



# THE JONES ACT

## SAFEGUARDING ECONOMIC, NATIONAL AND HOMELAND SECURITY

The Jones Act (formally the Merchant Marine Act of 1920) requires vessels carrying cargo between ports in the U.S. mainland, Alaska, Hawaii, and Puerto Rico to be **OWNED BY U.S. COMPANIES, CREWED BY U.S. CITIZENS, AND BUILT IN U.S. SHIPYARDS.**

For nearly a century, the Jones Act has supported economic, national, and homeland security by ensuring that interstate maritime commerce remains in the hands of Americans.

**THE JONES ACT IS THE FOUNDATION FOR A VIBRANT MARITIME ECONOMY.** The Jones Act fleet and the industries that support it are economic drivers for communities along America's coasts in the Atlantic, Pacific, and Gulf of Mexico; throughout the Great Lakes; and on the inland rivers and waterways. Through the Jones Act, the American maritime industry:

- Drive over \$154 billion in economic output annually
- Supports nearly 650,000 family-wage jobs
- Builds economic opportunity for working Americans—including veterans—through high-paying jobs and upward mobility
- Provides reliable, dedicated transportation links between the U.S. mainland and non-contiguous states and territories

**THE JONES ACT FLEET IS ESSENTIAL TO NATIONAL SECURITY.** America's ability to project and deploy forces globally depends on having the civilian sealift capacity to transport military and humanitarian cargos. Military leaders consistently express strong support for the Jones Act because it ensures a domestic maritime industrial base of vessels and mariners to reliably transport equipment and supplies from U.S. ports to distant parts of the world.

**JONES ACT MARINERS ARE A FORCE MULTIPLIER FOR PROTECTING THE HOMELAND.** With the United States encompassing 95,000 miles of shoreline and 25,000 miles of navigable inland waterways, the Jones Act makes America's domestic vessel fleet and the mariners who crew those vessels indispensable homeland security assets. Jones Act mariners serve as the U.S. Coast Guard's eyes and ears on the waterways and consistently come to the aid of their fellow Americans in times of emergency. In the immediate aftermath of Hurricane Maria in 2017, the Jones Act fleet led the way in getting relief supplies to Puerto Rico, and it continues to support the long-term rebuilding of the island. Similarly, following Hurricane Lane's landfall on Hawaii in 2018, the Jones Act fleet swiftly restored transportation links with the Port of Honolulu.

**The Jones Act is a time-tested, effective policy with strong bipartisan support. It is fundamental to the economic well-being of our nation, to port and waterway safety, and to national and homeland security.**





# THE TUGBOAT, TOWBOAT AND BARGE INDUSTRY

## A LEADER IN MARINE SAFETY AND ENVIRONMENTAL STEWARDSHIP

For more than 25 years, members of The American Waterways Operators have demonstrated their commitment to safety leadership through industry-led initiatives and partnership with government to protect safety of life and preserve our marine environment. AWO's top priority is to lead and support members in continuously improving safety, security and environmental protection.

### THE RESPONSIBLE CARRIER PROGRAM® AND SUBCHAPTER M

In 1994, AWO developed the Responsible Carrier Program® as a code of best practices for member companies. Companies use the program to develop safety programs that meet or exceed applicable laws and regulations and are tailored to reflect their unique operational needs. In 1998, AWO instituted a third-party external audit mechanism and in 2000, compliance with the RCP became a requirement for AWO membership.

Building on these industry-led initiatives, AWO worked closely with the Coast Guard for more than a decade to develop comprehensive towing vessel safety and inspection regulations, codified at 46 CFR Subchapter M. In November 2016, AWO's RCP was accepted by the Coast Guard as an existing safety management system that meets the requirements of Subchapter M, a recognition of AWO's safety leadership and an important milestone in facilitating industry compliance with the new regulations. The regulations, which took effect in 2018, ensure that more than 5,000 affected U.S.-flag towing vessels meet baseline standards to protect lives, the environment and property.

### THE COAST GUARD-AWO SAFETY PARTNERSHIP

The Coast Guard-AWO Safety Partnership is the oldest public-private partnership between the U.S. Coast Guard and its stakeholders. Since its establishment in 1995, the partnership has launched more than 40 national and regional cooperative initiatives to improve safety and environmental protection. The Partnership's many accomplishments include:

- Recommendations to reduce towing vessel crew fatalities
- Best practices to eliminate spills from tank barges and towing vessels
- Establishment of a first-of-its-kind industry training program for Coast Guard Academy cadets
- Cooperative work to reduce fatigue risks and drive down fatigue-related accidents, including encouraging adoption of fatigue risk management plans

### SAFETY LEADERSHIP 3.0

In October 2018, AWO's Board of Directors unanimously approved Safety Leadership 3.0, a vision to guide how AWO will lead and support members in continuously improving safety, security and environmental stewardship in the post-Subchapter M landscape. The vision includes: strengthening the integrity of the Responsible Carrier Program and promoting safety management systems to drive continuous improvement; using data to measure progress and identify opportunities for improvement; and providing member companies with tools and resources to improve their health, safety, security and environmental programs.

