Statement of

Ms. Berit Eriksson
Former Executive Director
Of the
Pacific Coast Maritime Consortium

Before the
Subcommittee on Coast Guard and Maritime Transportation
Committee on Transportation and Infrastructure
United States House of Representatives

October 17, 2007

220 W. Olympic Place, Seattle, WA. 98119
206-551-1870

Good Morning Chairman Cummings and members of the subcommittee. As a working mariner and maritime workforce development specialist I would like to thank you for the opportunity to address the Committee on the education and workforce development challenges facing the United States maritime industry. As you have already heard, the U.S. merchant marine is diverse and its workforce problems are complex. There are a variety of solutions which are specific to each problem, and that suggests that there is no single "silver bullet" solution to manpower problems in the U.S. merchant marine. I am convinced to the contrary, in fact, as are many of the maritime training professionals with whom I associate, that mariner workforce development must be as diverse as our industry. Such an approach would include the further development and support of high-school and community college programs. The highly successful high-school program in San Diego at Mar Vista, the adult program at Grant Union High School in Sacramento, the Seattle Community College Maritime Academy , where mariners are not only trained to meet the requirements of the industry, but where they are also connected to jobs in the industry. It is important to realize that maritime training and apprenticeship must continue in all its present forms, but I want to primarily address a small but important corner of the industry, and suggest a potential solution to the problem of the financial challenges of merchant mariners as they attempt to advance upwards through the maritime career ladder. Commonly known as the hawsepipe path, it speaks to the difficult transformation of unlicensed mariners into licensed mariners. First, some background.

In 1999 while working as an able seaman for the Alaska Marine Highway System I was asked to participate in Labor/Management approaches to help solve personnel and training issues. This led to a unique regional alliance called the Pacific Coast Maritime Consortium, created to meet the immediate training needs brought on by the then looming Standards of Training, Certifications and Watchkeeping 2002 deadline. It was a multi-state approach encompassing Alaska, Washington, Oregon, California and Hawaii and included 5 maritime unions and 6 maritime employers. From 2001 to 2006, the Pacific Coast Maritime Consortium, under the direction of its combined labor and management Board of Directors, worked to promote and fund mariner recruitment, training, and career ladder programs in order to ensure that qualified U.S. mariners were available in sufficient numbers for both the commercial and civilian military maritime sectors. Over the course of those five years, the Pacific Coast Maritime Consortium secured approximately 2.5 million dollars in federal, state and local funding along with 1 million dollars private match for the training of more than 2000 mariners. These trainees ranged from high school students in Imperial Beach, CA., incumbent mariners in Alaska, to hawsepipers in Washington State. During this period, as the immediate training needs were met, it became clear that the advancement from unlicensed to licensed mariner positions was practically eliminated as a result of the new regulations. We could not accept that, and the Consortium formed in part to address the issue.

As you may be aware, the international treaty of 1978 (as amended) called the Standards of Training, Certifications and Watchkeeping Convention had created certain unfunded training and certification mandates which seriously impacted the ability of the industry to meet licensing requirements. Through a grant funded project, we found that it took a little more than 2 years for an unlicensed mariner working in the towing industry

to completed all the certifications required for a third mate towing license at the approximate cost of $16,000 for just the courses not counting travel, room and board expense. I know a mariner who mortgaged his home for $30,000 so that he could get his towing license. This is a cause for grave concern when we consider that approximately 95 percent of the U.S. offshore fleet and coastwise towing sector and 30 percent of US deep sea sector Mates and Masters have come thru the hawsepipe. Compounding the problem, the workforce is rapidly ageing with 50% of the workforce at over the age of 45 and only 20 % is under the age of 35. Newly restrictive medical and physical fitness requirements converge with the restrictions of the Transportation Worker's Identification Credential to suggest a rapidly approaching wave of mariner retirement and an associated recruitment and training challenge. Add to this that many of our foreign maritime competitors enjoy various forms of government subsidization, making it difficult for U.S. companies to compete on a level playing field.

To develop solutions to these problems, the Pacific Coast Maritime Consortium hosted several West Coast regional maritime roundtable meetings of labor, industry, education and workforce development stakeholders in Alaska, Hawaii, California and Washington. Most effective among these groups is the Washington State Skills Panel among whose members are several former Pacific Coast Maritime Consortium board members. From these regional roundtables, there emerged a strong consensus on the concept of the Maritime Education Forgivable Loan Program, which would address the hawsepipe problem. Modeled after the existing and successful Teachers Education Forgivable Loan program administered by the U.S. Department of Education, the concept has the support of Ship Operators Cooperative Program and the Merchant Marine Personnel Advisory Committee as well as many maritime industry associations (see attached letters). Simply put, the program would provide unlicensed mariners the means to pursue higher certification by vaulting the financial obstacles via a government loan that is forgivable only upon demonstration of a long-term commitment to the industry.

