information.
 - e. The number of United States citizen mariners that are full-time mariners; The U.S. Coast Guard has no means of measuring this information.
 - f. The number of United States citizen mariners that have sailed in the prior 18 months; The U.S. Coast Guard has no means of measuring this information.
 - g. The number of United States citizen mariners that are primarily operating in non-contiguous or coastwise trades; and The U.S. Coast Guard has no means of measuring this information.
 - h. The number of United States citizen mariners that are merchant mariner credentialed officers in the United States Navy Reserve; The U.S. Coast Guard has no means of measuring this information.

USCG FINDINGS: §3517 D (3)

Assess the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners.

The US Coast Guard is able to complete its legislative requirements for the issuance of credentials with the MMLD database. It is recognized that the system is outdated for its mission.

The U.S. Coast Guard is challenged to fulfill the data requests necessary to determine general mariner populations. Some of the queries take a long time to generate and require human intervention to determine the correct numbers.

The US Coast Guard has worked with the Maritime Administration to ensure that it is able to obtain the information necessary to evaluate the pool of United States mariners to meet the needs of the nation. At times this activity has been complicated as the database is updated to meet the credentialing needs of US mariners.

APPENDIX G – MILITARY SEALIFT COMMAND SUBMISSION TO MWWG



DEPARTMENT OF THE NAVY
COMMANDER MILITARY SEALIFT COMMAND
471 EAST C STREET
NORFOLK VA 23511-2419

12450
Ser NI/2114
13 July 17

From: Commander, Military Sealift Command
To: Maritime Workforce Working Group, US Maritime Administration,
Subj: MILITARY SEALIFT COMMAND CIVIL SERVICE MARINERS

1. The MWWG asked Military Sealift Command to describe and quantify the Navy Civil Service Mariner (CIVMAR) community so that it could be appropriately considered in the context of the examination of the size of the pool of US citizen mariners necessary to support the US fleet in time of national emergency. The following is a synopsis of the CIVMAR community and size, as well as a broader description of MSC's fleet, capabilities and mission.

2. MSC's mission is to support the joint warfighter across the full spectrum of military operations. MSC provides logistics, strategic sealift, as well as specialized missions, operating about 115 ships daily around the world. More than 90 percent of U.S. war fighters' equipment and supplies travels by sea. The MSC fleet is a mix of government-owned and chartered vessels.. MSC is divided in eight programs as follows:

- PM1 –Fleet Oiler (approximately 15 ships)
- PM2 – Special Mission (approximately 24 ships)
- PM3 –Prepositioning (approximately 27 ships)
- PM4 – Service Support (approximately 9 ships)
- PM5 –Sealift (approximately 23 ships)
- PM6 –Fleet Ordnance and Dry Cargo (approximately 14 ships)
- PM7 - Afloat Staging /Command Support (approximately 4 ships)
- PM8 -Expeditionary Fast Transport (approximately 8 ships)

In addition to the MSC fleet, our nation's sealift capability depends on the U.S. merchant fleet and Ready Reserve Force (RRF).

3. Approximately 53 of the MSC ships are government-owned and operated by Navy civil service marine employees (CIVMARs). The majority of these vessels are naval auxiliaries operated by credentialed U.S. mariners, except that four of the vessels are warships operated by hybrid crews consisting of both military personnel and civilians. MSC employs approximately 5,576 full-time CIVMARs for the government-operated vessels, as follows:

Licensed Deck Officers	549
Unlicensed Deck	1,626
Licensed Engine Officers	587
Unlicensed Engine	878
Supply Department	1,481
Communications Department	288

Subj: MISSION CAPABILITY ASSESSMENT

Pursers	47
Medical	49
Afloat Support (USCG credentialed trainers)	71

The total requirement reflects the number of CIVMARs required to man the vessels, as well as pipeline (22%) to account for off-ship time (e.g., leave, training, illness, discipline) and emergent requirements that address peculiarities with: 1) T-AH Reduced Operational Status 5-day activation; 2) EPF Class –High Speed Craft Type Rating training and certification; and 3) T- AKE/T-AO station ship surge capability. The requirement for CIVMARs varies from year to year depending on variables such as the number of ships in operation.

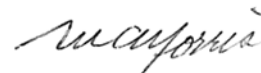
4. Credentials and Training. Currently, all of MSC licensed officers hold credentials to serve upon vessels of any tonnage and horsepower, but some vessels require specialized qualifications such as:

- High Speed Craft Type-Rating - T-EPF
- Towing Endorsement - T-ATF and T-ARS
- Steam License - T-AH, AS, LCC and AFSB(I)
- GasTurbine License - T-AOE
- Tankerman DL Credential - T-AO, T-AOE and T-AKE

CIVMARs are trained to USCG standards, and also receive Navy specific training that is necessary to successfully operate in peacetime and wartime scenarios. The length of the required training varies depending on the position or ship the individual will serve upon.

5. Length of Tours. CIVMARs are normally assigned to a ship for a minimum of four months at a time, after which the mariner may request a relief in order to take leave. Although MSC attempts to relieve the individuals on the date requested, if a relief is not available a mariner may be required to remain with the ship until another mariner arrives to take their place. In a wartime scenario, it may necessary to require the mariners to remain with their vessel longer than four months.

6. Pipeline. For every shipboard position, MSC employs 1.22 CIVMARs to allow for leave rotations, shoreside training, discipline and the like. MSC pipeline is relatively lean compared to the private sector primarily because CIVMAR leave is limited by statute to one to two months a year depending on years of service. In an emergency, MSC can cancel/delay CIVMAR leave, recall CIVMARs from leave, cancel non-essential training and use part of its pipeline for emergent requirements. My POC for issues regarding this matter is Mr. Andy Kalgren who can be reached at (757) 443-2303.



M. C. MORRIS
Director, Total Force Management

APPENDIX H – SUBMISSION FROM COMMANDER, NAVY RESERVE FORCES COMMAND TO MWWG

Commander, Navy Reserve Forces Command (N14) Input to Maritime Transportation System National Advisory Committee Mariner Workforce Working Group in response to FY17 National Defense Authorization Act Section 3517

Section 3517 (d) (1) identify the number of United States citizen mariners—
(H) that are merchant mariner credentialed officers in the United States Navy Reserve;

Introduction

The U.S. Merchant Marine is an essential component of national defense. It provides the primary sealift capability necessary to meet defense requirements. Experience gained during previous conflicts has emphasized the importance of Navy coordination with all segments of the maritime industry. In order to facilitate these integrated operations, the Department of the Navy established the Merchant Marine Reserve, U.S. Naval Reserve Program. This program is now the Strategic Sealift Officer Program (SSOP).

The SSOP's mission is to maintain within the Reserve Component of the U.S. Navy a cadre of strategic sealift officers (SSOs) composed of the following:

1. Selected Reserve (SELRES). Component which primarily supports Military Sealift Command (MSC), but also other Navy and joint commands.
2. Individual Ready Reserve (IRR). Component comprised of actively sailing officers in the U.S. Merchant Marine who are qualified to operate merchant ships as naval auxiliaries and provide officer crewing for ships in the Ready Reserve Force (RRF) and MSC's Surge Sealift Fleet.

The SSOP supports national defense sealift requirement and capabilities, as executed by Military Sealift Command. SSOP provides Navy Reserve Officers which are licensed merchant marine officers with sealift, maritime operations, and logistics.

SSOP Composition

As of May 23, 2017, the SSOP is comprised of 2,253 SSOs. All SSOs are required to obtain and maintain a U.S. Coast Guard issued Merchant Mariner Credential (MMC) of at least a 3rd Mate or 3rd Assistant Engineer unlimited tonnage/horsepower upon oceans with all requisite international Standards of Training, Certification, and Watchkeeping (STCW) endorsements.

Figure 1.

Strategic Sealift Officer Program Total			2253
Active Status		2187	Inactive Status
			66
Recalled to Active Duty	Selected Reserve	Individual Ready Reserve	S-2
45	225	1917	66

The following are the definitions to figure 1:

Active Status- Officers on the Reserve Active Status List (RASL) who are eligible to train with or without pay, based on the members' category; serve on Active Duty (AD), Active Duty for Training (ADT), Inactive Duty, or perform Inactive Duty Training (IDT); earn retirement points; be considered for advancement or promotion, if eligible.

Recalled to Active Duty- Members who are voluntarily or involuntarily recalled to Active Duty per 10 U.S.C.

Selected Reserve- Active status members who drill for pay.

Individual Ready Reserve- Personnel who must fulfill their military service obligation (MSO) under 10 U.S.C., 651, members fulfilling a service obligation incurred via contract, and those who have fulfilled their MSO but voluntarily remain in an active status. The IRR is composed of the Active Status Pool (ASP) and the Volunteer Training Unit (VTU). Reservists in this category are on the RASL and are subject to involuntary recall to Active Duty per 10 U.S.C., 12301(a) and 12302.

Inactive Status- Reserve members on the Reserve Inactive Status List (ISL) that are not eligible to receive pay for training, earn retirement points, or be considered for advancement or promotion or be advanced or promoted.

SSOP MMC Capacity

DECK	Master	100
	Chief Mate (CM)	114
	2nd Mate (2M)	346
	3rd Mate (3M)	504
	TOTAL	1064
ENGINE	Chief Engineer (C/E)	75
	1st Asst. Engineer (1 A/E)	124
	2nd Asst. Engineer (2 A/E)	314
	3rd Asst. Engineer (3 A/E)	545
	TOTAL	1058
Total SSOs with valid MMCs		2122
Total SSOs		2253
Delta		131

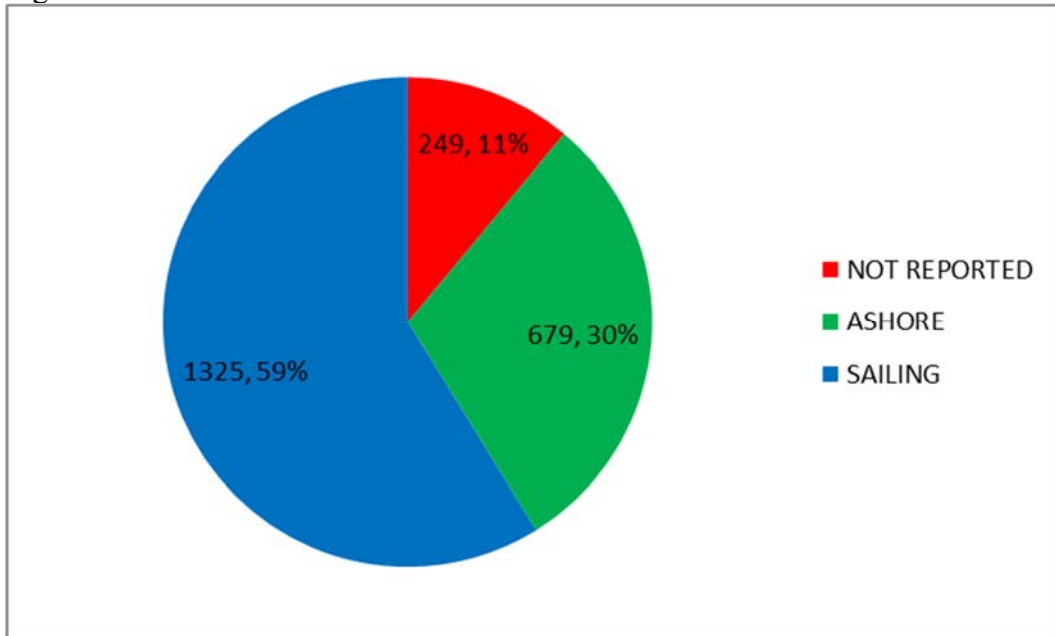
Figure 2.

Of the total 2,253 SSOs in service 2,122 currently have an active MMC of least a 3rd Mate or 3rd Assistant Engineer unlimited tonnage/horsepower upon oceans. The 131 SSOs without an active MMC are either pending discharge, renewal, or have obtained a one-time MMC waiver for up to one year due to extenuating circumstances. Figure 2 depicts the number of SSOs that have a MMC at the various deck and engine officer levels. Engineers are identified by their highest capacity across the power plant types of steam, motor, or gas turbine. Dual deck and engine credentialed SSOs are also identified by their highest capacity (deck or engine).

SSOP Civilian Employment Status

Civilian employment information (CEI) is reported by the member annually in the Navy Standard Integrated Personnel System. CEI contains the member's employer's name, job title, and U.S. Department of Labor Standard Occupational Code (SOC). The SSOP labels each member as either ashore or sailing based on their reported CEI. A member is labeled as sailing if their USCG MMC is valid and they provided CEI indicating they are working in a shipboard capacity. A member is labeled as ashore if their USCG MMC is valid or invalid and their CEI indicated something other than shipboard employment. Approximately 60% of the SSOP is labeled as sailing.

Figure 3.



APPENDIX I – COMMENTS FROM DOD AND USTRANSCOM

STANDARDIZED COMMENT MATRIX PRIMER

The matrix below is a Word document table to be used as a template for submitting comments on draft publications and draft program directives. Except as noted below, an entry is required in each of the columns. To facilitate consolidating matrixes from various sources, *do not adjust the column widths.*

Column 1 – ITEM

Numeric order of comments. Accomplish when all comments from all sources are entered and sorted. To number the matrix rows, highlight this column only and then select the numbering ICON on the formatting tool bar.

Column 2 - # COMMENT NUMBER

Used to track comments by source. Manually enter numbers from the first comment to the last comment. These numbers will stay with the comment and will not change when consolidated with other comments.

Column 3 – SOURCE

USA	US Army
USN	US Navy
USAF	US Air Force
USMC	US Marine Corps
JS	Joint Staff
USTC	USTRANSCOM
DLA	Defense Logistics Agency

Column 4 – TYPE

- C – Critical (Contentious issue that will cause non-concurrence with publication)
- M – Major (Incorrect material that may cause non-concurrence with publication)
- S – Substantive (Factually incorrect material)
- A – Administrative (grammar, punctuation, style, etc.)

Column 5 – PAGE

Page numbers expressed in decimal form using the following convention:

(Page I-2 = 1.02, Page IV-56 = 4.56, etc.) This format enables proper sorting of consolidated comments.

0 – General Comments

0.xx - Preface, TOC, Executive Summary (Page i = 0.01, Page XI = 0.11)

1.xx – Chapter I

2.xx – Chapter II

3.xx – Chapter III

x.xx – Chapter x, etc.

51.xx – Appendix A

52.xx – Appendix B

52.01.xx - Annex A to Appendix B

53.xx – Appendix C, etc.

99.xx – Glossary

NOTE: For Program Directives enter the page number as a whole number, (1, 2, 3, etc.) PDs are normally sorted by paragraph and line number and the page number helps to find the paragraph.

Column 6 – PARA

Paragraph number that pertains to the comment expressed. (i.e. 4a, 6g, etc.)

NOTE: An entry in this column should be used when commenting on draft program directives. An entry is optional for comments on draft joint publications.

Column 7 – LINE

Line number on the designated page that pertains to the comment, expressed in decimal form (i.e., line 1=1, line 4-5 = 4.5, line 45-67 = 45.67, etc.) For figures where there is no line number, use "F" with the figure number expressed in decimal form (i.e. figure II-2 as line number F2.02). For appendices, use the "F" and the appendix letter with the figure number (i.e appendix D, figure 13 as line number FD.13; appendix C, annex A, figure 7 as line number FCA.07)

Column 8 – COMMENT

Provide comments using line-in-line-out format according to JSM 5711.01A, *Joint Staff Correspondence Preparation* (Examples are provided in CJCSI 5120.02, Joint Doctrine Development System. To facilitate adjudication of comments, copy and insert complete sentences into the matrix. This makes it unnecessary to refer back to the publication to understand the rationale for the change. Do not use Tools, Track Changes mode to edit the comments in the matrix. Include deleted material in the comment in the strike through mode.

Add material in the comment with underlining. Do not combine separate comments into one long comment in the matrix, (i.e. 5 comments rolled up into one).

Column 9 - RATIONALE

Provide concise, objective explanation of the rationale for the comment.