**AWO is proud to be a leader in safety, security and environmental stewardship and is committed to working with government and the private sector to build a safer marine transportation industry.**



**The Tugboat, Towboat and Barge Industry Association**  
[www.americanwaterways.com](http://www.americanwaterways.com)



# PRESERVE FEDERAL PRIMACY OVER MARITIME NAVIGATION

An efficient and unhindered maritime transportation system is essential to a healthy American economy. Each year, the tugboat, towboat and barge industry safely, securely and efficiently moves more than 760 million tons of cargo critical to the U.S. economy. This economic powerhouse relies on a national regulatory structure administered by the federal government.

## A NATIONAL TRANSPORTATION SYSTEM CANNOT OPERATE EFFECTIVELY IF STATES IMPOSE DIFFERENT REQUIREMENTS

Like other transportation modes, the tugboat, towboat and barge industry operates nationwide: a vessel may pass through the waters of a dozen states in the course of a single voyage. A coherent, consistent regulatory regime for vessels – administered and enforced by expert federal agencies – is vital to domestic maritime commerce and the U.S. economy. Federal primacy in the regulation of maritime transport allows federal agencies to take input from all stakeholders, including states, to establish rules based on operational experience that have been analyzed from a national perspective. The results—including Subchapter M, comprehensive new safety regulations for the towing industry, and the Vessel Incidental Discharge Act of 2018, which establishes a uniform regulatory system for ballast water and other vessel discharges—promote safety, protect the environment, and preserve the efficiency of barges and towing vessels engaged in interstate commerce.

## A PATCHWORK OF INCONSISTENT STATE LAWS CAN GRIND ECONOMICALLY CRITICAL MARITIME COMMERCE TO A HALT AND CAUSE CONFUSION, INEFFICIENCY, AND DIMINISHED MARINE SAFETY

Just as it would be unworkable for airlines to comply with unique safety rules imposed by every state in a given flight path, subjecting vessels to a patchwork of state regulations causes a host of problems. Overlapping, inconsistent, and conflicting state regulations are particularly challenging for mariners, who can face civil and potentially criminal penalties for violations. Some of these regulations also subject towing vessels to manning, tug escort and training requirements that conflict with existing federal laws. Today, vessels operating along the coasts and inland waterways must, in some cases, be rerouted or specially equipped to pass through certain state waters.

## FEDERAL PRIMACY OVER MARITIME NAVIGATION IS A CONSTITUTIONAL PRINCIPLE

The principle that laws governing navigation should be the exclusive province of the federal government has been embedded in American jurisprudence since the founding of the nation. The need for exclusive federal authority over interstate maritime commerce is a key component of the U.S. Constitution, which explicitly reserves such jurisdiction to the federal government, not the individual states. The Supremacy Clause of the U.S. Constitution, Supreme Court decisions, and statements of Congressional intent, collectively underscore the Framers' intent that domestic maritime navigation not be subject to balkanized state rules that impede this critical engine of commerce.

**AWO urges Congress to ensure the primacy of federal laws governing the operation of vessels in interstate commerce and hold Executive Branch agencies accountable for actively defending federal authority over vessel operations.**





# TUGBOATS, TOWBOATS AND BARGES: A UNIQUELY AMERICAN INDUSTRY

Comprising 5,500 tugboats and towboats and 31,000 barges, the tugboat, towboat and barge industry serves the nation as the safest, most environmentally friendly and most efficient mode of freight transportation.

