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The Honorable Rep. Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, D.C. 20515

The Honorable Rep. Kevin McCarthy House Minority Leader U.S. House of Representatives Washington, D.C. 20515 The Honorable Sen. Mitch McConnell Senate Majority Leader U.S. Senate Washington, D.C. 20510

The Honorable Sen. Charles Schumer Senate Minority Leader U.S. Senate Washington, D.C. 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

You received a letter, dated yesterday, from the chief executive officer of the American Exploration & Production Council (AXPC) describing a series of challenges facing the domestic oil and gas industry. The AXPC letter notes the extreme damage being done to its members by the aggressive actions of foreign government-owned enterprises in the energy sector, which has compounded economic harm caused by the coronavirus pandemic. While the letter expresses support for American workers in other sectors impacted by these events, it then asks for consideration of temporary administrative waivers of the Jones Act that the association believed would "allow domestic producers to move domestic product with greater ease within the U.S."

The American domestic maritime industry is experiencing the very same economic losses and uncertainties that are noted in the AXPC letter. For AXPC to seek a Jones Act waiver in these circumstances – so that its members could replace American mariners and American ships (which are plentiful) with foreign mariners and foreign ships – is unconscionable. We are all in this together. We have no comment on the other measures AXPC recommends. But for AXPC to ask to replace American mariners with foreign mariners for work in our home waters smacks of rank opportunism at a time of great crisis.

Further, as you know, waiving the Jones Act essentially means outsourcing U.S. domestic maritime jobs to foreign shipping companies with foreign crews, including potentially crews from nations currently experiencing the most extreme consequences of the coronavirus pandemic. A waiver would allow foreign vessels

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Page 2

and foreign crews to enter purely domestic commerce, a bad idea in any circumstance but certainly more so during the current coronavirus crisis.

Finally, the domestic maritime industry wants you to know that none of the circumstances legally necessary for a Jones Act waiver exist today. Administrative Jones Act waivers are limited by law to cases where it is "necessary in the interest of national defense" and when U.S. vessels are not available. 46 U.S.C. § 501. Clearly a waiver to allow domestic oil and gas to move "with greater ease" is not necessary in the interest of national defense. In addition, there is a more-than-ample supply of domestic tankers and tank vessels available to transport domestic oil and gas now and in the foreseeable future. The American tanker and tank vessel industry is already experiencing the consequences of the challenges in the domestic gas industry, and a waiver would only exacerbate that without benefit to the U.S. economy.

We are available to provide you any information on this subject at any time. If you have any questions, please contact me at 202-997-3585 or Mark Ruge at 202-494-2256.

Sincerely,

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Michael Roberts, President American Maritime Partnership