Column 10 - DECISION

A - Accept

R – Reject (Rationale required for rejection.)

M - Accept with modification (Rationale required for modification.)

NOTE: This column is for the LA and JSDS use only. No rationale required for accepted items. Rationale for rejection is placed in the rationale comment box and highlighted for clarity. For modifications, the complete modified language will be placed (and annotated) as the bottom entry for that item in the “Comments” column and the rationale for the modification placed in the rationale comment box and highlighted for clarity.

TIPS AND TRICKS OF THE TRADE

Headers and Footers

1. Publication name
2. Classification (Unclassified/Secret/ etc.)
3. Column headings
4. Filename (insert from header/footer drop down menu)
5. As of “date” (insert from header/footer drop down menu—manually enter date when finalized for tracking purposes)
6. Page X of Y (insert from header/footer drop down menu—manually enter last page number for Y when finalized—tracks total # of pages and does not default back to actual page #)

Combining Matrixes

1. Select all and correct for font and font size (Times New Roman, #10).
2. Copy one entire matrix and paste it a few lines below the last row of another matrix.
3. Adjust column widths as necessary to match one matrix with the other (use the column headings in the document header as a guide).
4. Merge the matrices into one by deleting the lines between the two.

Item (row) numbering (automatic numbering)

1. Highlight column number 1 from top to bottom.
2. Delete the existing number and then renumber by selecting automatic line numbering on the formatting tool bar.

Sorting

1. Select: “Table” on top menu toolbar.
2. Select: “Sort.”
3. Select: “Sort by, Column 5 (Page column), Number, Ascending.”
4. Select: “Then by, Column 7 (Line column), Number, Ascending.”
5. Select: “Then by, Column 4 (Type column), Text, Descending.”

Executive Summaries

Do not make comments on the executive summary until the FC. Main body text will be copied and pasted into the executive summary reducing the amount of time spent on making the two accurate. The contractor with LA and/or JSDS input will include an executive summary in the FC released for review and comment.

	1	Navy	C	All	All	All	Critical comment: There is significant amount of information that is noted "TBD" and requires continued work. Recognizing that the draft reflects a work in progress further coordination is still required to ensure that the document is complete and accurate. This review only provides comments as it relates to the document as written. Any changes, additions or modifications require further review and could be subject to possible non-concurrence from the Navy.	N/A	
	1	CAPE	A	4	Footnotes	1 & 5	RFFWG and MMT 2004 reports should be available electronically. Recommend add URL for these references.	Enable review of source reference documents using the world wide web.	
	1	L&MR	S	4	1	1	Recommend an opening paragraph about the surge fleet instead of discussing just the RRF	The focus of the Congressional report is to determine the size of the pool of US mariners necessary to support the US-flag fleet in times of national emergency. Accordingly the national emergency requirement for mariners is broader than the RRF.	
	2	L&MR	S	5	2	1	Change the title from "RRF Mariner Credential" to "Surge Fleet Mariner Credential Requirement"	The focus of the Congressional report is to determine the size of the pool of US mariners necessary to support the US-flag fleet in times of national emergency, which is broader than the RRF.	
	2	Navy	S	6	3 rd Criterion		ADDRESS: Reference to Fast Transit platforms as a general tonnage category and whether the 3 rd Criterion is also inclusive of Government Civilian Mariners.	Adds clarity to the description.	
	3	Navy	S	6	3 rd Criterion		ADD: Requirements/endorsements that include water jet propulsion.	With the introduction of High Speed Ferries to the Navy (T-EPF), the criterion should be expanded to include applicable licensing for Engineers to work on water jets.	
	3	L&MR	A	8	3	2	May want to state upfront in the background on page 4 that the Surge fleet consists of 63 vessels.	Clarity	
	4	L&MR	A	8	4		May want to state upfront under "RRF Mariner Credential" the summary paragraph regarding the type of credentialed mariner required for the Surge fleet.	Clarity	
	5	L&MR	A	8	4	3	Revise paragraph as follows: "In summary, the type of credential mariners must possess in order to work on a surge	Consistent terminology and clarity.	

							fleet vessel is one which is not limited by tonnage, horsepower, vessel type or water. Accordingly, the surge fleet requires a fully qualified mariner, commonly referred to as a mariner with unlimited credentials (and when applicable, which allows for work on steam powered engines of any size).”		
4	Navy	S	8	“Vessel Type / Installed Equip .			ADDRESS: The ramifications if the 24 steam ships are eliminated from the surge sealift inventory.	If the steam ships are deactivated, there should be an associated reduction in the demand for steam engineers and lesser draw on the mariner work pool.	
5	Navy	S	8	Medical Certificate			ADDRESS: How age may be a determining factor in the credentialing and certification process. When should a mariner’s age be considered a factor in qualifications and certifications?	Although not a discriminator, the merchant mariner pool is aging and will ultimately impact the total numbers of mariners available.	
6	L&MR	A	9	4	1		Change the sentence to read: “At times and in accordance with the mission performed by sealift vessels supporting DoD and the contingency involved...”	Clarity	
7	L&MR	A	9	5	1		Change the title as follows: “In summary, a surge fleet qualified mariner in terms of DoD surge fleet requirements, is one who holds:”	Clarity and consistency	
1	USTRANS COM	S	10	6	5		The last sentence in the paragraph should have the total ships in the MSC Fleet (124) – clarifying the ship count in each program group	Easier to follow	
8	L&MR	A	10	5	2-4		Explain private sector leave	The second sentence mentions the MSC pipeline is relatively lean compared to the private sector. It would be informative to understand the private sector leave practices.	
7	Navy	S	10	Civil Service Mariners Employed	19.20		DEFINE: “During wartime, it may be necessary for the mariners to remain with their vessel for periods longer than four months.” How is “wartime” defined?	Add clarity.	

					by MSC				
	9	L&MR	A	11	1	2	Consider replacing “credentialed U.S. mariners” with “CIVMAR”	Credentialed mariner is not defined in the study and introducing different terminology may confuse the reader.	
	10	L&MR	A	11	2		Spell out the class of vessels (e.g., T-AH = Hospital Ship)	Clarify	
	8	Navy	M	11	Civil Service Mariners Employed by MSC	10.11	ADD: The date and source of the information provided concerning MSC manning. In particular, the numbers should be as of the date the final report is signed. [NOTE: Comment applies to other various data presented in report as well.]	Add clarity. (See page 12 footnote for useful annotation example. In that case for USCG data, states, “Numbers reported are as of June 12, 2017.”)	
	9	Navy	S	11	Credentials and Training		EXPLAIN IN GREATER DETAIL: “Currently, all MSC licensed officers hold credentials to serve on vessels of any tonnage and horsepower, but some vessels require specialized qualifications such as:.....” Steam licenses are common from steam platform to steam platform. Explain what is notable that there is “specialized” qualifications for MSC licensed officers to hold credentials to work on steam plants on T-AH, AS, LCC. What is unique about these platforms?	“Specialized qualifications” requires greater clarity.	
	10	Navy	M	11	Credentials and Training		ADD: “LMSR (WATSON CLASS)” after “T-AOE”	LMSRs are part of the MSC inventory and have gas turbine propulsion	
	2	CAPE	S	12	1	4	The line “Additionally, it is anticipated that the surge timeframe for the most demanding scenario will require crew rotations that are expected to significantly impact the ability of labor unions to supply mariner to both the activated reserve fleet and the U.S. commercial fleet simultaneously” is at odds with DoD’s latest mobility study which only show a small portion of sealift ships being used for more than two voyages. By assuming that all or even a majority of surge sealift ships will require rotational crews, the need for mariners is likely portrayed as artificially high. Recommend the report base numbers using a reduced crew rotation requirement.	Mobility Capabilities Assessment final report, page 58, figure 30.	

	2	USTRANS COM	S	12	1	N/A	Recommend placing the “Force Projection Assumption” paragraph right after the “Summary of Findings under 3517D(1).	Serves to reinforce the numbers provided in the Summary paragraph. Current placement doesn’t flow well between two mariner credentialing paragraphs.	
	12	L&MR	S	13	1	3-4	Change the last sentence to read: “The MWWG concurs unanimously that the MMLD output of 33,215 reflects solely the number of surge fleet qualified mariner credentials issued, and does not reflect the number of mariners that may be available.”	The current wording is not accurate and appears to discredit the 33,125 number. Clarity and consistency.	
	13	L&MR	S	13	2-4		The “Discussion” section is an assessment of the USCG MMLD database system and should be moved to FINDINGS: section 3517(d),(3)	Clarity – places the response in the appropriate section of the report consistent with the Congressional Report requirements.	
	14	L&MR	A	13	3	7	Clarify that the 6,000 mariners reported by the unions does not include non-union mariners	Clarity – The difference between the USCG database number of 13,500 and union number of 6,000 may be attributable to the unaccounted non-union members.	
	15	L&MR	S	13	3	9	Replace “erroneous” with “challenging”	While the MMLD is not perfect, it does offer the best information available on mariner number. Labeling it erroneous insinuates that all the data is incorrect.	
	16	L&MR	S	13	3	3 rd bullet	Change the third bullet to read: “MMLD does not track unlimited credentialed mariners who...”	Clarity and consistent terminology	
	11	Navy	S	13	Discussion	Last Paragraph	REWRITE/EXPLAIN: How, if the current system is unable to provide relevant numbers of mariners, MARAD can provide an accurate inventory/quantity of available mariners?	The final paragraph on this page is vague and confusing and basically creates doubts about MARAD’s ability to accurately assess the mariner inventory.	
	17	L&MR	A	15	1		May want to include assistance to state maritime academies under Federal programs that support the U.S. merchant marine.	Consistency – MARAD provides funding to the state maritime academies (e.g., training ships)	
	18	L&MR	A	16	2	5	Replace “is” with “are” - Change sentence to read: “In addition, majority of them are affiliated...”	grammar	
	19	L&MR	S	16	2	8	Delete last sentence	Although U.S. Merchant mariners have a history of providing outstanding support to the nation, there have been incidents where	

								mariners refused to sail on vessels in support of defense operations. 2014 – Syrian chemical weapons disposal. 6 out of 10 ROS crews aboard the RRF Cape Ray refused to sail in support of the chemical weapons disposal 2003 – OIF. RRF ship Cape Taylor, Three civilians in the U.S. Merchant Marine say they refused to be vaccinated against smallpox and anthrax and were fired from the crew of a ship loaded with Army vehicles. 1990 – DS/DS. A civilian manned MSC ship refused to enter the Persian Gulf without an escort	
	20	L&MR	S	16	3	4-6	Consider changing this methodology to account for unlimited credentialed mariners who may be working on limited tonnage vessels (e.g., tug/barges) or foreign flag ships	It appears that the methodology for counting mariners employed on the current fleet of commercial ships may be flawed in that it does not account for unlimited credentialed mariners who may be working on limited tonnage vessels (e.g., tug/barges) or foreign flag ships	
	21	L&MR	A	16	4	2	Change “obtained” to “estimated”	clarification	
	3	CAPE	S	16 & 19	3, footnotes & 5	7, 1 & 2	MWWG methodology “...multiplying by the crewing ratio of two...” Footnote 13 says “...1.34 to 1.8 to 2.5 with the average being 2.0...” but Summary of Findings on page 19 uses crewing ratio of 1.75. Recommend MWWG use same ratio on both pages 16 and 19.	Consistent application of MWWG stated assumption.	
	3	USTRANS COM	S	17, 19	1, 5	1, 1	Add “actively sailing” in description of the 11,780	Accuracy	
	4	USTRANS COM	S	17	N/A	N/A	Table 3 needs a footnote describing where this data was received. Is it from the union halls? Are we really saying there are only 500 non-union mariners in the U.S.?	Accuracy	
	22	L&MR	A	17	1	1-2	May want to state that no cross check is available for non-union mariners	clarification	
	23	L&MR	A	17	2	Table 3	Change the sentence to read: “The estimated total supply of actively...”	“Estimated” is a better description and consistent with the	

								terminology used to describe table 2.	
	24	L&MR	A	17	2	Table 3	Change the title of Table 3 to read: “Maritime Labor Union and employer estimated Mariners with Unlimited Credentials, Union and Non-Union	Clarification. Does this number reflect those unlimited tonnage credentialed mariners sailing on limited tonnage vessels and foreign flag vessels?	
	25	L&MR	A	19	4		Move the fourth paragraph – “Because SSOs are...” to the front so that it appears just under paragraph (h)	Consistency – answer the question up front consistent with the rest of the report.	
	26	L&MR	S	19	5		Change the first sentence to read: “The MWWG estimates a total supply of 11,780 qualified mariners with unlimited credentials available to crew the surge fleet.”	Clarity and consistency	
	4	CAPE	S	19	6	1	The line “Concurrent operations of the commercial fleet and sustained sealift that demands crew rotation will demand ...” assumes there is an across the sealift fleet need for rotation crews. That is not a fact based on the most recent mobility study. Recommend the report base numbers using a reduced crew rotation requirement.	Mobility Capabilities Assessment final report, page 58, figure 30.	
	5	USTRANS COM	S	19	6	N/A	Recommend including a table or a sentence (at a minimum) that explains where the 13,054 number came from. All previous tables describe the “supply” end of the mariner equation; recommend a “demand” table that reflects the number of billets. Also, recommend explaining in greater detail the origin of the 1.75 ratio and why its application is important.	Consistency and Clarity	
	12	Navy	S	19	Summary	21.23	PROVIDE GREATER DETAIL: As written, “Concurrent operations of the commercial fleet and sustained sealift that demands crew rotation will demand a total of 13,054 mariners with unlimited credentials while using a crewing ratio of 1.75 to each billet crewed by contract-mariners. Accordingly, there is a deficit of 1,274 mariners.” How was it determined to use a 1.75 crewing ratio?	Add useful information.	
	5	CAPE	S	20	1	1	All recommendations that are not “to enhance the availability and quality of interagency data ... for evaluating the pool of United States citizen mariners” go beyond NDAA tasking and should be considered for striking from the report. There is inadequate emphasis on recommendations related to the data in this section.	Many recommendations are beyond what was tasked by the NDAA and the actual tasking is not adequately covered in this section.	
	27	L&MR	S	20	1		Change recommendations to reflect what is requested in Section 3517(d),(4), “make recommendations to enhance the availability and quality of interagency data, including data	While the recommendations found on page 20 and 21 may be valid, they do not provide an	

							from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States Marines.”	appropriate response required by Section 3517(d),(4).	
2	28	L&MR	S	20	1	7 th bullet	What does restructuring the RRF crewing levels mean? Fully crewed? Increased crew over ROS? Please clarify	clarity	
	13	Navy	C	20	Findings	All	<p>General Comment: Many of these findings are not really findings. They are MARAD objectives to help bolster the U.S. shipping industry. Additionally, many (if not all) of these findings have not been introduced within the analysis and are seen here for the first time.</p> <p>MODIFY: Separate those findings that do not directly relate to the task at hand – providing Congress with a detailed compilation of the inventory of U.S. merchant mariners, licensing and credentialing, and the methodology used to determine those numbers. As written, there are findings that may indirectly contribute to a growth in the U.S. Merchant Marine but are not germane to this study. In particular:</p> <p>DELETE: Reference to issuing of legislation granting MARAD the authority to negotiate cargo sharing agreements. In the long term, this may help increase demand for U.S. flagged shipping and associated crewing but does not help answer today’s questions from Congress.</p> <p>DELETE: Reference to restructuring the current ROS crewing levels requires additional analytical rigor to determine need, availability of merchant marines, and ultimately the costs of doing so.</p> <p>DELETE: Reference to use of domestic waterborne transportation, including the development of the Marine Highway System.</p>	The Findings should be a summary of the analysis and not a recommendation for issues not directly related to the study.	

APPENDIX J – COMMENTS FROM CONSORTIUM OF STATE MARITIME ACADEMIES



CONSORTIUM OF STATE MARITIME ACADEMIES
California • Maine • Massachusetts • Michigan • New York •
Texas

July 31, 2017

Maritime Workforce Working Group
U.S. Department of Transportation
1200 New Jersey Avenue SE, West Building
Ground Floor, Room W12-140
Washington, DC 20590-0001

[Docket No. MARAD 2017-0117]
Submitted via <http://www.regulations.gov/> Dear

Maritime Workforce Working Group:

We presidents of the nation's six State Maritime Academies (SMAs) appreciate the opportunity to provide the following information in response to the Working Group's Request for Public Input on the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency.