The enabling legislation for this maritime loan concept is found in U.S. Code 46, A-Shipping, Chapter 27, Subchapter XIII§ 1295. In a Congressional declaration of policy the language reads "*In furtherance of this policy the Secretary of Transportation is authorized to take the steps necessary to provide for the education and training of citizens of the United States who are capable of providing for the safe and efficient operation of the merchant marine of the United States at all times and as a naval and military auxiliary in time of war or national emergency.*"

With this in mind we drafted sample legislation language (See Attachment #1) as a possible solution to the financial challenges of advancing in a maritime career. The main points of the concept are:

- The program would be administered by Maritime Administration in accordance with regulations adopted by the Maritime Administration
- To encourage retention, the loan would be forgiven if the mariner completes 36 months of sea time.
- The loan may not exceed $15,000 in a calendar year nor exceed a lifetime total of $60,000

- The loan may be used for tuition, travel to and from training facilities, room and board, books, loan guarantee fees and other required fees.
- The loan program would initially be a 5 year pilot project.
- The training institutions will be chosen based on geographic diversity, their ability to administer a federal program and their possession of appropriate U. S. Coast Guard approved sites, courses and instructors.
- Student eligibility will be based on their holding a valid Merchant Marine Document, committing to completing the course of instruction and serving as a merchant marine officer or unlicensed mariner upon the completion of the course of instruction.
- To insure greater probability of success Officer in Charge candidates would be assessed for language and math skills to determine readiness.
- The fiscal administration would be within the Maritime Administration.

The appropriate office for administration of the loan program would be the Office of Maritime Workforce Development within the Maritime Administration. This office should also be the site for other innovative workforce development programs that need to be integrated with US Coast Guard regulatory requirements. One such program could be a Secretary's Discretionary Grant Program (See Attachment #2) which could fund maritime workforce demonstration projects such as multi-state training projects, demographic and industry needs research projects, entry level enrichment programs and youth school-to-career programs. Through the Office of Maritime Workforce Development the highly regulated workforce training requirements of the maritime industry could thus be integrated with other programs administered by the Maritime Administration for the development and maintenance of a well-balanced U.S. merchant marine. For example, the connection of school-to-career high school programs with entry-level billets in the Maritime Security Program would strengthen and benefit both of these Maritime Administration initiatives.

In conclusion I would like to again thank you for this opportunity to present some possible solutions to recruitment, training and retention challenges facing the Merchant Mariners and the maritime industry. For both security and commercial reasons the United States must make serious investments in the workforce infrastructure of it's merchant marine.

Attachment #1

Maritime Education Loan Project

ENABLING U.S. LEGISLATION

US Code 46, A- Shipping, Chapter 27, Subchapter XIII § 1295.

Congressional declaration of policy *It is the policy of the United States that merchant marine vessels of the United States should be operated by highly trained and efficient citizens of the United States and that the United States Navy and the merchant marine of the United States should work closely together to promote the maximum integration of the total seapower forces of the United States. In furtherance of this policy the Secretary of Transportation is authorized to take the steps necessary to provide for the education and training of citizens of the United States who are capable of providing for the safe and efficient operation of the merchant marine of the United States at all times and as a naval and military auxiliary in time of war or national emergency.*

Suggested language for a forgivable loan program to be administered by the US Maritime administration-USDOT.

MARITIME EDUCATION LOAN PROGRAM

The US Congress directs the Secretary to establish a maritime education loan program to encourage merchant mariners to enter into maritime training programs and to provide an incentive for mariners to pursue their careers as US Merchant Mariners.

Maritime education revolving loan fund.
(a) There is created a Maritime Education revolving loan fund. The fund shall be used to make education loans to eligible students. Repayments of principal and interest on a Maritime education loan shall be paid into the Maritime education revolving loan fund and shall be used to make new Maritime education loans. If estimated funds available are inadequate to fully fund estimated Maritime education loans for any fiscal year, additional funding from the general fund may be requested and appropriated for that year.

Administration.

