## **News Release**



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## MCTF: FALSE JONES ACT CRITICISM DISTRACTS FROM BP CLEAN-UP

(Washington, DC) – The Maritime Cabotage Task Force (MCTF) today said that recent Jones Act criticism is false and is only distracting from the job of cleaning up the Deepwater Horizon oil spill.

Responding to these misleading and inaccurate claims, those leading and coordinating the response as well as independent news organizations have said that the Jones Act is not preventing or delaying foreign vessels' ability to assist with cleaning the oil spill in the Gulf of Mexico. The Jones Act mandates the use of American vessels and American workers in U.S. domestic maritime trade. However, it does not impede foreign oil skimmers, which are already being used in the clean-up effort.

Retired U.S. Coast Guard Admiral Thad Allen, the National Incident Commander leading the clean-up effort, said "at no time" has the Jones Act inhibited the clean up, and the National Incident Command on July 6 reported that "in no case has any offer of assistance been declined because of the Jones Act or similar laws." A U.S. Department of Transportation statement said "to be absolutely clear ... the Jones Act has not hindered the clean-up effort."i[i]

"With frustration over the oil spill mounting, some have mistakenly blamed the Jones Act for impeding the pace of the clean-up. This is a false argument," said Michael Roberts, Crowley Maritime Corporation's Senior Vice President and General Counsel and a Board member of the MCTF. "The people running the clean-up, as well as independent fact-checkers, have concluded what those familiar with the Jones Act already know: The Jones Act is not in the way."

"Many of those complaining that the Jones Act should be waived are ignoring the basic facts," said Eric Smith, Vice President and Chief Commercial Officer, Overseas Shipholding Group, Inc., and another MCTF Board member "Thousands of American vessels are already at work, and hundreds more can be activated soon as the unified command identifies its needs for additional, suitable equipment. An arbitrary and broad Jones Act waiver is totally unnecessary, and would only result in sidelining those directly impacted by the spill – American workers – from assisting in the clean-up. The spill devastated the Gulf economy once already. A blanket waiver of the Jones Act would do further harm to that economy." All vessels working on the clean-up must meet the operational requirements of the U.S. Coast Guard's Unified Command before being approved for use, so that only equipment and vessels that actually work with the type of oil and sea conditions associated with this spill are utilized.

On June 19, the National Incident Command set a goal of 752 for offshore and nearshore skimmers to respond to the spill. The total inventory of U.S. and foreign skimmers -- plus orders for additional skimmers to be delivered within the next few weeks -- currently stands at 1,072, more than 320 above the target. On June 29, the State Department accepted 22 offers of assistance from twelve foreign countries or entities to provide skimmers, booms and other equipment. Before that date, assistance from nine countries had already been accepted, including eight skimmers from Norway in early May.

Throughout the clean-up process, the National Incident Command has coordinated closely with the U.S. Maritime Administration, U.S. Customs & Border Protection, and the Departments of Defense, Energy and State to ensure that all waiver requests are processed expeditiously. Two preemptive Jones Act waivers have been granted that would allow a total of seven foreign-flagged vessels to move closer to shore should severe weather force an evacuation from the wellhead area.

Roberts added that the Jones Act does not apply to skimming operations outside of three miles from shore, including near the well 50 miles from coastline. That is where the vast majority of skimming has occurred. Additionally, the Jones Act is not delaying the use of foreign skimmers that the National Incident Command and BP need for near shore skimming.

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Maritime Cabotage Task Force was founded in 1995 to promote the U.S.-flag fleet engaged in domestic waterborne commerce. With more than 400 members, MCTF is the largest coalition ever assembled to represent the domestic segment of the U.S. Merchant Marine. Nationwide, there are more than 39,000 vessels engaged in Jones Act commerce and they annually move more than 1 billion tons of cargo and 100 million passengers. The Jones Act annually generates 500,000 jobs, \$100 billion in total economic output, adds \$46 billion to the value of U.S. economic output, provides \$29 billion in wages, and contributes \$11 billion in taxes. The Act has been broadly supported by every Congress and Administration since its passage in 1920 and is considered a key element in the nation's defense capabilities. For additional information on the U.S. Maritime Cabotage Task Force, please visit <a href="http://www.mctf.com">http://www.mctf.com</a>.

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i[i]: <u>http://www.c-span.org/Watch/Media/2010/06/30/HP/A/34928/Coast+Guard+Admiral+Thad+Allen+Briefing+on+Gulf+Oil+Spill.aspx</u>