## WATCH US WORK

- We operate on 95,000 miles of coastline and 25,000 miles of navigable inland waterways
- We transport over 760 million tons of cargo every year
- We directly provide 50,000 family-wage jobs to American mariners and shoreside personnel, and support more than 300,000 jobs nationwide
- We directly contribute \$9 billion to the U.S. GDP every year, and support nearly \$34 billion in economic output annually

## MEET OUR FLEET

### Inland rivers and waterways

- Towboats move barges carrying agricultural products, petroleum, and other raw materials
- A single inland dry cargo barge carries as much cargo as 16 rail cars or 70 tractor trailers

### Harbor assist

- Tugboats safely escort and assist larger ships like oil tankers and containerships through congested waterways into port

### Articulated tug-barge units (ATBs)

- Specially-designed tank barges interlock with a tugboat
- The size, design and ocean-going capability of ATBs allow them to safely transport petroleum products along our coasts

### Alaska, Hawaii, U.S. territories and the coasts

- Tugboats pull deck barges laden with cargo containers, vehicles, and other consumer goods
- In Alaska, tugboats designed for Arctic conditions provide a vital lifeline of fuel and other necessities for cities and remote coastal communities

## OUR PRIORITIES

- **Safety and Environmental Stewardship:** AWO members have demonstrated their commitment to safety leadership through voluntary initiatives and partnership with government regulators to protect mariner safety and safeguard the marine environment. In concert with the U.S. Coast Guard, AWO was instrumental in establishing Subchapter M, a comprehensive inspection regime for towing vessels that took effect on July 20, 2018.
- **Secure and Reliable Maritime Transportation:** The Jones Act underpins the tugboat, towboat and barge industry as the largest segment of the domestic fleet, ensuring a secure, reliable connection between U.S. states and territories and supporting economic, homeland and national security.
- **Infrastructure Development:** Modern lock and dam infrastructure is essential to safe and efficient waterborne commerce and supports U.S. competitiveness in the global market.
- **Federal Primacy:** Federal laws governing the operation of vessels in interstate commerce promote safety, efficiency and environmental protection. Federal authority is necessary to prevent a patchwork of inconsistent, overlapping or conflicting state and local laws.



# FUND WATERWAYS INFRASTRUCTURE AND MAINTAIN RELIABILITY OF NAVIGATION

**Renewed interest in transportation infrastructure revitalization is an opportunity for Congress to work across party lines to secure long-sought improvements for our nation's coastal and inland waterways. America's waterways are vital to the safe, reliable and efficient movement of freight. Each year, barges safely and efficiently move more than 760 million tons of economically critical cargo, including petroleum, agricultural products, chemicals, coal, and manufactured goods. Moreover, waterways infrastructure supports jobs: A recent study conducted by PricewaterhouseCoopers found that the tugboat, towboat and barge industry supports over 300,000 American jobs and contributes nearly \$34 billion to U.S. gross domestic product, labor income and federal and state tax revenues.**

AWO joins Waterways Council, Inc., in urging Congress to provide for the construction of inland waterways modernization projects at the maximum funding amount supportable by expected Inland Waterways Trust Fund revenues. It is also critically important to keep the Water Resources and Development Act process on a two-year cycle to enhance our nation's waterways, and to reject policies that would hinder or halt navigation:

- Authorize and fund waterways infrastructure projects. The biennial Water Resources and Development Act process authorizes infrastructure projects, and the annual Energy & Water Appropriations bill funds them. The urgent need for transportation infrastructure revitalization is an opportunity for Congress to secure essential improvements to our nation's inland and coastal waterways. Reliable inland and coastal water transportation infrastructure is the lifeblood of our nation's domestic commerce and international trade and should be a major part of the 116th Congress' agenda.

- Taxation, lockage fees or adverse changes in cost-sharing for inland waterways transportation should not be part of an infrastructure package. While AWO encourages Congress to work with the Administration to develop an overarching infrastructure package, it is important to remember that inland barge operators already contribute substantial revenues to modernize the waterways infrastructure. In 2015, the industry supported a 45 percent increase to the federal diesel fuel tax to increase the Inland Waterways Trust Fund. We already pay our fair share.
- AWO opposes the codification of public-private partnerships (P3s) for inland waterways projects that allow the U.S. Army Corps of Engineers or third-party entities to impose user fees or lockage tolls on inland waterway users. P3s threaten the cost-effectiveness of barge transportation for farmers, producers, and shippers.
- Support funding for the Great Lakes Restoration Initiative (GLRI). Administered by the Asian Carp Regional Coordinating Committee (ACRCC), the GLRI has funded successful and cost-effective initiatives by state natural resource agencies to control aquatic nuisance species (ANS), including Asian carp, in major navigable waterways such as the Mississippi, Ohio, and Illinois Rivers. In the case of the Illinois River, ACRCC-funded efforts have resulted in a 93% reduction in the carp population in a section that was once heavily infested and have prevented the leading population front of Asian carp from advancing upriver since 1991. AWO urges Congress to maintain adequate GLRI funding for nonstructural ANS control measures to protect the Great Lakes and reject so-called "structural solutions" that close or make disruptive structural changes at heavily-trafficked locks.