(1) allocate the loan awards available for Maritime education loans annually; and
(2) develop and distribute to approved maritime training providers an application form for Maritime education loans; the form must include a requirement that the applicant supply all current US Coast Guard documents, certifications, proof of US citizenship or permanent legal status and a statement of intent to enter a maritime career.

(b) The Maritime Administration shall approve the applicants to the Maritime education loans according to the eligibility criteria.

Conditions of and limitations on loans.

(a) If a borrower meets the Maritime education loan eligibility criteria and enters into employment at sea as a mariner, the portion of the loan that shall be paid by the Maritime Administration is the following percentages of the total loan received plus interest up to a total of 100 percent of the total loan:

(1) Upon completion of 240 days total sea time on U.S. vessels - 25 percent;
(2) Upon completion of 480 days total sea time on U.S. vessels - 50 percent;
(3) Upon completion of 720 days total sea time on U.S. vessels - 75 percent;
(4) Upon completion of 960 days total sea time on U.S. vessels - 100 percent;

(b) A loan may not exceed $15,000 in a calendar year, exclusive of loan guarantee fees.

(c) Proceeds from a Maritime education loan may be used only for post-secondary expenses of books, tuition, required fees, loan guarantee fees, travel to and from training facility, room and board.

(d) Maritime education loans made to a student may not exceed a lifetime total of $60,000.

Pilot program

(a)The Maritime education loan program will initially be a 5 year pilot project.

(1) Maritime training institutions will be chosen based on geographic diversity, the ability to administer the program and may include Federal, State and Commercial training institutions.
(2) Eligibility criteria for training providers will be based on;
(A) Ability to administer a federal loan program
(B) Possession of appropriate U.S. Coast Guard course, site and instructor approval
(3) Each maritime training institution will be eligible for funding at an annual maximum of $300,000.

Student selection criteria.

(a) To be eligible for a Maritime education loan, a student must

(1) Hold a valid U.S. Coast Guard Merchant Mariner Document (MMD);
(2) Each Maritime candidate shall as a condition of acceptance into the Maritime education loan program sign an agreement committing such individual—
(A) to complete the course of instruction
(B) to fulfill the requirements for a license as an officer in the merchant marine of the United States (with the exception of the training and/or education funded by this program) on or before the date of graduation from the Maritime program of such individual and;

(ii) to maintain a license as an officer in the merchant marine on vessels documented under the laws of the United States and serve as an officer in the merchant marine officer on vessels owned and operated by the United States for at least 36 months of service at-sea following the date of graduation from the Maritime program of such individual or;
ii) serve as an unlicensed merchant mariner on vessels documented under the laws of the United States or on vessels owned and operated by the United States for at least 36 months of sea service following the date of graduation from the Maritime program of such individual;

(C) to be certified, if the candidate holds the appropriate license, in MTSA 2002 training and commit to be available for sailing on government sealift surge vessels in time of national need;

(D) to serve as a merchant mariner on vessels documented under the laws of the United States or on vessels owned and operated by the United States or by any State or territory of the United States;

(3) Officer in Charge candidates or Towing License candidates will be assessed for language and math skills to determine readiness. Unlicensed mariners that would like to upgrade to a deck or engine Officer in Charge license will be determined eligible if they meet the reading, writing, math and verbal skills criteria as prescribed by the Secretary.

(4) Officer in Charge candidates or Towing License candidates enrolled in this program may be required to take additional adult education classes if the candidate does not in fact possess the language and math skills to enroll in the program.

Repayment Obligation

(a) Participants in the Maritime Education Loan Program incur an obligation to repay the loan, with interest and an equalization fee, unless they meet the sea time requirements under rules adopted by the Maritime Administration.

(b) The interest rate shall be determined annually by the Maritime Administration. Participants who fail to complete the sea time requirements for forgiveness shall incur an equalization fee based on the remaining unforgiven balance of the loan. The equalization fee shall be added to the remaining balance and repaid by the participant.

(c) The minimum payment shall be set by the Maritime Administration. The maximum period for repayment shall be ten years, with payments of principal and interest accruing quarterly commencing six months from the date the participant completes or discontinues the course of study. Provisions for deferral of payment shall be determined by the Maritime Administration.

(d) The entire principal and interest of each payment shall be forgiven for each payment period in

which the participant completes sea time requirements until the entire repayment obligation is satisfied. Should the participant fail to meet the sea time requirements before the participant's repayment obligation is completed, payments on the unsatisfied portion of the principal and interest shall begin the next payment period and continue until the remainder of the participant's repayment obligation is satisfied.

