

STATEMENT OF
DEL WILKINS
PRESIDENT, ILLINOIS MARINE TOWING
BEFORE THE
HOUSE SUBCOMMITTEE ON COAST GUARD
AND MARITIME TRANSPORTATION

FEBRUARY 9, 2021

Good morning, Chairman Carbajal, Ranking Member Gibbs, and Members of the Subcommittee. My name is Del Wilkins, and I am president of Illinois Marine Towing, Inc., based in Joliet, Illinois, which is a subsidiary of Canal Barge Company in New Orleans, Louisiana. IMT provides towing, fleet and shipyard services along the Illinois Waterway. For over 20 years, our highly experienced transportation professionals have provided safe and reliable marine services to the major barge transportation companies of our country. We are part of a unique industry where a captain or pilot can earn a six-figure salary with just a high school diploma, something that's just not possible in most sectors of our economy today. Our robust employee base of over 900 employees is spread throughout the country, with the largest concentrations in Louisiana (293), Illinois (169), Alabama (125), Missouri (91), Arkansas (61), and Texas (54). In addition, we have employees as far north as Minnesota, east to New Jersey, west to Nevada, and south to Florida.

I currently serve as Vice Chairman of the Board of the American Waterways Operators, the national trade association for the inland and coastal tugboat, towboat and barge industry. On behalf of AWO's over 300 member companies, thank you for the opportunity to testify at this important hearing on the impact of the COVID-19 pandemic on the U.S. maritime industry. Chairman Carbajal, please accept AWO's congratulations on being selected by your colleagues to lead the Coast Guard and Maritime Transportation Subcommittee. Just as we worked in the 116th Congress with the Subcommittee to advance policies that increase safety and efficiency in our industry, we look forward to rolling up

our sleeves to help you achieve our mutual goal of ensuring the safe, efficient and environmentally responsible movement of freight via our marine transportation system.

My message for you today is that the domestic maritime industry remains resilient, but needs your support to continue to navigate the challenges of keeping mariners healthy and vessels in service. The Transportation and Infrastructure Committee's bipartisan efforts to assist the industry in the 116th Congress—in particular, the Coast Guard authorization bill, the Maritime Transportation System Emergency Relief Act (MTSERA) and the Water Resources Development Act—are greatly appreciated, and we would extend our thanks to Chairman DeFazio, Ranking Member Graves, former Chairman Maloney, and Ranking Member Gibbs. And, as always, we are grateful for the Committee's stalwart support for the Jones Act, the statutory foundation that undergirds every dollar that companies like IMT invest in American-built vessels and every job we provide to American men and women. A continuation of these good efforts in the 117th Congress will better position our industry to continue to meet the country's critical transportation needs and support a national economic recovery.

Resilience and Challenges Ahead

From the beginning of the pandemic, the overriding priority of our industry was taking the necessary steps to protect mariners from COVID-19 while keeping vessels in service to protect the continuity of the national supply chain that these mariners support. Industry best practices, based on guidelines issued by the Centers for Disease Control and Prevention (CDC) and the U.S. Coast Guard, were quickly put in place and served as the foundation of our resilience. However, as a result of the heightened prevalence of COVID in the general population, towing companies are seeing increased incidences of exposure and infection off the job, which keeps mariners and other front-line maritime transportation workers from reporting to work. We are working hard to avoid disruption to regular vessel operations that affect the marine transportation system and the Americans that rely on it, but there's no question that the task is more challenging than it has been at any point since the pandemic began.

At the same time, many companies are still struggling with the fallout from the unforeseen costs associated with the pandemic. And in the backdrop is the ever-present need to maintain our nation's waterways infrastructure so that vessel traffic can move safely and reliably. Taken together, these conditions pose real challenges to a critical infrastructure sector at a time when supply chain resilience will be most needed.

Maritime Industry Resilience: Three Policy Proposals

The bottom line is that a healthy, fully operational domestic maritime industry is indispensable to our nation's ability to weather and recover from the current dual public health and economic crisis. With that in mind, I would like to highlight three priorities for the industry that are well within the Subcommittee's jurisdiction. Addressing these issues will help the hard-working men and women who keep tugboats, towboats and barges operating on America's waterways. Working together with the Members of the Subcommittee and the full Committee—which has an exemplary record of bipartisan achievement—we can prepare to go forward to better.

Prioritized Vaccination for Mariners

America's commercial mariners are an essential workforce with a key role in national security and the national supply chain, and they are in a unique position: many of them live aboard the vessels on which they work, in very close quarters where COVID-19 can spread quickly. Many mariners do not live in the states where they report to work, and are away from home for weeks or months at a time, complicating their ability to secure COVID-19 vaccinations in their states of residence.

