International Association of Machinists and Aerospace Workers



9000 Machinists Place Upper Marlboro, Maryland 20772-2687

Area Code 301 967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

October 5, 2017

Dear Representative,

On behalf of the International Association of Machinists and Aerospace Workers (IAM), I strongly urge you to oppose the shameless attacks against the Jones Act by those who cruelly use the human suffering in Puerto Rico to try and move a senseless ideological agenda. The Jones Act is essential to preserving America's shipbuilding industrial base, which supports over 100,000 good paying U.S. jobs, including those of IAM members.

The Jones Act has served an indispensable role promoting our nation's economic and national security since 1920. The law requires that marine vessels carrying passengers or merchandise between any two points in the United States must be U.S. flagged, U.S. crewed, U.S. built, and U.S. owned. These requirements ensure that the United States retains a solid core of skills and capabilities in both the shipbuilding and ship operating industries, vital for the success of our domestic commercial and military shipbuilding industries. This solid core fostered by the Jones Act guarantees that the U.S. will not fall victim to the whims and dictates of foreign governments, or foreign shipping companies when we need these services most, such as in times of pressing national security concerns or natural disasters.

Anti-Jones Act ideologues are currently using the dire situation in Puerto Rico and the Virgin Islands to attack the Jones Act with the goal of eliminating the law permanently. They falsely claim that the U.S. shipping industry does not have the capacity to expeditiously move the volume of cargo needed for the island recovery effort. This is incorrect. Jones Act vessels have the capacity to carry more than 4,000 containers per week to Puerto Rico. Currently in Puerto Rico goods are arriving on Jones Act vessels in large quantity, but bottlenecks are occurring at the docks because of a shortage of truck drivers. Available trucks are also stymied by blocked, hurricane ravaged roads across the island.

Critics of the law claim that even in normal times the Jones Act prevents cargo on foreign vessels from reaching Puerto Rico thereby drastically increasing the cost of shipping to the island. Again, this simply is not true. The Government Accountability Office (GAO) noted in a 2011 report that two-thirds of all ships serving Puerto Rico are foreign flag ships. All fuel delivered to the island is brought in on foreign ships, and the GAO stated that 55 different foreign shipping companies provided imported cargo directly to Puerto Rico in a single month during their study. In addition, the GAO study listed a number of potential harms that could

befall the island if the Jones Act were eliminated. The GAO found that domestic shipping companies are responsible for some of the largest capital investments on the island, employ hundreds of Puerto Rican American citizens, and ensure a reliable, efficient flow of goods to the territory. Without these benefits of the Jones Act the long-term recovery of the Puerto Rican economy would be severely jeopardized.

IAM members stand committed to the people of Puerto Rico and the Virgin Islands whose communities have been devastated by Hurricane Maria. The IAM has many members who live and work on these storm ravaged islands. Our members across the United States have contributed financially, materially, and by volunteering directly in the recovery effort; and we will continue to support these relief efforts for as long as necessary. There are many ways to help the people of Puerto Rico and the Virgin Islands, but eliminating the Jones Act is not one of them.

Please contact Legislative Director Hasan Solomon at (202) 420-5902 if you have any questions.

Sincerely,

Robert Martinez, Jr.

International President