(e) The Maritime Administration is responsible for collection of repayments made under this section and shall exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of repayments under this section shall be pursued using the full extent of the law, including wage garnishment if necessary. The Maritime Administration is responsible to forgive all or parts of such repayments under the criteria established in this section and shall maintain all necessary records of forgiven payments.

(f) Receipts from the payment of principal or interest or any other subsidies to which the Maritime Administration as administrator is entitled, which are paid by or on behalf of participants under this section, shall be deposited in the Maritime Education Loan program account and shall be used to cover the costs of the Maritime Education Loans, maintaining necessary records, and making collections under subsection (5) of this section. The Maritime Administration shall maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs shall be used to approve loans for eligible students.

(g) The Maritime Administration shall adopt rules to define the terms of repayment, including applicable interest rates, fees, and deferments.

Authorization
(a) There is authorized to be appropriated $ 3,500,000 for each fiscal year 2008-2012

Attachment #2

Suggested Language for a National Maritime Competitive Grant Program to be administered by the US Maritime administration-USDOT.

ENABLING U.S. LEGISLATION

US Code 46, A- Shipping, Chapter 27, Subchapter XIII § 1295.

Congressional declaration of policy *It is the policy of the United States that merchant marine vessels of the United States should be operated by highly trained and efficient citizens of the United States and that the United States Navy and the merchant marine of the United States should work closely together to promote the maximum integration of the total seapower forces of the United States. In furtherance of this policy the Secretary of Transportation is authorized to take the steps necessary to provide for the education and training of citizens of the United States who are capable of providing for the safe and efficient operation of the merchant marine of the United States at all times and as a naval and military auxiliary in time of war or national emergency.*

NATIONAL MARITIME RECRUITMENT AND TRAINING PROGRAMS

(a) Strategic plan

(1) In general

After consultation with States, Localities, Industry and other interested parties, the Secretary shall, every 2 years, publish in the Federal Register, a plan that describes the demonstration, pilot, multiservice, research, and multistate project priorities of the Department of Transportation concerning entry level Merchant Mariner recruitment and training for the 5-year period following the submission of the plan. Copies of the plan shall be transmitted to the appropriate committees of Congress.

(2) Factors

The plan published under paragraph (1) shall contain strategies to address national Merchant Marine recruitment, employment and training problems and take into account factors such as--

(A) the availability of existing research (as of the date of the publication);
(B) the need to ensure results that have interstate validity;
(C) the benefits of economies of scale and the efficiency of proposed projects; and
(D) the likelihood that the results of the projects will be useful to policymakers and stakeholders in addressing entry level Merchant Mariner recruitment and training problems.

(b) Demonstration and pilot projects

(1) In general

Under a plan published under subsection (a) of this section, the Secretary shall, through grants or contracts, carry out projects for the purpose of developing and implementing techniques and approaches, that demonstrate the effectiveness of these methods in addressing entry level Merchant Mariner recruitment and training needs. Projects shall demonstrate effectiveness of services that enhance employment opportunities and shall include an evaluation component and may include--

(A) the establishment of maritime technology skill centers developed through local partnerships of industry, labor, education, community-based organizations, and economic development organizations to meet unmet skills needs of the Maritime Industry;

(B) projects that provide training to upgrade the skills of employed workers who are employed in the Maritime Industry;

(C) programs conducted jointly with the Department of Defense to develop training programs to meet the needs of Maritime defense contractors and the Military Sealift Command;

(D) projects that promote the use of distance learning, enabling students to take courses through the use of media technology such as videos, teleconferencing computers, and the Internet;

(E) projects that assist in providing services to address Maritime recruitment and training of youth residing in targeted high poverty areas within empowerment zones and enterprise communities;

(F) the establishment of partnerships with national and regional organizations with special expertise in developing, organizing, and administering Merchant Mariner recruitment and training services,;

(2) Limitations

(A) Competitive awards

Grants or contracts awarded for carrying out multi-service, research, multi-state, demonstration or pilot and long term projects under this subsection shall be awarded in accordance with generally applicable Federal requirements.

(B) Eligible entities

Grants or contracts may be awarded under this subsection only to--

(i) entities with recognized expertise in--

(I) conducting national or demonstration projects;

(II) utilizing state-of-the-art demonstration methods; or

(ii) US Coast Guard approved public and private entities with expertise in operating or overseeing Maritime training programs

(C) Time limits

The Secretary shall establish appropriate time limits for carrying out projects under this subsection. Entities that meet performance objectives may be eligible for annual funding.

