Viewpoints, Outlook

Jones Act not a hindrance to Gulf oil cleanup

August 1, 2010

The tragic oil spill in the Gulf of Mexico requires an unprecedented cleanup effort to protect the environment and natural resources that are tied to the economy of the Gulf region. It is critical that this effort moves forward as swiftly and effectively as possible.

Unfortunately, there has been false criticism that is distracting from the cleanup. In particular, there have been incorrect accusations that the Jones Act is hindering the ability to get foreign skimmers in the region.

However, the people running the cleanup 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.

The Jones Act is a longstanding U.S. maritime law that mandates the use of American vessels and American workers in U.S. domestic maritime trade, such as the delivery of goods from one U.S. port to another.

The Jones Act does not apply to, and does not constrain, skimming outside of three miles from shore, including near the well 50 miles from the U.S. coastline. That is where the vast majority of skimming has occurred. Within the three-mile limit, the federal government has exercised its authority under a separate existing law and implemented an expedited waiver process to allow capable foreign skimmers to clean up oil.

Retired Coast Guard Admiral Thad Allen, the National Incident Commander leading the cleanup, has repeatedly said that the Jones Act has not delayed, constrained or inhibited the Gulf cleanup in any way. "We at no time in the course of this response have been inhibited by anything having to do with what we call [the] Jones Act or Jones Act waivers," Allen said.

On June 19, the National Incident Command set a goal of 752 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.

Because this spill is of an unprecedented size, using foreign skimmers is necessary. In fact, they have been used in the cleanup effort for months.

In June, the State Department accepted 22 offers of assistance from 12 foreign countries or entities to provide skimmers, booms and other equipment without requiring a Jones Act waiver. Before then, assistance from nine countries had already been accepted, including eight skimmers from Norway in early May. To the extent the National Incident Command has not yet accepted certain offers of foreign
skimmers, it may have to do with the actual capabilities of those skimmers, but it has nothing to do with the Jones Act.

Some people have called on President Obama to waive the Jones Act because President Bush did so after Hurricane Katrina, but the two situations are different. Hurricane Katrina knocked out the Colonial Pipeline, creating a temporary need for tankers that exceeded the immediately available American tanker capacity. President Bush applied a brief waiver that applied only to tankers. The Jones Act applied after Katrina because the vessels were delivering goods between U.S. ports, not skimming oil out at sea.

The American maritime industry has responded to the Gulf spill in an "all hands on deck" manner. American vessels involved in the cleanup include scores of the world's largest and best equipped oil spill response vessels and dozens of technologically advanced offshore supply vessels, as well as thousands of fishing boats and other vessels of opportunity.

The Jones Act maritime industry annually generates 500,000 jobs, contributes $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. Efforts to repeal or broadly waive the Jones Act would have a devastating impact on American jobs and American workers, especially in the Gulf of Mexico, where they are already suffering due to the oil spill and the offshore drilling moratorium.

Broadly waiving the Jones Act for the oil spill is an unnecessary distraction that would do nothing to advance the clean-up effort. Foreign oil skimmers are needed and already being utilized under a separate law and waiver process. A broad waiver for foreign vessels would only take work away from those most impacted by the disaster, American workers in the Gulf.

This article was submitted by the following Maritime Cabotage Task Force Board Members: Brenda Otterson, American Maritime Officers Service; Thomas Allegretti, American Waterways Operators; Terry Turner, American Shipping Group; Michael Roberts, Crowley Maritime Corporation; Bob Zuckerman, Horizon Lines; Jim Weakley, Lake Carriers’ Association; Kevin O'Rourke, Matson Navigation Company; Frank Pecquey, Maritime Trades Department, AFL-CIO; Matthew Paxton, Shipbuilders Council of America; Eric Smith, Overseas Shipholding Group; and James Henry, Transportation Institute.