Our data shows that over the past four years, the State Maritime Academies, located in California, Maine, Massachusetts, Michigan, New York and Texas have produced an average of 723 licensed mariners per year, which is more than 70 percent of the new U.S. licensed merchant marine officers.

This annual production of licensed mariners is able to support the current peacetime need for merchant marine officers at the operational level and we hope to continue to do so. However, the ability for the State Maritime Academies to continue to produce sufficient numbers of mariners is dependent on replacement of the fleet of aging training ships. The oldest of the training ships, the TS Empire State, was launched in 1961 and is reaching the end of its serviceable life. Loss of the Empire State would have a catastrophic impact on the coalition's ability to produce the mariners needed. Texas A&M Maritime Academy has no suitable training vessel, posing unique, difficult challenges to the school and limiting its ability to provide critical at-sea officer training for its cadets.

We continue to be concerned about the 2015 report on the future of our transportation workforce released by the U.S. Departments of Education, Labor, and Transportation, which anticipated a need for approximately 40,000 new U.S. Coast Guard credentialed captains, mates, pilots, and ship engineers between 2012 and 2022.

Significantly, the anticipated maritime workforce population shortage has also been raised by Gen. Darren W. McDew, Commander U.S. Transportation Command, who has expressed his concern regarding the availability of mariners to meet critical needs. In a January 2016 column in the *Virginian Pilot*, Gen. McDew said that the nation's ability to project a force with sealift in a manner similar to

Desert Storm 25 years ago is no longer guaranteed due to a dwindling pool of U.S. licensed mariners. McDew stated, "If the U.S. mariner base gets too small, we will have to rely on other countries to deploy our combat power." That possibility, he said, is only more worrisome as, "the global security environment is only getting more contested."

The State Maritime Academies are proud of our record of providing excellence in education and training while producing over 70% of our nation's licensed mariners. Recapitalization of our training ships, however, is essential to our ability to continue to produce the mariners required for our domestic economy and national security.

Please let us know if you have any additional questions or comments by reaching out to Mark Ruge at mark.ruge@klgates.com or Laurie Purpuro at laurie.purpuro@klgates.com.

Thank you for your consideration of this important matter.

Sincerely,



RADM William J. Brennan, Ph.D.
President
Maine Maritime Academy
Castine, ME



RADM Gerard P. Achenbach, Ed.D.
Superintendent
Great Lakes Maritime Academy
Traverse City, MI



RADM Michael A. Alfultis, USMS, Ph.D.
President
State University of New York Maritime College
Bronx, NY



RADM Thomas A. Cropper
President
California State University Maritime Academy
Vallejo, CA



RADM Francis X. McDonald, LPD
President
Massachusetts Maritime Academy
Buzzards Bay, MA



RADM Michael Rodriguez
Superintendent
Texas A&M Maritime Academy
Galveston, TX

APPENDIX K – SUBMISSION FROM AMERICAN MARITIME OFFICERS TO MWWG

Mariner Availability Defined

Propose that the working group come to consensus on a definition of Mariner Availability that will not be changed in the future. Changes to this definition going forward would not allow apples to apples comparisons.

Proposed Definition

Mariner Availability – The number of actively sailing (with in the last 18 months) fully qualified mariners available to crew the RRF/Surge vessels in time of national emergency.

A fully qualified mariner

1. holds an unlimited tonnage, oceans license without limitations with the accompanying STCW requirements.
 2. holds a current Transportation Worker Identification Card (TWIC)
- holds a current USCG STCW Medical Certificate

Great Lakes Mariners

Great Lakes Mariners are not counted in the Mariner Availability because of the unique operation of the ships on the Lakes. As has been discussed almost all Deep Sea vessels have two crews one working aboard and the other on vacation.

On the Lakes each job is a permanent job. The person working that job typically is aboard the vessel for 8 or more months a year. The ships are laid up for more than 2 months during the winter. The permanent crewmembers do call for reliefs for short periods of time during the season; but there are very few reliefs available. In short there is only one crew per ship on the Great Lakes rather than the two crews employed on Deep Sea vessels.

USMS

MARAD already has the statutory authority and regulation under 46CFR 310.7(a) to reconstitute the USMS as a way to compel future officers to sail in national emergency. With some re-writing of the regulation serving officers could volunteer to join the service. Officers with Unlimited Tonnage, Ocean endorsements; who also held STCW endorsements in the past could put their documents in continuity and continue to be in the service for 5 years (similar to inactive reserves). This would provide the ability to bring back mariners that had relatively recently retired or moved on to other employment.

Policies for Increasing the Number of Available Mariners

1. Requiring 50% of US energy exports be carried aboard US flagged vessels. This would require a new program similar to MSP for the flagging in of tonnage. It would also likely require substantial tax credits to be made palatable. Such a program has long-term benefits but the number of vessels would start out small (10-15) and grow relatively slowly. Immediate impact would be the addition of around 500 Mariners.
2. Increase the number of MSP slots from 60 to 100. This would increase the number of mariners by around 1,700 but is also likely the most expensive option.
3. Require 100% of government cargo be shipped on US flagged vessels. This would increase the size of the fleet help boost the viability of the MSP carriers.

Additional Comments:

It should be noted that although the number of mariners needed for the for

1. Continuous commercial operation
2. Continuous commercial operations & initial surge operation
3. Continuous commercial operations & sustained surge operations

can be quantified and have been by the MMWG these numbers are the absolute minimum.

During a conflict as commercial operators flag in additional U.S. commercial tonnage in order to wind down surge operations (IAW National Security Directive 28) additional mariners will be needed. Given the numerous variables for each possible contingency this number cannot be quantified but could easily number in the hundreds.

APPENDIX L – CONSOLIDATED COMMENTS FROM AMERICAN MARITIME LABOR ORGANIZATIONS



American Maritime Officers

490 L'Enfant Plaza East SW • Suite 7204 • Washington, DC • 20024
(202) 479-1166 • Fax (202) 479-1188

ISO CERTIFIED

28 JULY 2017

DOCKET MANAGEMENT FACILITY
U.S. DEPARTMENT OF TRANSPORTATION
1200 NEW JERSEY AVENUE SE
WEST BUILDING, GROUND FLOOR, ROOM W12-140
WASHINGTON DC 20590-0001

RE: DOCUMENT NO. MARAD 2017-0117

ANNEX (1) UNIFIED COMMENTS OF AMERICAN MARITIME LABOR ORGANIZATIONS

THE AMERICAN MARITIME OFFICERS SUBMIT THESE SUPPLEMENTAL COMMENTS IN SUPPORT OF THE UNIFIED COMMENTS IN ANNEX (1) BY THE COMBINED AMERICAN MARITIME LABOR ORGANIZATIONS.

UNDER THE FISCAL 2017 NATIONAL DEFENSE AUTHORIZATION ACT, THE MARITIME ADMINISTRATION IS REQUIRED TO ESTABLISH A MARITIME WORKFORCE STUDY GROUP WITHIN ITS MARITIME TRANSPORTATION SYSTEM NATIONAL ADVISORY COMMITTEE. THE WORKFORCE STUDY GROUP'S MISSION IS TO DETERMINE THE NUMBER OF QUALIFIED U.S. MERCHANT MARINERS AVAILABLE TO MAN THE NATION'S STRATEGIC SEALIFT ASSETS DURING NATIONAL SECURITY EMERGENCIES.

THE UNABATED DECLINE OF THE PRIVATELY OWNED AND OPERATED U.S.-FLAG MERCHANT FLEET SINCE OPERATIONS DESERT SHIELD AND DESERT STORM IN THE PERSIAN GULF IN 1990 AND 1991 HAS RESULTED IN AN ALARMING SHORTAGE OF U.S. MERCHANT MARINE OFFICERS AND CREWMEMBERS TO STAFF 17 MILITARY SEALIFT COMMAND SURGE SEALIFT SHIPS AND 46 READY RESERVE FORCE SHIPS MANAGED BY MARAD AND CONTROLLED BY MSC UPON ACTIVATION AND TO KEEP ALL 63 SHIPS OPERATING SIMULTANEOUSLY FOR AS LONG AS NECESSARY DURING A CRISIS.

MARAD HAS CONFIRMED THIS CONSEQUENCE OF A DIMINISHING U.S. MERCHANT FLEET IN INTERNATIONAL TRADE - THE FLEET THAT IS THE PRINCIPAL SOURCE OF SURGE AND RESERVE FLEET OFFICERS AND CREWS - IN CONGRESSIONAL TESTIMONY SEVERAL TIMES SINCE 2014, PUTTING THE NUMBER OF QUALIFIED AND AVAILABLE MARINERS MOST RECENTLY AT 11,200. CURRENT SCENARIOS CALL FOR A MINIMUM OF 13,000 OFFICERS AND CREWMEMBERS FOR INITIAL DEFENSE SHIPPING IN A CONVENTIONAL WAR.

GEN. DARREN MCDEW, COMMANDER OF U.S. TRANSPORTATION COMMAND, HAS DISCUSSED THIS PUBLICLY MANY TIMES AS WELL, CORROBORATING THE DIRECT, DIRE LINK BETWEEN A WANING U.S. MERCHANT FLEET IN COMMERCIAL MARKETS AND AN EVAPORATING MARINER POOL FROM WHICH SURGE AND RESERVE FLEET MARINERS ARE DRAWN. GEN. MCDEW HAS SAID OFTEN THAT THIS INCREASING SHORTAGE OF QUALIFIED U.S. MERCHANT MARINERS IS HIS SINGLE GREATEST SOURCE OF CONCERN.

THIS YEAR, THE U.S. MERCHANT MARINE ACADEMY AND SIX STATE-OPERATED MARITIME ACADEMIES GRADUATED NEARLY 1,200 CADETS AS MARINE ENGINEERS AND LICENSED DECK OFFICERS. BUT NO ONE KNOWS AT THIS POINT HOW MANY OF THESE YOUNG MEN AND WOMEN WILL SEEK CAREERS AT SEA IN THE U.S. MERCHANT FLEET OR CHOOSE THE MILITARY OR JOBS ASHORE AS ALTERNATIVES.

AMERICAN MARITIME OFFICERS SUPPORTS AND ENCOURAGES IMMEDIATE ACTION ON ALL OF THE RECOMMENDATIONS LISTED IN THE JOINT SUBMISSION BY MARITIME LABOR CONTAINED IN ANNEX (1) WITH THE FOLLOWING SUPPLEMENTAL COMMENTS:

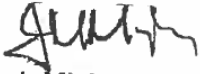
- MARITIME SECURITY PROGRAM. FULLY FUND AND EXAMINE POTENTIAL FOR EXPANDING THE NUMBER OF COMMERCIAL SHIPS BY AS MANY AS 40 VESSELS.
- JONES ACT. SUPPORT THE JONES ACT TO STRENGTHEN HOMELAND SECURITY, NATIONAL SECURITY, THE INDUSTRIAL BASE AND THE HUNDREDS OF THOUSANDS OF AMERICAN JOBS CREATED BY THE JONES ACT.
- CARGO PREFERENCE. A PRESIDENTIAL DIRECTIVE IS NEEDED TO ENSURE THAT 100% OF GOVERNMENT IMPELLED CARGO GOES ON AMERICAN FLAG SHIPS.
- CARGO PREFERENCE ENFORCEMENT. THE MARITIME ADMINISTRATION NEEDS REGULATORY POWER TO EXERCISE THE CONGRESSIONALLY MANDATED AUTHORITY TO ENSURE SHIPPERS ADHERE TO CARGO PREFERENCE LAWS.
- BILATERAL SHIPPING AGREEMENTS. NEGOTIATE BILATERAL CARGO SHARING AGREEMENTS TO INCREASE CARGO AVAILABLE TO THE U.S. FLAG FLEET, EXPANDING THE FLEET AND INCREASING THE NUMBER OF MARINERS.
- ENERGY RESOURCES ON U.S. FLAG SHIPS. SUPPORT AND PROMOTE PENDING LEGISLATION TO RESERVE REASONABLE SHARES OF U.S. ENERGY EXPORTS -CRUDE OIL, LIQUEFIED NATURAL GAS AND COAL -FOR U.S.-FLAG MERCHANT SHIPS.
- INFRASTRUCTURE. ESTABLISH A NATIONAL TRANSPORTATION POLICY AND PROVIDE FUNDING TO STIMULATE A VIBRANT A NATIONAL MARINE HIGHWAY SYSTEM

TO FULLY UTILIZE AMERICA'S WATERWAYS AND PORTS TO REDUCE ROAD CONGESTION AND POLLUTION. REMOVE THE DOUBLE TAXATION OF THE HARBOR MAINTENANCE TAX.

- CONSIDER TAX CREDITS OR OTHER INCENTIVES TO STIMULATE PRIVATE INVESTMENT IN A LARGER U.S. MERCHANT FLEET AND ITS ATTENDANT GROWTH OF THE U.S. MERCHANT MARINER WORKFORCE.

LABOR IS DEDICATED TO WORKING CLOSELY WITH GOVERNMENT AND INDUSTRY TO COORDINATE THE EXPANSION AND TRAINING THAT THESE INITIATIVES WILL NEED TO REVERSE THE PAST DECADE'S PRECIPITOUS DECLINE AND REBUILD THE AMERICAN MARINER BASE BACK TO ITS NATIONAL SECURITY REQUIREMENT.

Sincerely,



J. Michael Murphy
National Vice President, Government Relations
American Maritime Officers
mmurphy@amo-union.org
202-560-6889 cell
202-479-1166 office

American Maritime Officers

Annex (1)

RE: American Maritime Labor Unified Comments to Docket No. MARAD 2017-0117

Dear Sirs:

On behalf of the undersigned American maritime labor organizations, we are submitting these comments in response to the Maritime Workforce Working Group request for public input on the status of the U.S. merchant mariner workforce. Collectively, our unions represent the overwhelming majority of licensed and unlicensed American merchant mariners working aboard U.S.-flag commercial vessels engaged in all aspects of our nation's foreign and domestic shipping trades, including all 60 U.S.-flag vessels participating in the Maritime Security Program (MSP). We also represent all the civilian merchant mariners who man the U.S. Government's fleet of surge vessels, including the Maritime Administration's Ready Reserve Force (RRF) and the Military Sealift Command's Reduced Operating Status (ROS) vessels.

Our organizations are keenly aware of the shortfall in the number of U.S. citizen mariners currently available to crew the government and private vessels the Department of Defense estimates it will need under various wartime scenarios. As such, we have a direct interest in the report being prepared by the Maritime Workforce Working Group on this issue. We greatly appreciate the opportunity to present our suggestions on how to not only halt this decline in the number of available qualified American mariners but how to increase the number of vessels operating under the U.S.-flag and therefore the number of American mariners working and available.

The history of our country demonstrates that the United States needs a strong, active, militarily useful U.S.-flag merchant marine and its American citizen mariners to protect and enhance our nation's economic security and national defense. Privately-owned United States-flag vessels and their crews have always responded quickly and effectively to our nation's call, providing the commercial sealift sustainment capability and civilian maritime manpower needed by the Department of Defense to support America's military objectives around the world.

It is important to note that beginning in 2002 with the inception of military operations in Iraq and Afghanistan, at least 98 percent of all related cargoes have been transported to the region on either U.S.-flag commercial vessels or U.S. government owned and/or controlled vessels - - ***all of which have been crewed by United States citizen civilian merchant mariners.***

Most significantly, since 2009, privately-owned U.S.-flag commercial vessels and their civilian U.S. citizen crews have transported more than 90 percent of the sustainment cargo needed to support U.S. military operations and rebuilding programs in Iraq and Afghanistan. Vessels enrolled in MSP - all of which are crewed by United States citizen civilian merchant mariners - carried 99 percent of these cargoes.