(c) Multi-service projects, research projects, and multi-state projects

(1) Multi-service projects

Under a plan published under subsection (a) of this section, the Secretary shall, through grants or contracts, carry out multi-service projects--

(A) that will test an array of approaches to the provision of training services to a variety of targeted populations;

(B) in which the entity carrying out the project, in conjunction with employers, organized labor, and other groups such as community coalitions, will design, develop, and test various training approaches in order to determine effective practices; and

(C) that will assist in the development and replication of effective service delivery strategies for the national Maritime Industry as a whole.

(2) Research projects

(A) In general

Under a plan published under subsection (a) of this section, the Secretary shall, through grants or contracts, carry out research projects that will contribute to the solution of Maritime Industry recruitment and training needs in the United States

(3) Multi-state projects

(A) In general

(i) Authority

Under a plan published under subsection (a) of this section, the Secretary may, through grants or contracts, carry out multi-state projects that require demonstrated expertise that is available at the national or regional level to effectively disseminate best practices and models for implementing Maritime recruitment and training services designed to address industry-wide skill shortages.

(ii) Design of grants

Grants or contracts awarded under this subsection shall be designed to obtain information relating to the provision of services to various demographic groups in order to provide guidance at the national and State levels about how best to administer specific Maritime recruitment and training services.

(4) Limitations

(A) Competitive awards

Grants or contracts awarded for carrying out projects under this subsection in amounts that exceed $100,000 shall be awarded only on a competitive basis, except that a noncompetitive award may be made in the case of a project that is funded jointly with other public or private sector entities that provide a substantial portion of assistance under the grant or contract for the project.

23rd Semi-Annual Meeting of MERPAC

April 6, 2005

MEBA School

Easton, Maryland

Introduction and Welcome

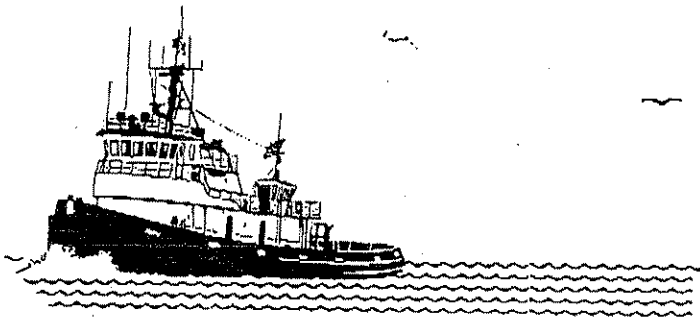
The 23rd semi-annual meeting of the Merchant Marine Personnel Advisory Committee (MERPAC) was convened at 0832, on April 6, 2005, by chairman Andrew McGovern. Other MERPAC members in attendance were Captain Mohan Dadlani, Chief Mary Culnane, Ms. Dorenda Canty, Mr. Roy Murphy, Captain Joe Murphy, Captain Nick Grassia, Captain Beth Gedney, Chief Katie Haven, Mr. Bill Eglinton, Captain Ken Dawson, Mr. Glenn Pigott, and Mr. Mike Surgalski.

Excerpt below from page 7 of full minutes report

With regard to the briefing by the Pacific Coast Maritime Consortium seeking funding for a hawsepipe educational loan project, MERPAC recommended that:

Since the new STCW training requirements for hawsepipers are causing a significant reduction in the number of people who are choosing to advance from unlicensed to the rank of Licensed Officer; and since there is concern that there may actually be a shortage of Licensed Officers if this trend continues; and since an informal survey last year showed that most unlicensed mariners are willing and even eager to get training, but cost prevented them from doing so;

Therefore, MERPAC endorses the concept of Federal funding for mariners to pay for the cost of attending USCG approved training.



SAUSE BROS.

155 E. MARKET AVE. • COOS BAY, OREGON 97420
TELEPHONE: (541) 269-5841 • FAX: (541) 269-5866

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

May 10, 2006

RE: Maritime Education Loan Program

Ladies and Gentlemen:

Sause Bros. Inc., a member company of American Waterways Operators, would like to express our support for the proposed Maritime Education Loan Program. The tug and barge industry and our company face many challenges in these times. One of these challenges is to improve the shortage of unqualified and non-license holding mariners within the United States Merchant Mariner ranks.

The proposed legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into licensed classifications or higher MMD endorsements.

Respectfully,

Dale Sause
President
Sause Bros., Inc.