Although the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency and the Coast Guard have recognized the criticality of the maritime transportation workforce in their guidance on the identification of essential workers, mariners are not categorized as "frontline" essential workers in the Centers for Disease

Control and Prevention’s guidance on allocating COVID-19 vaccines and in many states’ vaccine distribution plans. This is despite the fact that the men and women who work onboard vessels and onshore at ports and terminals play vital roles in the transportation of critical commodities that enable other frontline essential workers to do their jobs, including the food products and consumer goods that stock store shelves, the pharmaceuticals and medical supplies that hospitals and clinics rely on, the energy cargoes that power our country, and the manufacturing inputs that keep our factories up and running.

This suggests that a national strategy for mariner vaccination, or at a minimum, clear federal guidance for states, is urgently needed to efficiently immunize these essential workers against COVID-19 and ensure the safety and continuity of waterborne transportation. On this issue, AWO has partnered and is aligned with stakeholders from every segment of the maritime industry, from labor to ports and terminals to vessel owners and operators. We are also supported in this effort by Federal Maritime Commissioners Carl Bentzel and Daniel Maffei, who have sent letters to the Administration regarding “the urgent issue of vaccinating the Nation’s maritime workforce as soon as possible” and urging the Administration “to emphasize the need to keep the supply chain transportation workforce in mind as each state deploys rapid COVID-19 testing and implements the vaccination process.”

To be clear, we’re not asking to cut the line; we’re asking to work with you and the Administration to ensure the timely and efficient immunization of a relatively small segment of the country’s frontline essential workforce that has an outsize impact on our economy and security. Our industry is eager to be part of the solution and work with the federal and state governments to resolve any logistical challenges to the vaccination process for America’s mariners.

Full Funding for MTSERA

Thanks to Chairman DeFazio’s leadership, and the pivotal roles played by Ranking Member Graves, then-Chairman Maloney, and Ranking Member Gibbs, the Maritime

Transportation System Emergency Relief Act was enacted as part of the National Defense Authorization Act (NDAA) earlier this year. This much-needed assistance program, which will be administered by the Maritime Administration, will help vessel owners and other maritime stakeholders offset unforeseen costs arising from the COVID-19 crisis, including the costs of purchasing of personal protective equipment, sanitizing vessels, and testing mariners to prevent the onboard transmission of the virus.

While our industry has long experience with contingency planning and emergency preparedness, COVID-19 was an unforeseen crisis for us, as it was for most American businesses. It required a significant commitment of resources in order to successfully adapt to radically altered operating conditions. At the same time, many companies across our industry saw a decline in both dry and liquid cargo volumes as a result of economic contraction. The resulting revenue decreases posed real challenges for many companies at the same time as they faced increased operating expenses. MTSERA provides companies with an additional option to bolster financial resources in preparation for a full economic recovery.

With MTSERA now authorized, our request to Congress is simple: please follow through with a bipartisan effort to fully fund MTSERA in the FY 22 appropriations process.

Maritime Infrastructure is Essential

WRDA 2020 makes enormous strides to accelerate the pace of waterways infrastructure projects, thanks to the leadership of this Committee. We applaud Chairman DeFazio for his consistent support of comprehensive infrastructure legislation. In addition, we are encouraged by President Biden's early support for moving forward with a large-scale infrastructure package. We urge that any such effort contain three critical elements: (1) increased funding for lock and dam projects and port facilities; (2) accelerated construction of Coast Guard waterways commerce cutters (buoy tenders) and, in the interim, support for the efficient use of existing buoy tenders and other resources to promote safe and reliable navigation; and (3) improvements to the Army Corps of Engineers'

contracting process for commercial dredges to keep our inland rivers operating at Congressionally-authorized levels.

Congress has a unique opportunity to build on its recent efforts by thinking and acting big. An infrastructure package with a robust maritime component will both increase shipper confidence in waterborne commerce over the period of recovery from the pandemic, and, over the long term, help secure a transformed waterway system that supports robust domestic and international trade. Furthermore, waterborne transport is the most environmentally friendly mode of freight transportation, which makes investing in the improvement of maritime infrastructure a critical component of environmental sustainability. Failure to make these investments will ultimately force cargo to move by less efficient and less environmentally sustainable modes.

A comprehensive infrastructure package also provides an opportunity to explore other ways in which Congress can bolster critical maritime industry infrastructure, including facilitating short sea shipping and other innovative efforts to enhance the efficiency and sustainability of maritime transportation, as well as providing support for maritime industry initiatives to increase cybersecurity readiness and resiliency. In addition, as you begin your work to develop the framework for the next Coast Guard authorization bill, we look forward to sharing our ideas about ways in which you can ease unnecessary burdens on towing companies, such as suspending the collection of inspection user fees that charge vessel owners twice for services performed by Coast Guard-approved third parties.

Conclusion

Chairman Carbajal and Ranking Member Gibbs, let me conclude by saying: Together, we can do this. Both the Subcommittee and the full Committee have a proven record in enacting policies beneficial to the domestic maritime industry. And let me assure you that we're suited up and ready to be a full partner in the crucial year ahead. America's maritime industry is the critical link to supply chain continuity and economic recovery, and we're as eager to help as you are to get to work.