However, and despite more than two hundred years of essential and patriotic service -in war and peace -the viability of our industry and its continued ability to provide this invaluable service to our country is in jeopardy. In 1960, there were 2,936 ships over 1,000 gross tons flying the American flag. Today, there are only 169 - including only approximately 80 U.S. flag ships operating in the U.S. foreign trades that carry less than two percent of all U.S. exports and imports. Compounding the serious loss in sealift capability is the concurrent reduction in the number of American licensed and unlicensed merchant mariners ready and able to crew the government and privately-owned vessels needed by the Department of Defense in time of war or international emergency.

In March 2015, General Paul Selva, Commander, United States Transportation Command, testified before the Senate Committee on Armed Services. He told the Committee: "The reduction in government impelled cargoes due to the drawdown in Afghanistan and reductions in food aid . . . are driving vessel owners to reflag to non-U.S.-flag out of economic necessity . . . With the recent vessel reductions, the mariner base is at a point where future reductions in U.S.- flag capacity puts our ability to fully activate, deploy and sustain forces at increased risk."

Similarly, at Congressional hearings held earlier this year, General Darren McDew, Commander, United States Transportation Command, and Joel Szabat, Executive Director, Maritime Administration, each warned that there is a current shortage of approximately 2,000 mariners. General McDew and Mr. Szabat have further noted that this reduced mariner pool puts our industry on the edge of being able to sustain immediate sealift requirements, and that it would not be able to meet sustained requirements beyond the first four to five months of a conflict. We agree with the conclusions reached by General McDew and Mr. Szabat

Unless this dangerous decline in American might is halted and reversed and we put American mariners back to work aboard United States-flag commercial vessels, we as a nation will soon be forced to hand over the security of the United States, along with the safety and supply of our troops deployed overseas, to foreign flag vessels and crews. This is totally unacceptable to us, and we believe it should be totally unacceptable to every American who wants to put the security of America first!

We believe it is essential that the report prepared for Congress by the Maritime Workforce Working Group focus on ways to stop the further loss of U.S.-flag vessels and the outsourcing of American maritime jobs to foreign workers. Equally important, we urge that the report contain realistic initiatives that would increase the number of vessels operating under the U.S.-flag and increase the number of American mariners available and qualified to crew the vessels needed by the Department of Defense.

The time is now for our government to act and we urge the Maritime Workforce Working Group to

include the following in its report:

- **Maritime Security Program:** The Maritime Security Program and its fleet of 60 privately-owned militarily-useful United States-flag commercial vessels and their U.S. citizen crews form the basis of America's commercial sealift capability and must be maintained. As noted previously, these vessels and crews, and the worldwide intermodal and logistics networks owned and controlled by the shipping companies participating in the Maritime Security Program, are readily available to the Department of Defense whenever needed to meet the military, economic and homeland security requirements of the United States. Consequently, it is essential that Congress and the Administration make clear that they do and will consistently support the annual funding levels for this program as authorized by Congress. To do otherwise is to inject a measure of instability into the Maritime Security Program, making it extremely difficult for the vessel operators to continue to upgrade and modernize their fleets of militarily useful vessels and to continue to operate under the U.S.-flag. **Congress and the Administration should actively work to ensure that the Maritime Security Program is fully funded at the levels authorized in Public Law 114-113 (the Consolidated Appropriations Act, 2016).**
- **Presidential Directive - Cargo Preference Shipping Requirements:** Federal shipper agencies and departments are required by law to comply with existing U.S.-flag shipping requirements which reserve the carriage of a percentage of U.S. government generated cargoes for U.S.-flag commercial vessels provided such vessels are available - - and are available at fair and reasonable rates. All too often, however, Federal shipper agencies and departments, intentionally or otherwise, fail to comply with the applicable U.S.-flag shipping requirement, denying American vessels their lawful share of these American tax-payer generated cargoes and American maritime workers important job opportunities aboard these vessels. To begin to rectify this ongoing problem, and to help ensure that U.S.-flag vessels have the cargo carrying opportunities they are entitled to by law, **the Administration should issue a Directive to all Executive Branch Departments and Agencies directing them to fully comply with existing U.S.-flag cargo preference shipping requirements.**
- **Enforcement - Cargo Preference Shipping Requirements:** Any question as to the applicability of the U.S.-flag shipping requirements moving under a Federal program or financed in any way with Federal funds should be decided by the Maritime Administration. The cargo preference laws are broadly written and should be broadly applied to federally-financed programs. **Congress must encourage the Maritime Administration to immediately and more fully exercise its Congressionally- mandated authority to determine which Federal programs are in fact subject to the**

U.S-flag cargo preference shipping requirements and to closely monitor such programs to ensure full compliance as required by law

- **Bilateral Shipping Agreements:** The negotiation of bilateral cargo sharing agreements in conjunction with the negotiation of broader trade agreements or on its own is an important instrument for our government to use to address and respond to foreign maritime support programs – a myriad of economic, tax and subsidy programs made available to foreign flag vessels – which impede the ability of U.S.-flag vessels to compete. These foreign maritime support programs, coupled with the proliferation of state owned and controlled fleets, have led to the decline in the U.S.-flag fleet and the dangerously low percentage – a mere two percent – of global U.S. trade carried on U.S.- flag ships. Needless to say it is unrealistic at best to believe we can increase the number of vessels operating under the U.S.-flag and the number of jobs available for U.S. mariners unless there is cargo for these vessels to carry. As an essential first step, **Congress should give the Administration whatever additional authority it needs to negotiate meaningful bilateral cargo sharing agreements with America's trading partners to provide U.S.-flag vessels with a greater share of America's foreign trade.**
- **Jones Act:** The cornerstone of America's domestic maritime policy is the Jones Act. This body of law requires that vessels engaged in commerce between ports and places within the United States are owned and crewed by American citizens and built in American shipyards. According to a recent study by PricewaterhouseCoopers, the Jones Act generates 500,000 high-quality American jobs, produces an economic output in the U.S. of more than \$100 billion annually, and provides critical homeland security, economic, environmental, and safety benefits to our nation. Most importantly, the oceangoing vessels engaged in domestic commerce provide important employment opportunities for licensed and unlicensed American mariners qualified to serve on vessels needed by the Department of Defense. The full enforcement of the Jones Act is essential to ensure that vessels carrying cargo along our coasts, in our non-contiguous trades, on our rivers and on the Great Lakes are not controlled by foreign shipping interests and foreign citizen crews. **Congress and the Administration should affirm their continued support for this critically important national maritime policy.**
- **Ready Reserve Force:** The Ready Reserve Force (RRF) was set up in 1976 as an element of the Department of Defense strategic sealift to support the rapid worldwide deployment of U.S. military forces. The vessels in the RRF are primarily used to transport Army and Marine Corps unit equipment and combat support equipment during the critical surge period at the outset of hostilities, and to participate in the initial resupply to the extent necessary. The 46 vessels in the RRF provide nearly one-half of the government-owned surge sealift capability. Presently, ships in the RRF deemed to have priority readiness have Reduced Operating Status (ROS) maintenance crews of about 10 commercial merchant mariners. This is in contrast to the standard that the Military Sealift Command deems necessary for ROS vessels which generally consists of a crew complement of 13 – 15 mariners. **The Congress and Administration should take the steps necessary to enhance the operational approach for the RRF by increasing the frequency of readiness activations and by evolving to a system which includes full**

crews on all Ready Reserve Force vessels as well as a true 2:1 manpower ratio for each billet. This will not only help to eliminate the current shortfall in the overall number of mariners but does so in a way that helps guarantee that the Department of Defense will have access to a sufficient number of American mariners who possess the requisite experience, training, licensing, endorsements and government required security clearances.

- **Energy Resources on U.S.-Flag Ships:** To the extent our country moves forward with plans to export oil, liquefied natural gas and other strategic energy resources, steps should be taken to ensure that at least a portion of these commodities are transported on U.S.-flag vessels. The export of these commodities presents an opportunity for the U.S.- flag fleet to expand into export trades that are not served today by U.S.-flag vessels and U.S. citizen crews. **Congress and the Administration must undertake an immediate and thorough review to determine what must be done to encourage American jobs aboard vessels transporting oil, liquefied natural gas, and other strategic commodities and energy resources to and from the United States, and to ensure the operation of such vessels are under the United States-flag.**
- **Infrastructure Development and Maritime:** Congress and the Administration must vigorously promote the use of domestic waterborne transportation and, more specifically, the development of a national Marine Highway System, as critical components of a National Transportation Policy. As the Administration proceeds with its plans to rebuild the nation 's infrastructure, it is especially important to recognize that U.S. coastal waterways are an economic resource readily available to reduce the burden of transporting cargo via roadways and rail. Among other things, **Congress must end the double taxation of domestic waterborne cargo under the Harbor Maintenance Tax (HMT) so it no longer discourages U.S.-flag vessel operations.** This discriminatory multiple taxation of waterborne cargo creates a significant economic *disincentive* for shippers to use U.S. vessels to move their cargo from one U.S. destination to another.

In conclusion, we again urge the Maritime Workforce Working Group to proceed expeditiously with its report to Congress so that Congress, the Administration and the maritime industry can begin to take the steps necessary to reverse the serious decline in the mariner workforce and to ensure our country has the skilled and available manpower needed to meet the needs of the Department of Defense. Concerted action is necessary and we assure you that maritime labor stands ready to do whatever we can to achieve these objectives.

Sincerely,

Marshall Ainley, President
Marine Engineers' Beneficial Association

Paul Doell, President
American Maritime Officers

Gunnar Lundeberg, President
Sailors' Union of the Pacific

Donald Marcus, President
International Organization of
Masters, Mates & Pilots

Anthony Poplawski, President
Marine Firemen's Union

Michael Sacco, President
Seafarers International Union

For additional information, please contact:

James Patti, President
Maritime Institute for Research and Industrial Development
jpatti@miraid.org
202-463-6505

James Caponiti, President
American Maritime Congress
jcaponiti@americanmaritime.org
202-347-8090

APPENDIX M – COMMENTS FROM MARINE FIREMEN’S UNION

Marine Firemen's Union AFFILIATED WITH THE SEAFARERS INTERNATIONAL UNION OF NA AFL-CIO



HEADQUARTERS
240 Second Street
San Francisco, CA 94105-3129
(415) 362-4592 telephone
(415) 348-8864 facsimile
(415) 362-7593 dispatcher

BRANCHES
Wilmington, California
Honolulu, Hawaii

PORT SERVICED
Seattle, Washington

July 28, 2017

Docket Management Facility
U.S. Department of Transportation 1200 New Jersey Avenue SE
West Building, Room W12-140 Washington, DC 20590

RE: Docket No. MARAD 2017-0117

Dear Sirs:

The Marine Firemen's Union (MFOU) is submitting the following attached letter to the above- referenced Federal Register docket. This is in response to the Maritime Workforce Working Group's (MWWG) request for input on the status of the United States merchant mariner workforce.

According to our records, as of June 30, 2017, the MFOU had 440 active (as opposed to pensioner) members. At any given time, the MFOU estimates that 15 percent of our membership is prohibited from shipping due to one or more reasons:

- Processing of MMC renewal or upgrade
- Processing of TWIC or passport renewal.
- Awaiting or completing STCW or MSC renewal or upgrading training.
- Medically unfit-for-duty
- Personal matters (family issues, court dates, etc.)
- Document (MMC, TWIC or passport) suspension or revocation.

Five of our active members are full-time union officials. The result is that at any given time the MFOU has approximately 369 members available to work:

[440 total mariners -(440)(.15) mariners] -5 full-time officials = 369 available mariners

There are 181 billets to be filled under a normal fleet deployment of contracted vessels:

<u>Rating</u>	<u>Billets</u>
Electrician/Refrigerating Engineer*	97
Pumpman/Machinist	1
Junior Engineer	24

Oiler	28
Wiper	31
Total	181

*Includes 39 Shore Mechanic billets which by contract require USCG credentials.

The result is a ratio of 2.04 mariners per billet under normal circumstances:

$$369/181 = 2.04 \text{ mariners per billet}$$

If a full-scale breakout of all ships under contract (commercial, RRF and MSC) was ordered, the MFOW would be required to fill 253 billets:

<u>Rating</u>	<u>Billets</u>
Electrician/Refrigerating Engineer*	101
Pumpman/Machinist	1
Junior Engineer Oiler	
Oiler	30
	74
Wiper	47
Total	253

The result is a ratio of 1.46 mariners per billet under a full-scale breakout of ships:

$$369/253 = 1.46 \text{ mariners per billet}$$

While the MFOW is confident we could successfully provide the surge manpower needed for a full-scale breakout of contracted vessels in support of Department of Defense objectives, the above numbers show that a prolonged activation of vessels would strain our manpower pool.

In this light, the MFOW associates with the comments made jointly by the AMO, MEBA, MFOW, MM&P, SIU and SUP. Collectively, these organizations represent the bulk of actively sailing merchant mariners in the United States. Those comments are attached to this letter.

Sincerely,



Anthony Poplawski
President/Secretary-Treasurer



July 28, 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue SE
West Building, Room W12-140
Washington, DC 20590

RE: Docket No. MARAD 2017-0117

Dear Sirs:

On behalf of the undersigned American maritime labor organizations, we are submitting these comments in response to the Maritime Workforce Working Group request for public input on the status of the U.S. merchant mariner workforce. Collectively, our unions represent the overwhelming majority of licensed and unlicensed American merchant mariners working aboard U.S.-flag commercial vessels engaged in all aspects of our nation's foreign and domestic shipping trades, including all 60 U.S.-flag vessels participating in the Maritime Security Program (MSP). We also represent all the civilian merchant mariners who man the U.S. Government's fleet of surge vessels, including the Maritime Administration's Ready Reserve Force (RRF) and the Military Sealift Command's Reduced Operating Status (ROS) vessels.

Our organizations are keenly aware of the shortfall in the number of U.S. citizen mariners currently available to crew the government and private vessels the Department of Defense estimates it will need under various wartime scenarios. As such, we have a direct interest in the report being prepared by the Maritime Workforce Working Group on this issue. We greatly appreciate the opportunity to present our suggestions on how to not only halt this decline in the number of available qualified American mariners but how to increase the number of vessels operating under the U.S.-flag and therefore the number of American mariners working and available.

The history of our country demonstrates that the United States needs a strong, active, militarily useful U.S.-flag merchant marine and its American citizen mariners to protect and enhance our nation's economic security and national defense. Privately-owned United States-flag vessels and their crews have always responded quickly and effectively to our nation's call, providing the commercial sealift sustainment capability and civilian maritime manpower needed by the Department of Defense to support America's military objectives around the world.

A STRONG UNITED STATES MERCHANT MARINE IS VITAL TO OUR NATIONAL DEFENSE AND ECONOMY.

It is important to note that beginning in 2002 with the inception of military operations in Iraq and Afghanistan, at least 98 percent of all related cargoes have been transported to the region on either U.S.-flag commercial vessels or U.S. government owned and/or controlled vessels - - ***all of which have been crewed by United States citizen civilian merchant mariners.***

Most significantly, since 2009, privately-owned U.S.-flag commercial vessels and their civilian U.S citizen crews have transported more than 90 percent of the sustainment cargo needed to support U.S. military operations and rebuilding programs in Iraq and Afghanistan. Vessels enrolled in MSP - ***all of which are crewed by United States citizen civilian merchant mariners*** - carried 99 percent of these cargoes.

However, and despite more than two hundred years of essential and patriotic service -in war and peace -the viability of our industry and its continued ability to provide this invaluable service to our country is in jeopardy. In 1960, there were 2,936 ships over 1,000 gross tons flying the American flag. Today, there are only 169 – including only approximately 80 U.S. flag ships operating in the U.S. foreign trades that carry less than two percent of all U.S. exports and imports. Compounding the serious loss in sealift capability is the concurrent reduction in the number of American licensed and unlicensed merchant mariners ready and able to crew the government and privately-owned vessels needed by the Department of Defense in time of war or international emergency.