MAY-10-2006 TUE 08:31 AM SAUSE BROS. COOS BAY FAX NO. 5412695866 P. 02

WESTERN TOWBOAT COMPANY

Doing the Job... Whatever It Takes

April 12, 2006

RE: Maritime Education Loan Program

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

Ladies and Gentlemen:

Western Towboat Company would like to express its support for the proposed Maritime Education Loan Program. The towing industry and our company face many challenges in recruiting qualified, competent mariners to man our vessels.

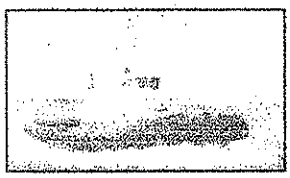
A major hurdle for those interested in pursuing a career aboard towing vessels is the cost of regulatory required training and certification. This is particularly burdensome for those mariners who have chosen the traditional career path of advancement by working their way up the through the "Hawsepipe". Currently there is an acute shortage of financial resources available to this pool of potential professional mariners.

The proposed legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into a licensed position or higher unlicensed endorsement.

Respectfully,

Ric Shrewsbury
Owner
Western Towboat Company
Seattle, Washington

617 N.W. 40th Street, Seattle, WA 98107 Phone: 206 / 789-9000 Fax: 206 / 789-9755



DUNLAP Towing Company

2702 Federal Avenue • Everett, Washington 98201
Telephone: (425) 259-4163 • Fax: (425) 259-6305

April 11, 2006

RE: Maritime Education Loan Program

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

Ladies and Gentlemen:

Dunlap Towing Company would like to express it's support for the proposed Maritime Education Loan Program. The towing industry and our company face many challenges of which not the least is the time and cost of certification as it applies to mariners advancing up the maritime career ladder or "Hawsepipe". The proposed legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into a licensed position or higher unlicensed endorsement.

Respectfully,

R. Russell Johnson
Director, Safety and Training

HARLEY MARINE SERVICES, INC.
P.O. Box 24005, Seattle, Washington 98124-0005
910 SW Spokane Street, Seattle, Washington 98134
Tele. (206) 628-0051 Fax (206) 628-0293

08 June 2006

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

RE: Maritime Education Loan Program

Greetings:

Harley Marine Services, Inc. (HMS) is a marine services provider operating on the West Coast of the United States. The HMS fleet includes 27 tugs and 23 barges. The primary service areas include bunker fuel delivery to visiting merchant ships, tanker escort, ship assist for arrivals and departures, and coastal towing of commodities and containers. The company employs over 300 American citizens in the Jones Act trade of the contiguous states.

Harley Marine Services would like to express its' full support for the proposed Maritime Education Loan Program. The towing industry faces many challenges in attracting persons to a seafaring life. The entry hurdles for a person wishing to go to sea in this trade are high and the continuing education costs are prohibitive for a person trying to maintain a house and family while advancing up the hawsepipe.

This legislation would encourage new mariners to consider this industry for employment and a career. Finding, developing, and retaining mariners in the current and foreseeable marketplace will be a great challenge for this company and this industry. The proposal will assist the domestic fleet to grow and support the industry and trade of our country by offering U.S. citizen mariners with necessary assistance in the high cost of training and advancement.

Sincerely,

George C. Clark
Director, Safety & Regulatory Affairs

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

ALASKA MARINE HIGHWAY SYSTEM / GENERAL MANAGER

STATE OF ALASKA
FRANK H. MURKOWSKI, GOVERNOR

ALASKA MARINE HIGHWAY SYSTEM
7559 North Tongass Hwy.
Ketchikan, Alaska 99901-9101
PHONE: (907) 228-7250
FAX: (907) 225-1520

June 20, 2006

Subcommittee on Coast Guard & Maritime Transportation
Room 585
Ford House Office Building
Washington, DC 20515

Re: Maritime Education Loan Program

Ladies and Gentlemen of the Subcommittee:

Speaking for the Alaska Marine Highway System, I would like to express support for the proposed Maritime Education Loan Program.

The maritime industry and our system face many challenges – not the least of which is the time required for and cost of certification as it applies to mariners advancing up the career ladder (or Hawsepipe). The proposed legislation would go far in alleviating current barriers that discourage incumbent mariners wishing to upgrade into a licensed position or higher unlicensed endorsement.