In March 2015, General Paul Selva, Commander, United States Transportation Command, testified before the Senate Committee on Armed Services. He told the Committee: "The reduction in government impelled cargoes due to the drawdown in Afghanistan and reductions in food aid . . . are driving vessel owners to reflag to non-U.S.-flag out of economic necessity . . . With the recent vessel reductions, the mariner base is at a point where future reductions in U.S.-flag capacity puts our ability to fully activate, deploy and sustain forces at increased risk."

Similarly, at Congressional hearings held earlier this year, General Darren McDew, Commander, United States Transportation Command, and Joel Szabat, Executive Director, Maritime Administration, each warned that there is a current shortage of approximately 2,000 mariners. General McDew and Mr. Szabat have further noted that this reduced mariner pool puts our industry on the edge of being able to sustain immediate sealift requirements, and that it would not be able to meet sustained requirements beyond the first four to five months of a conflict. We agree with the conclusions reached by General McDew and Mr. Szabat

Unless this dangerous decline in American might is halted and reversed and we put American mariners back to work aboard United States-flag commercial vessels, we as a nation will soon be forced to hand over the security of the United States, along with the safety and supply of our troops deployed overseas, to foreign flag vessels and crews. This is totally unacceptable to us, and we believe it should be totally unacceptable to every American who wants to put the security of America first!

We believe it is essential that the report prepared for Congress by the Maritime Workforce Working Group focus on ways to stop the further loss of U.S.-flag vessels and the outsourcing of American maritime jobs to foreign workers. Equally important, we urge that the report contain realistic initiatives that would increase the number of vessels operating under the U.S.-flag

and increase the number of American mariners available and qualified to crew the vessels needed by the Department of Defense.

The time is now for our government to act and we urge the Maritime Workforce Working Group to include the following in its report:

Maritime Security Program: The Maritime Security Program and its fleet of 60 privately-owned militarily-useful United States-flag commercial vessels and their U.S. citizen crews form the basis of America's commercial sealift capability and must be maintained. As noted previously, these vessels and crews, and the worldwide intermodal and logistics networks owned and controlled by the shipping companies participating in the Maritime Security Program, are readily available to the Department of Defense whenever needed to meet the military, economic and homeland security requirements of the United States. Consequently, it is essential that Congress and the Administration make clear that they do and will consistently support the annual funding levels for this program as authorized by Congress. To do otherwise is to inject a measure of instability into the Maritime Security Program, making it extremely difficult for the vessel operators to continue to upgrade and modernize their fleets of militarily useful vessels and to continue to operate under the U.S.-flag. **Congress and the Administration should actively work to ensure that the Maritime Security Program is fully funded at the levels authorized in Public Law 114-113 (the Consolidated Appropriations Act, 2016).**

Presidential Directive - Cargo Preference Shipping Requirements: Federal shipper agencies and departments are required by law to comply with existing U.S.-flag shipping requirements which reserve the carriage of a percentage of U.S. government generated cargoes for U.S.-flag commercial vessels provided such vessels are available - - and are available at fair and reasonable rates. All too often, however, Federal shipper agencies and departments, intentionally or otherwise, fail to comply with the applicable U.S.-flag shipping requirement, denying American vessels their lawful share of these American tax-payer generated cargoes and American maritime workers important job opportunities aboard these vessels. To begin to rectify this ongoing problem, and to help ensure that U.S.-flag vessels have the cargo carrying opportunities they are entitled to by law, **the Administration should issue a Directive to all Executive Branch Departments and Agencies directing them to fully comply with existing U.S.-flag cargo preference shipping requirements.**

Enforcement - Cargo Preference Shipping Requirements: Any question as to the applicability of the U.S.-flag shipping requirements moving under a Federal program or financed in any way with Federal funds should be decided by the Maritime Administration. The cargo preference laws are broadly written and should be broadly applied to federally-financed programs. **Congress must encourage the Maritime Administration to immediately and more fully exercise its Congressionally-mandated authority to determine which Federal programs are in fact subject to the**

U.S.-flag cargo preference shipping requirements and to closely monitor such programs to ensure full compliance as required by law

Bilateral Shipping Agreements: The negotiation of bilateral cargo sharing agreements in conjunction with the negotiation of broader trade agreements or on its own is an important instrument for our government to use to address and respond to foreign maritime support programs – a myriad of economic, tax and subsidy programs made available to foreign flag vessels – which impede the ability of U.S.-flag vessels to compete. These foreign maritime support programs, coupled with the proliferation of state owned and controlled fleets, have led to the decline in the U.S.-flag fleet and the dangerously low percentage – a mere two percent – of global U.S. trade carried on U.S.- flag ships. Needless to say it is unrealistic at best to believe we can increase the number of vessels operating under the U.S.-flag and the number of jobs available for U.S. mariners unless there is cargo for these vessels to carry. As an essential first step, **Congress should give the Administration whatever additional authority it needs to negotiate meaningful bilateral cargo sharing agreements with America's trading partners to provide U.S.-flag vessels with a greater share of America's foreign trade.**

Jones Act: The cornerstone of America's domestic maritime policy is the Jones Act. This body of law requires that vessels engaged in commerce between ports and places within the United States are owned and crewed by American citizens and built in American shipyards. According to a recent study by PricewaterhouseCoopers, the Jones Act generates 500,000 high-quality American jobs, produces an economic output in the U.S. of more than \$100 billion annually, and provides critical homeland security, economic, environmental, and safety benefits to our nation. Most importantly, the oceangoing vessels engaged in domestic commerce provide important employment opportunities for licensed and unlicensed American mariners qualified to serve on vessels needed by the Department of Defense. The full enforcement of the Jones Act is essential to ensure that vessels carrying cargo along our coasts, in our non-contiguous trades, on our rivers and on the Great Lakes are not controlled by foreign shipping interests and foreign citizen crews. **Congress and the Administration should affirm their continued support for this critically important national maritime policy.**

Ready Reserve Force: The Ready Reserve Force (RRF) was set up in 1976 as an element of the Department of Defense strategic sealift to support the rapid worldwide deployment of U.S. military forces. The vessels in the RRF are primarily used to transport Army and Marine Corps unit equipment and combat support equipment during the critical surge period at the outset of hostilities, and to participate in the initial resupply to the extent necessary. The 46 vessels in the RRF provide nearly one-half of the government-owned surge sealift capability. Presently, ships in the RRF deemed to have priority readiness have Reduced Operating Status (ROS) maintenance crews of about 10 commercial merchant mariners. This is in contrast to the standard that the Military Sealift Command deems necessary for ROS vessels which generally consists of a crew complement of 13 – 15 mariners. **The Congress and Administration should take the steps necessary to enhance the operational approach for the RRF by increasing the frequency of readiness activations and by evolving to a system which includes full crews on all Ready**

Reserve Force vessels as well as a true 2:1 manpower ratio for each billet. This will not only help to eliminate the current shortfall in the overall number of mariners but does so in a way that helps guarantee that the Department of Defense will have access to a sufficient number of American mariners who possess the requisite experience, training, licensing, endorsements and government required security clearances.

Energy Resources on U.S-Flag Ships: To the extent our country moves forward with plans to export oil, liquefied natural gas and other strategic energy resources, steps should be taken to ensure that at least a portion of these commodities are transported on U.S.-flag vessels. The export of these commodities presents an opportunity for the U.S.- flag fleet to expand into export trades that are not served today by U.S.-flag vessels and U.S. citizen crews. **Congress and the Administration must undertake an immediate and thorough review to determine what must be done to encourage American jobs aboard vessels transporting oil, liquefied natural gas, and other strategic commodities and energy resources to and from the United States, and to ensure the operation of such vessels are under the United States-flag.**

Infrastructure Development and Maritime: Congress and the Administration must vigorously promote the use of domestic waterborne transportation and, more specifically, the development of a national Marine Highway System, as critical components of a National Transportation Policy. As the Administration proceeds with its plans to rebuild the nation's infrastructure, it is especially important to recognize that U.S. coastal waterways are an economic resource readily available to reduce the burden of transporting cargo via roadways and rail. Among other things, **Congress must end the double taxation of domestic waterborne cargo under the Harbor Maintenance Tax (HMT) so it no longer discourages U.S.-flag vessel operations.** This discriminatory multiple taxation of waterborne cargo creates a significant economic *disincentive* for shippers to use U.S. vessels to move their cargo from one U.S. destination to another.

In conclusion, we again urge the Maritime Workforce Working Group to proceed expeditiously with its report to Congress so that Congress, the Administration and the maritime industry can begin to take the steps necessary to reverse the serious decline in the mariner workforce and to ensure our country has the skilled and available manpower needed to meet the needs of the Department of Defense. Concerted action is necessary and we assure you that maritime labor stands ready to do whatever we can to achieve these objectives.

Sincerely,

Marshall Ainley, President
Marine Engineers' Beneficial Association

Paul Doell, President
American Maritime Officers

Gunnar Lundeberg, President
Sailors' Union of the Pacific

Donald Marcus, President
International Organization of
Masters, Mates & Pilots

Anthony Poplawski, President
Marine Firemen's Union

Michael Sacco, President
Seafarers International Union

For additional information, please contact:

James Patti, President
Maritime Institute for Research and Industrial Development
jpatti@miraid.org
202-463-6505

James Caponiti, President
American Maritime Congress
jcaponiti@americanmaritime.org
202-347-8090

APPENDIX N – COMMENTS FROM MARINE ENGINEERS' BENEFICIAL ASSOCIATION



July 28, 2017

Docket Management Facility
U.S. Department of Transportation 1200
New Jersey Avenue SE
West Building, Room W12-140
Washington, DC 20590

RE: Docket No. MARAD 2017-0117

Dear Sirs:

On behalf of the undersigned American maritime labor organizations, we are submitting these comments in response to the Maritime Workforce Working Group request for public input on the status of the U.S. merchant mariner workforce. Collectively, our unions represent the overwhelming majority of licensed and unlicensed American merchant mariners working aboard U.S.-flag commercial vessels engaged in all aspects of our nation's foreign and domestic shipping trades, including all 60 U.S.-flag vessels participating in the Maritime Security Program (MSP). We also represent all the civilian merchant mariners who man the U.S. Government's fleet of surge vessels, including the Maritime Administration's Ready Reserve Force (RRF) and the Military Sealift Command's Reduced Operating Status (ROS) vessels.

Our organizations are keenly aware of the shortfall in the number of U.S. citizen mariners currently available to crew the government and private vessels the Department of Defense estimates it will need under various wartime scenarios. As such, we have a direct interest in the report being prepared by the Maritime Workforce Working Group on this issue. We greatly appreciate the opportunity to present our suggestions on how to not only halt this decline in the number of available qualified American mariners but how to increase the number of vessels operating under the U.S.-flag and therefore the number of American mariners working and available.

The history of our country demonstrates that the United States needs a strong, active, militarily useful U.S.-flag merchant marine and its American citizen mariners to protect and enhance our nation's economic security and national defense. Privately-owned United States-flag vessels and their crews have always responded quickly and effectively to our nation's call, providing the commercial sealift sustainment capability and civilian maritime manpower needed by the Department of Defense to support America's military objectives around the world.

A STRONG UNITED STATES MERCHANT MARINE IS VITAL TO OUR NATIONAL DEFENSE AND ECONOMY.



It is important to note that beginning in 2002 with the inception of military operations in Iraq and Afghanistan, at least 98 percent of all related cargoes have been transported to the region on either U.S.-flag commercial vessels or U.S. government owned and/or controlled vessels - - ***all of which have been crewed by United States citizen civilian merchant mariners.***

Most significantly, since 2009, privately-owned U.S.-flag commercial vessels and their civilian U.S. citizen crews have transported more than 90 percent of the sustainment cargo needed to support U.S. military operations and rebuilding programs in Iraq and Afghanistan. Vessels enrolled in MSP - all of which are crewed by United States citizen civilian merchant mariners - carried 99 percent of these cargoes.

However, and despite more than two hundred years of essential and patriotic service -in war and peace -the viability of our industry and its continued ability to provide this invaluable service to our country is in jeopardy. In 1960, there were 2,936 ships over 1,000 gross tons flying the American flag. Today, there are only 169 - including only approximately 80 U.S. flag ships operating in the U.S. foreign trades that carry less than two percent of all U.S. exports and imports. Compounding the serious loss in sealift capability is the concurrent reduction in the number of American licensed and unlicensed merchant mariners ready and able to crew the government and privately-owned vessels needed by the Department of Defense in time of war or international emergency.

In March 2015, General Paul Selva, Commander, United States Transportation Command, testified before the Senate Committee on Armed Services. He told the Committee: "The reduction in government impelled cargoes due to the drawdown in Afghanistan and reductions in food aid . . . are driving vessel owners to reflag to non-U.S.-flag out of economic necessity . . . With the recent vessel reductions, the mariner base is at a point where future reductions in U.S.- flag capacity puts our ability to fully activate, deploy and sustain forces at increased risk."

Similarly, at Congressional hearings held earlier this year, General Darren McDew, Commander, United States Transportation Command, and Joel Szabat, Executive Director, Maritime Administration, each warned that there is a current shortage of approximately 2,000 mariners. General McDew and Mr. Szabat have further noted that this reduced mariner pool puts our industry on the edge of being able to sustain immediate sealift requirements, and that it would not be able to meet sustained requirements beyond the first four to five months of a conflict. We agree with the conclusions reached by General McDew and Mr. Szabat

Unless this dangerous decline in American might is halted and reversed and we put American mariners back to work aboard United States-flag commercial vessels, we as a nation will soon be forced to hand over the security of the United States, along with the safety and supply of our troops deployed overseas, to foreign flag vessels and crews. This is totally unacceptable to us, and we believe it should be totally unacceptable to every American who wants to put the security of America first!

We believe it is essential that the report prepared for Congress by the Maritime Workforce Working Group focus on ways to stop the further loss of U.S.-flag vessels and the outsourcing of American maritime jobs to foreign workers. Equally important, we urge that the report contain realistic

initiatives that would increase the number of vessels operating under the U.S.-flag and increase the number of American mariners available and qualified to crew the vessels needed by the Department of Defense.

The time is now for our government to act and we urge the Maritime Workforce Working Group to include the following in its report:

- **Maritime Security Program:** The Maritime Security Program and its fleet of 60 privately-owned militarily-useful United States-flag commercial vessels and their U.S. citizen crews form the basis of America's commercial sealift capability and must be maintained. As noted previously, these vessels and crews, and the worldwide intermodal and logistics networks owned and controlled by the shipping companies participating in the Maritime Security Program, are readily available to the Department of Defense whenever needed to meet the military, economic and homeland security requirements of the United States. Consequently, it is essential that Congress and the Administration make clear that they do and will consistently support the annual funding levels for this program as authorized by Congress. To do otherwise is to inject a measure of instability into the Maritime Security Program, making it extremely difficult for the vessel operators to continue to upgrade and modernize their fleets of militarily useful vessels and to continue to operate under the U.S.-flag. **Congress and the Administration should actively work to ensure that the Maritime Security Program is fully funded at the levels authorized in Public Law 114-113 (the Consolidated Appropriations Act, 2016).**
- **Presidential Directive - Cargo Preference Shipping Requirements:** Federal shipper agencies and departments are required by law to comply with existing U.S.-flag shipping requirements which reserve the carriage of a percentage of U.S. government generated cargoes for U.S.-flag commercial vessels provided such vessels are available - - and are available at fair and reasonable rates. All too often, however, Federal shipper agencies and departments, intentionally or otherwise, fail to comply with the applicable U.S.-flag shipping requirement, denying American vessels their lawful share of these American tax-payer generated cargoes and American maritime workers important job opportunities aboard these vessels. To begin to rectify this ongoing problem, and to help ensure that U.S.-flag vessels have the cargo carrying opportunities they are entitled to by law, **the Administration should issue a Directive to all Executive Branch Departments and Agencies directing them to fully comply with existing U.S.-flag cargo preference shipping requirements.**
- **Enforcement - Cargo Preference Shipping Requirements:** Any question as to the applicability of the U.S.-flag shipping requirements moving under a Federal program or financed in any way with Federal funds should be decided by the Maritime Administration. The cargo preference laws are broadly written and should be broadly applied to federally-financed programs. **Congress must encourage the Maritime Administration to immediately and more fully exercise its Congressionally- mandated authority to determine which Federal programs are in fact subject to the**

U.S-flag cargo preference shipping requirements and to closely monitor such programs to ensure full compliance as required by law

- **Bilateral Shipping Agreements:** The negotiation of bilateral cargo sharing agreements in conjunction with the negotiation of broader trade agreements or on its own is an important instrument for our government to use to address and respond to foreign maritime support programs – a myriad of economic, tax and subsidy programs made available to foreign flag vessels – which impede the ability of U.S.-flag vessels to compete. These foreign maritime support programs, coupled with the proliferation of state owned and controlled fleets, have led to the decline in the U.S.-flag fleet and the dangerously low percentage – a mere two percent – of global U.S. trade carried on U.S.- flag ships. Needless to say it is unrealistic at best to believe we can increase the number of vessels operating under the U.S.-flag and the number of jobs available for U.S. mariners unless there is cargo for these vessels to carry. As an essential first step, **Congress should give the Administration whatever additional authority it needs to negotiate meaningful bilateral cargo sharing agreements with America's trading partners to provide U.S.-flag vessels with a greater share of America's foreign trade.**
- **Jones Act:** The cornerstone of America's domestic maritime policy is the Jones Act. This body of law requires that vessels engaged in commerce between ports and places within the United States are owned and crewed by American citizens and built in American shipyards. According to a recent study by PricewaterhouseCoopers, the Jones Act generates 500,000 high-quality American jobs, produces an economic output in the U.S. of more than \$100 billion annually, and provides critical homeland security, economic, environmental, and safety benefits to our nation. Most importantly, the oceangoing vessels engaged in domestic commerce provide important employment opportunities for licensed and unlicensed American mariners qualified to serve on vessels needed by the Department of Defense. The full enforcement of the Jones Act is essential to ensure that vessels carrying cargo along our coasts, in our non-contiguous trades, on our rivers and on the Great Lakes are not controlled by foreign shipping interests and foreign citizen crews. **Congress and the Administration should affirm their continued support for this critically important national maritime policy.**
- **Ready Reserve Force:** The Ready Reserve Force (RRF) was set up in 1976 as an element of the Department of Defense strategic sealift to support the rapid worldwide deployment of U.S. military forces. The vessels in the RRF are primarily used to transport Army and Marine Corps unit equipment and combat support equipment during the critical surge period at the outset of hostilities, and to participate in the initial resupply to the extent necessary. The 46 vessels in the RRF provide nearly one-half of the government-owned surge sealift capability. Presently, ships in the RRF deemed to have priority readiness have Reduced Operating Status (ROS) maintenance crews of about 10 commercial merchant mariners. This is in contrast to the standard that the Military Sealift Command deems necessary for ROS vessels which generally consists of a crew complement of 13 – 15 mariners. **The Congress and Administration should take the steps necessary to enhance the operational approach for the RRF by increasing the frequency of readiness activations and by evolving to a system which includes full**

crews on all Ready Reserve Force vessels as well as a true 2:1 manpower ratio for each billet. This will not only help to eliminate the current shortfall in the overall number of mariners but does so in a way that helps guarantee that the Department of Defense will have access to a sufficient number of American mariners who possess the requisite experience, training, licensing, endorsements and government required security clearances.

- **Energy Resources on U.S.-Flag Ships:** To the extent our country moves forward with plans to export oil, liquefied natural gas and other strategic energy resources, steps should be taken to ensure that at least a portion of these commodities are transported on U.S.-flag vessels. The export of these commodities presents an opportunity for the U.S.- flag fleet to expand into export trades that are not served today by U.S.-flag vessels and U.S. citizen crews. **Congress and the Administration must undertake an immediate and thorough review to determine what must be done to encourage American jobs aboard vessels transporting oil, liquefied natural gas, and other strategic commodities and energy resources to and from the United States, and to ensure the operation of such vessels are under the United States-flag.**
- **Infrastructure Development and Maritime:** Congress and the Administration must vigorously promote the use of domestic waterborne transportation and, more specifically, the development of a national Marine Highway System, as critical components of a National Transportation Policy. As the Administration proceeds with its plans to rebuild the nation 's infrastructure, it is especially important to recognize that U.S. coastal waterways are an economic resource readily available to reduce the burden of transporting cargo via roadways and rail. Among other things, **Congress must end the double taxation of domestic waterborne cargo under the Harbor Maintenance Tax (HMT) so it no longer discourages U.S.-flag vessel operations.** This discriminatory multiple taxation of waterborne cargo creates a significant economic *disincentive* for shippers to use U.S. vessels to move their cargo from one U.S. destination to another.

In conclusion, we again urge the Maritime Workforce Working Group to proceed expeditiously with its report to Congress so that Congress, the Administration and the maritime industry can begin to take the steps necessary to reverse the serious decline in the mariner workforce and to ensure our country has the skilled and available manpower needed to meet the needs of the Department of Defense. Concerted action is necessary and we assure you that maritime labor stands ready to do whatever we can to achieve these objectives.

Sincerely,

Marshall Ainley, President
Marine Engineers' Beneficial Association

Paul Doell, President
American Maritime Officers

Gunnar Lundeberg, President
Sailors' Union of the Pacific

Donald Marcus, President
International Organization of
Masters, Mates & Pilots

Anthony Poplawski, President
Marine Firemen's Union

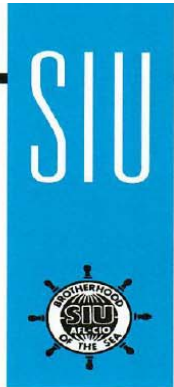
Michael Sacco, President
Seafarers International Union

For additional information, please contact:

James Patti, President
Maritime Institute for Research and Industrial Development
jpatti@miraid.org
202-463-6505

James Caponiti, President
American Maritime Congress
jcaponiti@americanmaritime.org
202-347-8090

APPENDIX O – COMMENTS FROM SEAFARERS INTERNATIONAL UNION



AFFILIATED WITH THE SEAFARERS INTERNATIONAL UNION OF NORTH AMERICA • AFL-CIO

SEAFARERS INTERNATIONAL UNION
ATLANTIC • GULF • LAKES AND INLAND WATERS
5201 AUTH WAY • CAMP SPRINGS, MARYLAND 20746 • (301) 899-0675



MICHAEL SACCO
PRESIDENT
AUGUSTIN TELLEZ
EXECUTIVE VICE PRESIDENT
DAVID HEINDEL
SECRETARY-TREASURER
GEORGE TRICKER
VICE PRESIDENT
JOSEPH T. SORESI
VICE PRESIDENT
DEAN CORGEY
VICE PRESIDENT
NICHOLAS J. MARRONE
VICE PRESIDENT
TOM ORZECZOWSKI
VICE PRESIDENT
KERMETT MANGRAM
VICE PRESIDENT
KATHLEEN HUNT
UIW NATIONAL DIRECTOR

July 28, 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
West Building, Room W12-140
Washington, D.C., 20590

RE: Docket No. MARAD 2017-0117

Dear Sirs:

The Seafarers International Union of North America ("SIU") is submitting the following attached letter in response to the above noted Federal Register docket, in response to the Maritime Workforce Working Group's ("MWWG") request for public input on the status of the United States merchant mariner workforce.

SIU associates itself with the comments made jointly by the SIU, Marine Engineers' Beneficial Association, American Maritime Officers, Sailors' Union of the Pacific, International Organization of Masters, Mates & Pilots, and the Marine Fireman's Union. Collectively, these organizations represent the bulk of actively sailing merchant mariners in the United States today. Those comments are attached to this letter.

The SIU is committed to working with the Department of Transportation and the MWWG to ensure that the United States maintains a sufficient number of merchant mariners actively sailing to meet the needs of our commercial industry and our national sealift defense requirements.

Please do not hesitate to contact me if you have any questions regarding this submission.

Sincerely,

Brian W. Schoeneman, Esq.

Political and Legislative Director



July 28, 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue SE
West Building, Room W12-140
Washington, DC 20590

RE: Docket No. MARAD 2017-0117

Dear Sirs:

On behalf of the undersigned American maritime labor organizations, we are submitting these comments in response to the Maritime Workforce Working Group request for public input on the status of the U.S. merchant mariner workforce. Collectively, our unions represent the overwhelming majority of licensed and unlicensed American merchant mariners working aboard U.S.-flag commercial vessels engaged in all aspects of our nation's foreign and domestic shipping trades, including all 60 U.S.-flag vessels participating in the Maritime Security Program (MSP). We also represent all the civilian merchant mariners who man the U.S. Government's fleet of surge vessels, including the Maritime Administration's Ready Reserve Force (RRF) and the Military Sealift Command's Reduced Operating Status (ROS) vessels.

Our organizations are keenly aware of the shortfall in the number of U.S. citizen mariners currently available to crew the government and private vessels the Department of Defense estimates it will need under various wartime scenarios. As such, we have a direct interest in the report being prepared by the Maritime Workforce Working Group on this issue. We greatly appreciate the opportunity to present our suggestions on how to not only halt this decline in the number of available qualified American mariners but how to increase the number of vessels operating under the U.S.-flag and therefore the number of American mariners working and available.

The history of our country demonstrates that the United States needs a strong, active, militarily useful U.S.-flag merchant marine and its American citizen mariners to protect and enhance our nation's economic security and national defense. Privately-owned United States-flag vessels and their crews have always responded quickly and effectively to our nation's call, providing the commercial sealift sustainment capability and civilian maritime manpower needed by the Department of Defense to support America's military objectives around the world.

A STRONG UNITED STATES MERCHANT MARINE IS VITAL TO OUR NATIONAL DEFENSE AND ECONOMY.

It is important to note that beginning in 2002 with the inception of military operations in Iraq and Afghanistan, at least 98 percent of all related cargoes have been transported to the region on either U.S.-flag commercial vessels or U.S. government owned and/or controlled vessels - - ***all of which have been crewed by United States citizen civilian merchant mariners.***

Most significantly, since 2009, privately-owned U.S.-flag commercial vessels and their civilian U.S. citizen crews have transported more than 90 percent of the sustainment cargo needed to support U.S. military operations and rebuilding programs in Iraq and Afghanistan. Vessels enrolled in MSP - ***all of which are crewed by United States citizen civilian merchant mariners*** - carried 99 percent of these cargoes.

However, and despite more than two hundred years of essential and patriotic service -in war and peace - the viability of our industry and its continued ability to provide this invaluable service to our country is in jeopardy. In 1960, there were 2,936 ships over 1,000 gross tons flying the American flag. Today, there are only 169 – including only approximately 80 U.S. flag ships operating in the U.S. foreign trades that carry less than two percent of all U.S. exports and imports. Compounding the serious loss in sealift capability is the concurrent reduction in the number of American licensed and unlicensed merchant mariners ready and able to crew the government and privately-owned vessels needed by the Department of Defense in time of war or international emergency.

In March 2015, General Paul Selva, Commander, United States Transportation Command, testified before the Senate Committee on Armed Services. He told the Committee: "The reduction in government impelled cargoes due to the drawdown in Afghanistan and reductions in food aid . . . are driving vessel owners to reflag to non-U.S.-flag out of economic necessity . . . With the recent vessel reductions, the mariner base is at a point where future reductions in U.S.- flag capacity puts our ability to fully activate, deploy and sustain forces at increased risk."

Similarly, at Congressional hearings held earlier this year, General Darren McDew, Commander, United States Transportation Command, and Joel Szabat, Executive Director, Maritime Administration, each warned that there is a current shortage of approximately 2,000 mariners. General McDew and Mr. Szabat have further noted that this reduced mariner pool puts our industry on the edge of being able to sustain immediate sealift requirements, and that it would not be able to meet sustained requirements beyond the first four to five months of a conflict. We agree with the conclusions reached by General McDew and Mr. Szabat

Unless this dangerous decline in American might is halted and reversed and we put American mariners back to work aboard United States-flag commercial vessels, we as a nation will soon be forced to hand over the security of the United States, along with the safety and supply of our troops deployed overseas, to foreign flag vessels and crews. This is totally unacceptable to us, and we believe it should be totally unacceptable to every American who wants to put the security of America first!

We believe it is essential that the report prepared for Congress by the Maritime Workforce Working Group focus on ways to stop the further loss of U.S.-flag vessels and the outsourcing of American maritime jobs to foreign workers. Equally important, we urge that the report contain

realistic initiatives that would increase the number of vessels operating under the U.S.-flag and increase the number of American mariners available and qualified to crew the vessels needed by the Department of Defense.

The time is now for our government to act and we urge the Maritime Workforce Working Group to include the following in its report:

- **Maritime Security Program:** The Maritime Security Program and its fleet of 60 privately-owned militarily-useful United States-flag commercial vessels and their U.S. citizen crews form the basis of America's commercial sealift capability and must be maintained. As noted previously, these vessels and crews, and the worldwide intermodal and logistics networks owned and controlled by the shipping companies participating in the Maritime Security Program, are readily available to the Department of Defense whenever needed to meet the military, economic and homeland security requirements of the United States. Consequently, it is essential that Congress and the Administration make clear that they do and will consistently support the annual funding levels for this program as authorized by Congress. To do otherwise is to inject a measure of instability into the Maritime Security Program, making it extremely difficult for the vessel operators to continue to upgrade and modernize their fleets of militarily useful vessels and to continue to operate under the U.S.-flag. **Congress and the Administration should actively work to ensure that the Maritime Security Program is fully funded at the levels authorized in Public Law 114-113 (the Consolidated Appropriations Act, 2016).**
- **Presidential Directive - Cargo Preference Shipping Requirements:** Federal shipper agencies and departments are required by law to comply with existing U.S.-flag shipping requirements which reserve the carriage of a percentage of U.S. government generated cargoes for U.S.-flag commercial vessels provided such vessels are available - - and are available at fair and reasonable rates. All too often, however, Federal shipper agencies and departments, intentionally or otherwise, fail to comply with the applicable U.S.-flag shipping requirement, denying American vessels their lawful share of these American tax-payer generated cargoes and American maritime workers important job opportunities aboard these vessels. To begin to rectify this ongoing problem, and to help ensure that U.S.-flag vessels have the cargo carrying opportunities they are entitled to by law, **the Administration should issue a Directive to all Executive Branch Departments and Agencies directing them to fully comply with existing U.S.-flag cargo preference shipping requirements.**
- **Enforcement - Cargo Preference Shipping Requirements:** Any question as to the applicability of the U.S.-flag shipping requirements moving under a Federal program or financed in any way with Federal funds should be decided by the Maritime Administration. The cargo preference laws are broadly written and should be broadly applied to federally-financed programs. **Congress must encourage the Maritime Administration to immediately and more fully exercise its Congressionally- mandated authority to determine which Federal programs are in fact subject to the**

U.S.-flag cargo preference shipping requirements and to closely monitor such programs to ensure full compliance as required by law

- **Bilateral Shipping Agreements:** The negotiation of bilateral cargo sharing agreements in conjunction with the negotiation of broader trade agreements or on its own is an important instrument for our government to use to address and respond to foreign maritime support programs – a myriad of economic, tax and subsidy programs made available to foreign flag vessels – which impede the ability of U.S.-flag vessels to compete. These foreign maritime support programs, coupled with the proliferation of state owned and controlled fleets, have led to the decline in the U.S.-flag fleet and the dangerously low percentage – a mere two percent – of global U.S. trade carried on U.S.- flag ships. Needless to say it is unrealistic at best to believe we can increase the number of vessels operating under the U.S.-flag and the number of jobs available for U.S. mariners unless there is cargo for these vessels to carry. As an essential first step, **Congress should give the Administration whatever additional authority it needs to negotiate meaningful bilateral cargo sharing agreements with America's trading partners to provide U.S.-flag vessels with a greater share of America's foreign trade.**
- **Jones Act:** The cornerstone of America's domestic maritime policy is the Jones Act. This body of law requires that vessels engaged in commerce between ports and places within the United States are owned and crewed by American citizens and built in American shipyards. According to a recent study by PricewaterhouseCoopers, the Jones Act generates 500,000 high-quality American jobs, produces an economic output in the U.S. of more than \$100 billion annually, and provides critical homeland security, economic, environmental, and safety benefits to our nation. Most importantly, the oceangoing vessels engaged in domestic commerce provide important employment opportunities for licensed and unlicensed American mariners qualified to serve on vessels needed by the Department of Defense. The full enforcement of the Jones Act is essential to ensure that vessels carrying cargo along our coasts, in our non-contiguous trades, on our rivers and on the Great Lakes are not controlled by foreign shipping interests and foreign citizen crews. **Congress and the Administration should affirm their continued support for this critically important national maritime policy.**
- **Ready Reserve Force:** The Ready Reserve Force (RRF) was set up in 1976 as an element of the Department of Defense strategic sealift to support the rapid worldwide deployment of U.S. military forces. The vessels in the RRF are primarily used to transport Army and Marine Corps unit equipment and combat support equipment during the critical surge period at the outset of hostilities, and to participate in the initial resupply to the extent necessary. The 46 vessels in the RRF provide nearly one-half of the government-owned surge sealift capability. Presently, ships in the RRF deemed to have priority readiness have Reduced Operating Status (ROS) maintenance crews of about 10 commercial merchant mariners. This is in contrast to the standard that the Military Sealift Command deems necessary for ROS vessels which generally consists of a crew complement of 13 – 15 mariners. **The Congress and Administration should take the steps necessary to enhance the operational approach for the RRF by increasing the frequency of readiness**

activations and by evolving to a system which includes full crews on all Ready Reserve Force vessels as well as a true 2:1 manpower ratio for each billet. This will not only help to eliminate the current shortfall in the overall number of mariners but does so in a way that helps guarantee that the Department of Defense will have access to a sufficient number of American mariners who possess the requisite experience, training, licensing, endorsements and government required security clearances.