Respectfully,

Captain John F. Falvey, Jr.
General Manager
Alaska Marine Highway System

JFF:mbr

FOSS
MARITIME

June 6, 2006

Re: Maritime Education Loan Program

To Whom It May Concern:

Foss Maritime Company, a member of the American Waterways Operators, would like to document our full support and commitment to the proposed Maritime Education Loan Program. The United States Merchant Marine, the tug and barge industry, and our company, face numerous significant issues. One of the primary issues today is the recruitment, training and licensing of personnel to populate our vessels.

As of February 1, 2002, all U. S. mariners who serve on the high seas and near coastal waters must have met the STCW Basic Safety Training Standards. Additional STCW certifications are required for officers, mates, and other licensed personnel, as well as for skilled deck and engine personnel. All these mandated, non-funded federal certification requirements present major financial and logistical challenges to maritime employers and employees.

Additionally, due to economic pressure to remain competitive in international trade, most entry-level training positions on U. S. merchant vessels have been eliminated over the last 20 years. This presents a significant challenge in sustaining a viable pool of U. S. Citizen Merchant Mariners. The traditional "on-the-job" training career path, from an entry-level seaman to a licensed officer, is now a route with significant obstacles due to lack of apprentice positions, onerous and costly training, and certification requirements.

Furthermore, the industry is not attracting new mariners at a rate necessary to replace retiring workers. Currently, an estimated 50% of the maritime workforce is over 45 years of age. These trends have already caused a national imbalance in the supply and demand for qualified mariners. The current moderate shortage on the U. S. West Coast could further deteriorate into a severe skills shortage nationwide in the years ahead.

The Maritime Education Loan Program is an important concept for our nation, the Pacific Coast region and our company. We are concerned by the lack of trained and qualified merchant mariners. This legislation recognizes the need, and provides loan funding, for training to an industry that is vital to this country. Not only does it benefit the national transportation network, but it strengthens our national defense by increasing the number of trained maritime personnel.

The proposed legislation is an important step toward encouraging our nation's men and women to become United States Merchant Mariners. We offer it our full support.

Sincerely,

Bruce Reed
Vice President Operations

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International Organization of
Masters, Mates & Pilots
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Telephone: 410-850-8700 • Fax: 410-850-0973
Internet: www.bridgedeck.org • E-mail: iommp@bridgedeck.org

TIMOTHY A. BROWN
International President

GLEN P. BANKS
International Secretary-Treasurer

May 25, 2006

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

RE: Maritime Education Loan Program

Ladies and Gentlemen:

The International Organization of Masters, Mates and Pilots would like to express it's support for the proposed Maritime Education Loan Program. Today the U. S. Maritime industry faces many challenges of which not the least is the time and cost of certification as it applies to advancing up the maritime career ladder or "Hawsepipe". The proposed legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into a licensed position or higher unlicensed endorsement.

Respectfully,

Timothy A. Brown
International President

Inlandboatmen's Union of the Pacific

MARINE DIVISION -- INTERNATIONAL LONGSHORE & WAREHOUSE UNION

NATIONAL OFFICE • 1711 W. NICKERSON ST., STE. D • SEATTLE, WA 98119 • (206) 284-6001 • FAX: (206) 284-5043

April 27, 2006

RE: Maritime Education Loan Program

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

Ladies and Gentlemen:

The Inlandboatmen's Union of the Pacific supports the proposed Maritime Education Loan Program. It is vital to the interests of the United States that we maintain a vibrant and well trained merchant marine. This legislation will be one avenue toward that goal, by supporting current merchant mariners to maintain or upgrade their endorsements or licenses.

Respectfully,

Alan Coté
President
Inlandboatmen's Union

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Sailors' Union of the Pacific

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April 13, 2006

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

RE: Maritime Education Loan Program

Dear Sirs and Madams:

The Sailors' Union of the Pacific herewith expresses its support for the proposed Maritime Education Loan Program.

Today the U. S. maritime industry faces many challenges, one of which is the time and cost of certification as it applies to advancing up the maritime career ladder, commonly referred to as the "hawsepipe". The proposed legislation would go far in alleviating the barriers that discourage mariners who from upgrading their credentials.

To bar advancement is simply un-American. I urge your support of this program.

Sincerely,

GUNNAR LUNDEBERG
President/Secretary-Treasurer

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Apostleship of the Sea of the United States of America

AOSUSA

A RESOLUTION REGARDING THE PROPOSED MARITIME EDUCATION LOAN PROGRAM

Whereas the Apostleship of the Sea of the United States of America, the Catholic ministry to the people of the sea, and the Catholic Mariners Professional association, meeting at its annual meeting at the Texas Maritime Academy in Galveston, Texas on April 28, 2006;

Whereas the AOSUSA acknowledges the important and vital role that the US Merchant Marine and US mariners play in the domestic and international transportation system.