- **Energy Resources on U.S-Flag Ships:** To the extent our country moves forward with plans to export oil, liquefied natural gas and other strategic energy resources, steps should be taken to ensure that at least a portion of these commodities are transported on U.S.-flag vessels. The export of these commodities presents an opportunity for the U.S.- flag fleet to expand into export trades that are not served today by U.S.-flag vessels and U.S. citizen crews. **Congress and the Administration must undertake an immediate and thorough review to determine what must be done to encourage American jobs aboard vessels transporting oil, liquefied natural gas, and other strategic commodities and energy resources to and from the United States, and to ensure the operation of such vessels are under the United States-flag.**
- **Infrastructure Development and Maritime:** Congress and the Administration must vigorously promote the use of domestic waterborne transportation and, more specifically, the development of a national Marine Highway System, as critical components of a National Transportation Policy. As the Administration proceeds with its plans to rebuild the nation's infrastructure, it is especially important to recognize that U.S. coastal waterways are an economic resource readily available to reduce the burden of transporting cargo via roadways and rail. Among other things, **Congress must end the double taxation of domestic waterborne cargo under the Harbor Maintenance Tax (HMT) so it no longer discourages U.S.-flag vessel operations.** This discriminatory multiple taxation of waterborne cargo creates a significant economic *disincentive* for shippers to use U.S. vessels to move their cargo from one U.S. destination to another.

In conclusion, we again urge the Maritime Workforce Working Group to proceed expeditiously with its report to Congress so that Congress, the Administration and the maritime industry can begin to take the steps necessary to reverse the serious decline in the mariner workforce and to ensure our country has the skilled and available manpower needed to meet the needs of the Department of Defense. Concerted action is necessary and we assure you that maritime labor stands ready to do whatever we can to achieve these objectives.

Sincerely,

Marshall Ainley, President
Marine Engineers' Beneficial Association

Paul Doell, President
American Maritime Officers

Gunnar Lundeberg, President
Sailors' Union of the Pacific

Donald Marcus, President
International Organization of
Masters, Mates & Pilots

Anthony Poplawski, President
Marine Firemen's Union

Michael Sacco, President
Seafarers International Union

For additional information, please contact:

James Patti, President
Maritime Institute for Research and Industrial Development
jpatti@miraid.org
202-463-6505

James Caponiti, President
American Maritime Congress
jcaponiti@americanmaritime.org
202-347-8090

APPENDIX P – COMMENTS FROM AMERICAN ROLL-ON ROLL-OFF CARRIER GROUP

American Roll-on Roll-off Carrier Group provides the following comments in response to MARAD's request for public input to the Maritime Workforce Working Group.

Issue 1: Identifying the number of United States mariners:

American Roll-on Roll-off Carrier (ARC) Group, including our ship owning entity Fidelio Limited Partnership owns and operates eight U.S. flag Ro-Ro ships that are enrolled in the U.S. Maritime Security Program (MSP). These vessels are also enrolled in the Voluntary Intermodal Sealift Agreement (VISA), and employ approximately 340 mariners fleet wide, through Tote Services, Inc. our ship manager.

The entire ARC fleet is actively engaged in international commerce, and ARC rotates two complete crews through each vessel. Those crew members not engaged on board are available to crew U.S. Government-owned vessel in times of need.

Issue 2. Assessing the impact on the United States merchant marine and the United States merchant marine Academy if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States Merchant Marine:

The “overall needs of the United States merchant marine” are inextricably linked to the national defense sealift requirements of the United States as established by USTRANSCOM//DOD. Those sealift requirements are met primarily by the U.S. flag fleet operating in international trade, which in large part consists of the 60 vessel MSP fleet.

U.S. seagoing jobs are dependent on vessels available to employ them, and the number of U.S. ships in international trade is driven by the availability of U.S. flag impelled cargo. More cargo will lead to more ships, which in turn will result in more mariners. This in turn will largely determine whether State Academy of United States Merchant Marine Academy graduates should be assigned to or required to fulfill certain positions.

In addition to the above, MARAD, the U.S. Coast and DOD should expedite the “military to mariner” program which could enable equivalently trained ex members of the U.S. military to be licensed and available in times of need.

Issue 3. Assessing the Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners:

ARC believes this is a matter for the U.S. Coast Guard and MARAD.

Issue 4. Making recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, The Coast Guard, the Navy and the Bureau of Transportation Statistics for use by the Maritime Administration for evaluating the pool of United States citizen mariners:

ARC believes this is a matter for interagency discussion between and amongst the parties identified in the Federal Register notice.

APPENDIX Q – COMMENTS FROM CROWLEY MARITIME CORPORATION



31 July 2017

Docket Management Facility
Department of Transportation
1200 New Jersey Avenue SE
West Building Ground Floor, Room W12-140
Washington, DC 20590-0001

Re: **Maritime Workforce Development (Docket No. MARAD-2017-0117)**

Dear Sir or Madam:

The National Defense Authorization Act 2017 required the Maritime Administration ("MARAD") to establish the Maritime Workforce Working Group under the Committee on Maritime Transportation System National Advisory Committee. The Working Group's *objective is to determine the number of qualified mariners available to work operating the nation's sealift assets during a national emergency.*

The decline in the number of U.S.-Flag deep-sea and coastwise commercial vessels over the past several decades has left the Nation with a shortage of U.S. merchant marine officers and crewmembers to staff strategic sealift vessels vital to the DoD in times of war or national emergency. While surge sealift capacity is available to the U.S. Military through two programs, Military Sealift Command's 17 surge sealift ships and MARAD's 46 Ready Reserve Force ships, the pool of active American mariners to man them for an extended period comes from the U.S.-Flag commercial fleet; i.e. licensed and credentialed mariners sailing both domestic coastal routes reserved for Jones Act vessels, and on U.S. Flag vessels trading worldwide. We would also encourage government policy makers to consider the broader need for American mariners. Meeting the requirements of the sealift vessels currently in the plan is a logical starting point. It may not be adequate, however, to meet sealift needs in more challenging scenarios (e.g., involving a contested maritime environment) that would redefine the requirement to a much higher level. The Working Group should take note of the potential consequences of planning for the minimum while allowing the continued attrition of the remainder of the American mariner workforce.

Without a sufficient cadre of credentialed officers and crewmembers to keep all 63 surge sealift ships operating simultaneously to react to a sustained war or national emergency, one of America's strategic national defense needs, moving vital equipment and supplies around the world, is in jeopardy. Just as the primary driver of the decline in mariners available to operate surge sealift vessels is the decline in the number of jobs aboard U.S.-Flag commercial ships, the primary solution to growing a healthy pool of U.S. mariners is sound Government policies that encourage a healthy growth in the number of ships, and therefore jobs, in the commercial U.S. merchant marine.

On behalf of Crowley Maritime Corporation ("Crowley"), we thank you for the opportunity to submit comments on the Maritime Workforce in response to the above-referenced docket. Crowley is a contract operating company for both MARAD and MSC of a combined twenty percent (20%) of the Government's 63 ship surge sealift tonnage. With approximately 3,000 U.S. Mariners aboard Crowley's fleet of more than 270 owned and managed

vessels, Crowley believes it employs more American merchant mariners than any other company.

For individuals who are looking for employment opportunities at sea, but are new to the maritime industry or are transitioning out of one of our military's sea services, Crowley spends several million dollars annually investing in the training of our mariners, maintenance, and on upgrade of our vessels, and believes strongly in the principles of safety management systems. Throughout its 125 years, Crowley has emphasized training and professional development of mariners as well as supporting quality of life and family wage jobs.

To assist in the process, Crowley offers the following input, specifically on the four (4) issues that MARAD seeks and, additionally on possible solutions to the matters currently affecting American Maritime Workforce Development:

1. Identifying the number of United States citizen mariners. MARAD should work with the U.S. Maritime Industrial Base, the Maritime Unions, commercial vessel operators, the Navy and the Coast Guard to develop a systematic program for tracking mariner, licensing, training and qualifications. Crowley has a comprehensive computerized system for maintaining historical records for all mariners we employ. This system tracks embarkations, sea service, licensing, training and qualifications for permanent, rotary, and relief crew at all levels of employment. We would welcome the opportunity to coordinate with government and industry experts as appropriate to developing the necessary government systems.

2. The impact on the United States merchant marine and United States Merchant Marine Academy (USMMA) if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine. Crowley supports the USMMA and the State maritime academies in many ways, including by providing scholarships as well as training for large numbers of cadets each year. The company also employs hundreds of USMMA and state academy graduates on an on-going basis.

We are not certain what is being proposed in this question so are not able to offer more specific comments. Crowley believes the U.S. maritime academies are generally working as intended, supporting the industry with highly trained mariner alumni. Many are placed directly into appropriate positions onboard vessels, while others are able to develop and maintain their skills in other important areas. To the extent that maritime academy graduates are not assigned to maritime positions, that is simply the result of there being fewer U.S. flag commercial vessels. Increasing the number of U.S. flag vessels will increase the number of U.S. mariner jobs.

3. The Coast Guard Merchant Mariner Licensing and Documentation System and its accessibility and value to the Maritime Administration for the purposes of evaluating the pool of United States citizen mariners: The Coast Guard Merchant Mariner Licensing and Documentation system is inherently flawed as a system to track current available mariners. The current system does not adequately distinguish active mariners from inactive mariners nor discriminate on specific endorsements, training or security clearances needed to work aboard Surge Sealift vessels and, therefore, inaccurately inflates the number of mariners who appear to be ready, willing and able to work.

4. Making recommendations to enhance the availability and quality of interagency data, including data from the United States Transportation Command, the Coast Guard, the Navy, and the Bureau of Transportation Statistics, for use by the Maritime Administration for evaluating the pool of United States citizen mariners. As a private employer, Crowley does not have access to and cannot comment on the availability and quality of interagency data in addressing MARAD's concern.

As noted, the key to meeting the serious challenges resulting from a declining maritime workforce is to increase the number of U.S. flag commercial vessels operated in domestic and international trades. This will require policy and regulatory changes at the federal level. Many proposals have been offered with that object in mind. Some would have favorable incremental impacts –for example, increasing the number of billets on certain

MSC vessels; requiring certain energy exports to be shipped on U.S. flag vessels; building and deploying ice-classed vessels for DoD.

Other proposals would have more dramatic impacts and go much further in truly resolving the issue if adopted. For example, increasing the Maritime Security Program fleet to a minimum of 100 ships would add approximately 1,700 mariners to the available mariner workforce. Contracting out operation of certain MSC vessels could also dramatically increase the number of U.S. mariner assuming continued employment of the civilian MSC employee mariners in other capacities. "Managed trade" proposals, by which a portion of imports from our trading partners would be required to move on U.S. flag vessels, could dramatically increase the U.S. flag fleet, depending on the criteria used.

It is also important to reduce or eliminate impediments to the employment of American mariners. One important example in this regard is the urgent need for improvements in obtaining necessary security clearances for the merchant mariners operating the Government's fleet of naval auxiliary ships.

We appreciate the work being done by the Workforce Working Group, and welcome the opportunity to provide additional information or

input on these comments.

A handwritten signature in black ink, consisting of a large, stylized 'C' shape that loops back to the right and then underlines the text below.

Sincerely,
CROWLEY MARITIME CORPORATION

APPENDIX R – COMMENTS FROM GENERAL DYNAMICS

GENERAL DYNAMICS

American Overseas Marine

Christopher B. Nette
Vice President - Marine Operations

27 July 2017

Docket Management Facility
U.S. Department of Transportation 1200
New Jersey Avenue SE
West Building Ground Floor, Room W12-140
Washington, DC 20590-0001

Docket No. MARAD 2017-0117

The National Defense Authorization Act 2017 required the Maritime Administration to establish the Maritime Workforce Working Group under the Committee on Maritime Transportation System National Advisory Committee. The Working Group's objective is to determine the number of qualified mariners available to man the nation's sealift assets during a national emergency.

There are currently 63 Surge/RRF vessels under operational control of MARAD or MSC. These ships are maintained in various states of readiness, anywhere from five days to thirty days. They are manned with anywhere from fourteen to zero crew also depending upon the state of readiness. Upon activation these ships ramp up to crews of approximately thirty mariners. It is well known that due to the current size of the pool of qualified mariners, it is no longer possible to activate these ships simultaneously and sustain the operation over a long period of time.

There are a couple of solutions to increase the size of the pool of qualified mariners. The first is to increase the number of US Flag vessels in the Merchant Fleet. This can be accomplished in a number of ways. If the MSP program were to be expanded providing additional slots, it would entice ship owners to reflag vessels from foreign flag to US Flag. An additional solution is to require more exports to be carried on US Flag vessels, as an example Congressman Garamendi's bills H.R. 6454 and H.R. 6455 requiring up to 30% of US energy exports be carried aboard US flagged vessels. Finally, maintain or increase the funding level of the PL-480 program.

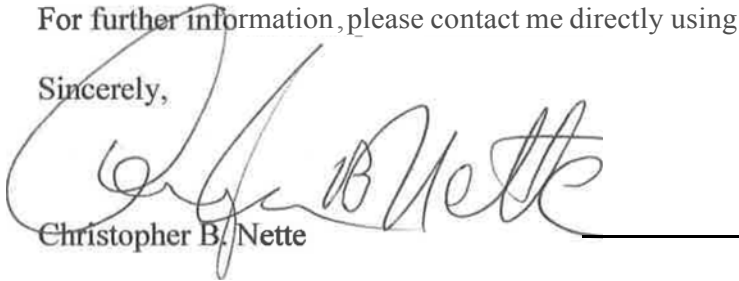
The second solution is to restructure the current ROS program. There are two potential restructuring options that would not only increase the size of the pool of mariners but also improve the readiness of the fleet. One option is to crew selected vessels that are in lesser states of readiness with small maintenance crews (less than the fourteen mariners of the vessels in higher states of readiness). This option not only increases the pool of mariners but also provides a set of key personnel that are already familiar with the vessel should it be called upon in the event of a state of nation emergency. The second option would be to remove the restriction on the vacation levels of current ROS crews from one and a half days accrued monthly to the same levels of a fully operating vessel. This change in the requirements would increase the number of mariners due to the necessity of employing two full ROS crews per vessel rotating every four months as opposed to one crew with floating

July 27, 2017
Page 2

reliefs. This option solves not only the size of the pool of mariners but also provides key personnel that are familiar with the ship and the personnel needed for sustaining a prolonged operation.