Whereas the United States has established one national merchant marine academy, and six state-based maritime academies, with the exception of union based facilities such as the Harry Lundeburg School, there exist few training facilities for limited license mariners and unlicensed mariners;

Whereas many US merchant mariners find themselves trapped in their present license or rating because of the lack of funding for necessary training;

Whereas the implementation of the Standards of Training, Certification and Watchkeeping for Seafarers in 2002 created challenges for US Merchant Mariners and their employers to fund the new and ongoing mandated training;

Whereas the maritime industry faces many STCW challenges of which not the least is the time and cost of certification as it applies to mariners advancing up the maritime career ladder or "Hawsepipe".

Whereas the United States of America faces an aging pool of mariners, and many obstacles for young people to become professional mariners.

Whereas the proposed Maritime Education Loan Program legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into a licensed position or higher unlicensed endorsement.

Be it resolved that the Apostleship of the Sea of the United States of America expresses its support of the efforts of the Pacific Coast Maritime Consortium, and its effort at enacting the proposed Maritime Education Loan Program.

Be it further resolved that AOSUSA will encourage its members throughout the United States to support this legislation by communicating to his or her members of Congress the organization's support of this proposed legislation.

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May 18, 2006

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

RE: Maritime Education Loan Program

Dear Madams and Sirs:

The Passenger Vessel Association (PVA) is pleased to express it's support for the proposed Maritime Education Loan Program.

PVA is the national trade association for the U.S.-flagged, U.S. Coast Guard-inspected passenger carrying vessel fleet. The Association has 425 vessel operating companies and 175 associate member companies that design, build, repair, equip, train the crews, and manage vessels.

PVA members are diverse. The vessel-operating companies include vehicular and passenger-only ferries, dining cruise, excursion, sightseeing, whale watch, eco-tourism, and overnight cruise vessels. They provide their services across the breadth and depth of the United States. They operate in major ports, river systems, lakes, bays and sounds including headwaters and remote waterways.

The domestic passenger vessel fleet includes several thousand small passenger vessels and two hundred plus passenger vessels, as defined in Title 46, *United States Code* section 2101(22) and (35).

The Passenger Vessel Association would like to express it's support for the proposed Maritime Education Loan Program. The maritime industry faces many challenges of which not the least is the time and cost of certification as it applies to mariners advancing up the maritime career ladder or "Hawsepipe".

The proposed legislation would go far in encourage new mariners to consider our industry for their employment. We believe that finding, developing and retaining employees in the modern marketplace will be one on the biggest challenges for our members in the near future. This proposal will help the domestic fleet continue to grow our businesses by offering our mariners important assistance in the high cost of training and license attainment.

Sincerely,

Elizabeth J. Gedney
Director, Safety, Security and Risk Management

May 31, 2006

RE: Maritime Education Loan Program

Subcommittee on Coast Guard and Maritime Transportation
Ford House Office Building Room 585
Washington, DC 20515

Dear Madams and Sirs:

The Offshore Marine Service Association (OMSA) is the national trade association representing the owners and operators of U.S. flag vessels that work in the offshore oil and gas sector, both domestically and internationally. Our member vessels carry the supplies, equipment and many of the workers who make our offshore oil and gas industry possible. The majority of our members are family run businesses employing some 12,000 U.S. mariners.

The days when a mariner could manage their own career and learn everything they needed to advance have passed over the horizon like the schooner of old. The American merchant marine is facing a critical shortage of qualified mariners. As the workforce ages there are less and less personnel willing and able to advance to fill the highly skilled licensed positions. One key component of the current shortage is the significant cost of government imposed training and education required for a mariner to advance his or her career.

Our industry is one where a young person with only a high school education and a desire can begin a career working on the deck of a vessel and progress to vessel master earning well over $100,000 per year. But where once only a strong work ethic could propel a young man or woman to a senior vessel position, today's situation is much different. Today's government mandated classroom training and education requirements may cost over $50,000 for the classes alone, not to mention the additional cost of travel, per diem and time away from home.

OMSA would like to express support for a Maritime Education Loan Program. It is crucial that necessary monies are provided to mariners for education at local and regional institutions. The proposed legislation would go far in alleviating the current barriers that are discouraging incumbent mariners who wish to upgrade into a licensed position or higher unlicensed endorsement.

Respectfully,

K. B. Parris
Vice President