For further information, please contact me directly using the information below.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher B. Nette". The signature is written in a cursive style with a large initial "C".

Christopher B. Nette

APPENDIX S – COMMENTS FROM MAERSK LINE, LIMITED



Maersk Line, Limited
2510 Walmer Ave, Suite C
Norfolk, VA 23513

Phone: 757.852-3219
Fax: 757.852.3250

maersklinelimited.com

July 31, 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue SE
West Building Ground Floor, Room W12-140
Washington, DC 20590-0001

Docket No. MARAD 2017-0117

To Whom It May Concern:

As the largest employer of deep sea U.S. merchant mariners, Maersk Line, Limited ("MLL") shares many of the concerns stated in the submission from the Presidents of the American maritime labor organizations. In particular, MLL is concerned with the ongoing viability of the Maritime Security Program ("MSP"). U.S. flag carriers continue to experience rising operating costs and regulatory burdens coupled with decreasing volumes for U.S. flag-impelled cargo. These challenges were recognized and (partly) addressed by Congress in December 2015 by authorizing increased funding levels for this vital national security program; however, the increase in authorized funding is irrelevant if the appropriations for this program fall short of the authorization, or if MSP participants remain uncertain, from one year to the next, whether the U.S. Government will meet its funding obligations under this program.

The MSP program is intended to provide the U.S. Military with access to modern, militarily-useful and commercially-viable fleets and intermodal networks by requiring participants to maintain applicable vessels under U.S. Registry for ten (10) years and ensuring that these vessels remain available, anytime and anywhere, for U.S. Military use under the Voluntary Intermodal Sealift Agreement program. MLL simply asks that the U.S. Government match this commitment, and provide MSP carriers certainty and long-term stability through multiple-year appropriations necessary for planning the capital investments that will ensure the U.S. Military and the entire U.S. maritime community have access to the most modern, capable, efficient and safe oceangoing vessels and global intermodal networks. For our part, MLL has made a commitment to the MSP program consisting of over a billion dollars in vessels over a ten year period, yet MLL has no assurances from the U.S. Government past the FY2017 stipend payments that

expire on September 30, 2017.



Related to the higher U.S. flag operating costs addressed by MSP, and mentioned in the submission from the maritime labor organizations, is the lack of effective enforcement of the cargo preference laws and regulations. It has been well documented that the MSP program, even at \$5 million per vessel per year, does not completely cover the cost differential between the operation of a U.S. and foreign flagged commercial vessel (estimated at \$6.5m-\$7.5M/vessel/year). As a result, U.S. flag carriers in international commerce rely on preference cargo to address the balance of the operating cost differential. The failure of government agencies, as well as private contractors subject to applicable Federal Acquisition Regulations, to abide by these requirements has been a continuing source of concern for U.S. flag operators, and so MLL endorses the proposals offered by the maritime unions for more effective and rigorous enforcement of the cargo preference laws through the Maritime Administration, as previously mandated by Congress. This enforcement will also likely require Presidential attention, if not further legislative action, to be effective.

In closing, we would like to emphasize that the best way to ensure a sufficient pool of U.S. citizen mariners is available to support the U.S. flag fleet in a national emergency is to ensure that there are U.S. flag vessel owners operating in international commerce that are able to hire and train these mariners on the latest and most advanced equipment and vessels. The MSP and cargo preference laws are essential in this regard, and so MLL requests, through a Maritime Workforce Working Group (MWWG) endorsement, that the U.S. Government simply honor the commitments it has made through these initiatives, and ensure that both are effective and successful in fulfilling their respective goals.

Respectfully submitted,

//signed

Patrick H. McCaffery
General Counsel
Maersk Line, Limited



APPENDIX T – COMMENTS FROM TOTE SERVICES

31 July 2017

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue SE
West Building Ground Floor, Room W12-140 Washington, DC
20590-0001

Docket No. MARAD 2017-0117

Under the fiscal 2017 National Defense Authorization Act, the Maritime Administration (MARAD) is required to establish a maritime workforce study group within its Maritime Transportation System National Advisory Committee. The workforce study group's mission is to determine the number of qualified U.S. merchant mariners available to man the nation's strategic sealift assets during national security emergencies.

The unabated decline of the privately owned and operated U.S.-flag merchant fleet since Operations Desert Shield and Desert Storm in the Persian Gulf in 1990 and 1991 has resulted in an alarming shortage of U.S. merchant marine officers and crewmembers that are essential to strategic sealift. The shortage of merchant mariners places in jeopardy the ability to meet civilian manpower requirements to support a long term national security crisis that depends upon simultaneous and sustained sealift from 17 Military Sealift Command (MSC) surge sealift ships, 46 Ready Reserve Force (RRF) ships (managed by MARAD), and 63 Maritime Security Program (MSP) enrolled vessels.

MARAD has confirmed this consequence of a diminishing U.S. merchant fleet in international trade — the fleet that is the principal source of surge and reserve fleet officers and crews — in Congressional testimony several times since 2014, putting the number of qualified and available mariners most recently at 11,200. Current scenarios call for a minimum of 13,000 officers and crewmembers for initial defense shipping in a conventional war.

Gen. Darren McDew, commander of U.S. Transportation Command, has discussed this publicly many times as well, corroborating the direct, dire link between a waning U.S. merchant fleet in commercial markets and a dwindling mariner pool from which surge and reserve fleet mariners are drawn. Gen. McDew has said often that this increasing shortage of qualified U.S. merchant mariners is his single greatest source of concern.

TOTE Services Inc. is one of the largest employers of deep-sea mariners in the nation with Ready Reserve Fleet vessels, MSC vessels, commercial vessels enrolled in the Maritime Security Program, and Jones Act commercial vessels under management. In 2016, we employed over 1000 mariners. We routinely source mariners from our commercial fleets and contractor operated MSC fleet to support activations of the RRF fleet.



To strengthen the available cadre of merchant mariners, we recommend certain targeted policy changes that will provide the greatest impact.

- Increase the Maritime Security Fleet operating through the Maritime Security Program from 60 ships to at least 100 ships. This would add approximately 1,700 mariners to the available mariner workforce.
- Amend the Cargo Preference Act of 1954 to increase the statutory U.S.-flag share of government-generated imports and exports from 50 percent to 100 percent. This would increase the amount of cargo available to the private sector merchant fleet, boost the size of this fleet, and create new jobs for U.S. merchant mariner officers and crewmembers who would then be available to man surge and reserve sealift ships when and where necessary.
- Sustain funding of the PL-480 Title II food aid export program, which yields diplomatic dividends, meets legitimate humanitarian need abroad and keeps U.S. merchant mariners at work and available for sealift and other military support services.
- Increase the statutory U.S.-flag share of PL-480 food aid exports from 50 percent to 75 percent, the level in place from 1985 until 2011.
- Support and promote pending legislation to reserve reasonable shares of U.S. energy exports — crude oil, liquefied natural gas and coal — for U.S.-flag merchant ships.
- Military Sealift Command (MSC) should contract out vessel management services to the US private sector for at least twenty MSC vessels (AFSB, JHSV, MLPs & Prepositioned-TAKes). This would have the immediate impact of providing jobs for an additional 1,100 mariners; while also achieving operating efficiencies that save a significant sum of money for the Department of the Navy.

All of these proposals are ready for initial action immediately but will likely require phased implementation. TOTE Services is ready to work with the government and our labor partners to coordinate the expansion and training that these initiatives will need to reverse the past decades' precipitous civilian mariner decline and to rebuild the American mariner base back to its national security requirement.

The current path towards slow and steady erosion of maritime manpower creates a weak link in our national security capabilities. Rebalancing the above programs provides for the nation's economic security in peacetime and ensures our US Merchant Marine is able to answer the call in time of war.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip H. Greene, Jr.", written in a cursive style.

Philip H. Greene, Jr.
Rear Admiral, USN (Ret.)
President
TOTE Services, Inc.

APPENDIX U – COMMENTS FROM USMMA CLASS OF 1967

Maritime Administration

Docket No. MARAD 2017-0117 "Maritime Workforce Working Group Request for Public Input"

31 JULY 2017

Ladies/gentlemen -

The undersigned are the organizing committee for the Fiftieth Reunion of the graduating Class of 1967 from the U. S. Merchant Marine Academy. We believe your request for comments on this subject coincides with the memories that the development of our reunion has occasioned in us.

We understand that Section 3517 of the National Defense Authorization Act for Fiscal Year 2017 requires MARAD to convene a Maritime Workforce Working Group to examine and assess the size of the pool of United States citizen mariners necessary to support the United States flag fleet in times of national emergency. Further, we note issue two, 2. Assessing the impact on the United States merchant marine and United States Merchant Marine Academy if graduates from State Maritime Academies and the United States Merchant Marine Academy were assigned to, or required to fulfill, certain maritime positions based on the overall needs of the United States merchant marine.

We provide the following description of our class for your consideration as you develop your report for submission to Congress. The Class of 1967 from USMMA was required to graduate on February 10, 1967 to fill a need for officers for the many ships that were loaded and ready for transport of supplies to the Vietnam War zone. It was a feat of personal and group dedication to the needs of the nation that the Class embarked on an academic schedule that entailed over thirty hours of classroom work a week and many hours of study to prepare for the next day's events. We note this was accomplished while the class was also responsible for operating the regimental system which provided a necessary leadership experience.

Looking back on the experience of fifty years ago, two areas stand out as fundamental to the

experience. First, we had from the inception of our matriculation at the USMMA, a solemn obligation to accept (if tendered) a commission in the U. S. Navy Reserve. Virtually all of the class accepted their commission which proved important as a substantial percentage of the officers serving on sealift ships had to hold Naval officer credentials. Second, we had the obligation to serve in the merchant marine for a period of at least three years. While this latter area was described as a "moral" obligation, we are pleased that the vast majority of our classmates lived that experience. Many continued on to serve the maritime industry, many rose to be CEOs of shipping companies, marine engineering firms, major shipyards and others became renowned maritime lawyers. We note the current graduates of the USMMA have a legislated obligation and we submit this obligation is a very serious one and encourage MARAD and the Department of Transportation to continue efforts to ensure that USMMA graduates fulfill their obligation. Licensed officers who have such an obligation are the only ones who can be relied on to provide the necessary entry-level manpower.

Your consideration of these comments is very much appreciated.

Sincerely,

Walter G. Kaiser (walkaiser@optimum.net)

Robert P. Leber (leber_rp@msn.com)

Brian D. Starer (brian.starer@squirepb.com)

Joseph J. Cox (jjc@coxmaritime.com)

No documents available.

Attachments

View All (0)

APPENDIX V – UNITED STATES TRANSPORTATION COMMAND COMMENTS

5 July 2017

USTRANSCOM's ability to meet combat force projection mobility requirements is measured against the most demanding wartime scenario. This scenario calls for activation of the entire Ready Reserve Force of 46 vessels (35 RoRo, 2 Heavy lift, 6 craneships, 1 OPDS, and 2 Aviation maintenance) and Military Sealift Command's (MSC) Surge Fleet of 15 RoRo's to provide the surge capacity required to meet the supported commander's operational timeline. Activation of the entire government-owned fleet of reserve ships translates into an initial requirement of 1,935 mariners, which is 1,312 above the 623 mariners onboard while the vessels are in a reserve status. Additionally, it is anticipated that the surge timeframe for the most demanding scenario will require crew rotations that are expected to significantly impact the ability of labor unions to supply mariners to both the activated reserve fleet and U.S. commercial fleet simultaneously.

MEMBERSHIP

Members

Merchant Mariner Personnel Advisory Committee (MERPAC) – Andrew McGovern – Chairman

Merchant Mariner Personnel Advisory Committee (MERPAC) – STAR Center Director – Gerard Pannell – Member
Committee on Marine Transportation Systems (CMTS) – Patricia Munshler – Senior Policy Advisor, USACE

USNAVY

USNAVY CNRFC N14 - LCDR Kenneth Doyle USNR / LCDR Lindsay Conte USNR - Strategic Sealift Officer PM

USNAVY's Military Sealift Command – Christopher Thayer - Director, Contract Operated Ships PO2

USNAVY's Military Sealift Command – Andrew Kallgren – Deputy, CIVMAR Manpower & Personnel, N12X

USNAVY OPNAV N42 - LCDR Stefan Yesko

US Coast Guard

RADM Paul Thomas, USCG/ RDML John Nadeau, USCG – Assistant Commandant for Prevention Policy

Mayte Medina – Chief for the Office of Merchant Mariner Credential / Designated Federal Officer –

Luke Harden – Chief, Mariner Credentialing Program

Labor Representatives

American Maritime Officers – T. Christian Spain - National Assistant Vice President, Government Relations

International Organization of Masters, Mates & Pilots – Donald Marcus – President

International Organization of Masters, Mates & Pilots – Klaus Luhta – Vice President Gulf Coast & Government Affairs

Marine Engineers Beneficial Association – Marshal Ainley – President

Marine Engineers Beneficial Association – Nils Djusberg – Vice President

Marine Firemen's Union – Anthony Poplawski – President

Sailors' Union of the Pacific – Gunner Lundeberg – President

Seafarers International Union – Augustin Tellez – Executive Vice President

Seafarers International Union – Bart Rogers – Director of Manpower

US Merchant Marine Academy and State Academies

California Maritime Academy – RADM Thomas A. Cropper, USN (Ret.) – President

Great Lakes Maritime Academy – CDR Scott Fairbank, USN (Ret.) - Director of Maritime Admissions

Maine Maritime Academy – Dr. David Gardner – Provost and Vice President for Academic Affairs

Massachusetts Maritime Academy – CAPT John Dooley - Assistant Director of Seagoing Professional Services

SUNY Maritime Academy – Taleen Stroud - Director of Licensing and Cadet Shipping

Texas A&M Maritime Academy – Prof. Kate Fossati

U.S. Merchant Marine Academy – Capt. Sean Tortora

Owner Representatives of United States Flag Fleet, Coast wise Trade

CROWLEY - Brian Lee – Vice President Human Resources

FOSS MARITIME - Susan Haymen – Vice President, HSQE and External Affairs

NATIONAL SHIPPING OF AMERICA - Torey Presti – President

Owner Representatives of United States Flag Fleet, International Trade

HAPAG LLOYD – Jared Henry- Vice President, US Government Trade

LIBERTY GLOBAL – William Campbell – Vice President of Operations

Additional Member Stakeholder

US Department of Transportation, Bureau of Transportation Statistics – Michael Sprung

Subject Matter Experts

Department of Defense – Adam T. Yearwood – Deputy Assistant Secretary of Defense – Transportation Policy

US TRANSPORTATION COMMAND (USTRANSCOM) – RADM Lawrence Jackson, USN / RDML Peter Clarke, USN
– Director, Strategy, Capabilities, Policy, and Logistics

USTRANSCOM – Sealift Team – Tim Boemecke

USTRANSCOM – Sealift Team – Tim Grout

US ARMY – US ARMY TRANSPORTATION SCHOOL at Ft. Eustis – Lesa Barbour – Course Manager

Polar Tankers, Inc. / ConocoPhillips – Capt. Chris Bulera – President

Chevron – Capt. Oscar E. Prada – Senior Navigation Superintendent

US Department of Transportation – Maritime Administration

MWWG Co-Chair - Kevin Tokarski – Associate Administrator for Strategic Sealift

MWWG Co-Chair – Dr. Shashi Kumar – Deputy Associate Administrator for Maritime Education and Training

MWWG Co-DFO – (Designated Federal Officer) – Capt. Jeffrey Flumignan - Maritime Transportation System
National Advisory Committee

MARAD Staff Liaison – Paul Gilmour – Acting Director Office of Maritime Labour and Training

MARAD Staff – Doug McDonald – Director, MARAD Office of Policy and Plans

MARAD Staff – Eric Gabler – Economist MARAD Office of Policy and Plans

MARAD Staff – Tom Bryan – Economist MARAD Office of Policy and Plans

MARAD Staff – Aaron Meyers – Attorney Advisor, MARAD Office of Chief Council

MARAD Staff – Tania Adames – Transportation Analyst, MARAD office of Maritime Labour and Training