**Testimony of**
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**Before The United States House of Representatives**
**Committee On Transportation And Infrastructure**
**Subcommittee on Coast Guard and Maritime Transportation**

**Regarding the National Maritime Center and Mariner Credentials**

**July 9, 2009**

## Introduction

Good Morning, Chairman Cummings, Ranking Member LoBiondo and members of the Subcommittee. Thank you for giving us the opportunity to testify on this subject. Licensing and credentialing are critically important to our industry and the mariners who work in the industry.

OMSA is the national trade association representing the owners and operators of America's offshore workboat industry. The American citizens who work on board OMSA member vessels make it possible for our country to explore and produce its offshore oil and gas. Soon they will be instrumental in the construction and maintenance of offshore wind and other renewable energy facilities.

Mariners who serve on offshore supply vessels are required to obtain merchant mariner documents, the necessary licenses for their positions and all applicable STCW endorsements. It is worth noting that these mariners are among the largest group of U.S. seafarers who are required to meet STCW mandates.

In our testimony today, we would like to cover the following concerns:

1. The growing pains associated with the reorganization of the National Maritime Center are adversely affecting mariners.
2. TSA implementation of TWIC requirements for working mariners who require MMDs has been unacceptably complicated.
3. Coast Guard efforts to outsource to private companies the quality control for security training need to be rethought.
4. One size doesn't fit all in licensing, but the existing system is too complex and until it is simplified, improvements in the processing of applications will not be successful.

## Growing pains from the reorganization of the National Maritime Center

Nearly two years ago, the Coast Guard centralized its licensing and credentialing process and moved its National Maritime Center (NMC) to West Virginia. It was a needed change and one that our industry supported. It was a significant transition and significant transitions bring with them significant disruption and growing pains. From our observations we believe the Coast Guard has worked to address problems as they become apparent. Unfortunately the brunt of the disruption has been felt by the individual mariners. We can never lose sight of the fact that for mariners the stakes of this reorganization are very high. The NMC controls a seafarer's ability to advance on the job or even to work at all. If the NMC only makes a mistake on one out of a thousand applications that it sees that would be a very good record. But we can't forget that mistake affected an American seafarer's ability to earn a living – that doesn't leave a lot of room for error or delay.

What sort of growing pains has the NMC experienced?

- Inexperienced evaluators - Evaluators are new to the licensing system and are learning the nuances of licensing on the fly. Not surprisingly they have made mistakes.
- Extreme backlogs in processing applications - As backlogs have developed in areas of licensing and documentation, the Coast Guard has at times been slow to throw the necessary resources at the problem. We haven't seen that the Coast Guard was unwilling to allocate resources, but adapting to new needs has not been smooth or quick.
- Help desk personnel whose ability to help was limited - However well-meaning personnel may be, until they understand the complexities of the system, there are limits to their helpfulness.
- Incorrect interpretations - We have also seen evaluators interpret policies and regulations incorrectly and then those interpretations take on a life of their own, repeating and repeating themselves with each new mariner application. Again, this is a natural outcome when a new staff learns its job, but that does not make it easy for a mariner who is affected by the interpretation.

There is simply little room for error when American workers are so dependent on a government agency to correctly and timely issue required credentials. That puts an enormous responsibility on the Coast Guard to get it right the first time.

**TSA implementation of TWIC requirements for working mariners who require MMDs has been unacceptably complicated.**

Mariners are experiencing a real problem in coordinating the need to obtain TWIC cards and the need to obtain Coast Guard credentials. This problem could have and should have been avoided. The maritime industry repeatedly warned the Transportation Security Administration (TSA) that there would be problems if mariners were required to wait for a TWIC card to be processed and then wait for an MMD or other document to be approved. TSA said they would develop the necessary processes to keep that from happening. Yet today mariners are

experiencing unnecessary delays in obtaining their documents because information on a mariner's TWIC card has not been easily made available to the Coast Guard NMC. The main problem appears to be that if a mariner didn't check the right box on the TWIC application, his information isn't provided to the Coast Guard. It does not appear that anyone at TSA told the mariners they had to check that box or why it was important. After all the promises that the TWIC process would be efficient, this glitch strikes us as being simply unacceptable.

**Coast Guard efforts to outsource the quality control for security training to private companies need to be rethought.**

The Coast Guard has been looking at new and creative ways to meet its goals of making sure mariners are qualified to do their jobs. That is admirable. But some creative approaches work better than others.

Section 109 of the Maritime Transportation Security Act of 2002 (MTSA), required the Secretary of Transportation to "develop standards and curriculum to allow for the training and certification of maritime security professionals. The Secretary of Transportation delegated this responsibility to the Maritime Administration. Since early 2005, this program has provided maritime security training organizations with course review and potential government approval at no cost to providers until the MARAD funding was exhausted. In May 2008, the U.S. Coast Guard issued a rulemaking to implement amendments to the IMO STCW Convention concerned with Ship Security Officer/Vessel Security Officer (SSO/VSO) training and certification requirements. New approval of VSO courses is being handled by U.S. Coast Guard approved Quality Standards System (QSS) organizations. The Maritime Administration will no longer accept applications for approval of VSO courses. However, VSO courses that were previously approved under the Maritime Administration/Coast Guard MTSA 109 course approval program are "grandfathered" under the regulations and are considered to meet all requirements thereof. Training providers who either were ahead of the curve in seeking approval prior to 2005 or were unlucky enough to get in after the MARAD funds ran out wound up having to pay a private organization for a service that has always been provided without cost.

What was not really understood at the time was that this represented both a shift in who would pay the cost and who would be ultimately responsible. When a private company takes over the course approval and quality control role from the government, there is a cost for that service. That cost was borne by the companies that desired to teach the security course which meant that it was ultimately passed on to the seafarers. In effect the cost for security training, which was a requirement from the federal government which no mariner or boat owner asked for, was an unfunded mandate that was paid for by the individual seafarers or their employers.

Further, when disagreements emerged, it was impossible to determine where the ultimate responsibility for the program rested – in other words, where the buck stopped. In addition to adding layers of cost to a mandated training program, there has not seemed to be a normal appeal process or accountability available to mariners or their companies.

We strongly recommend that the Coast Guard revisit the delegation of their course approval authority in close consultation with the affected maritime community.

**One size doesn't fit all in licensing, but the existing system is too complex and until it is simplified, improvements in the processing of applications will neither be simple nor successful.**

We close by stressing that the problems with licensing and documentation cannot be solved by simply making the NMC more efficient or process oriented. The regulatory system is broken. It is an overly complex, jury rigged series of regulations, policies and interpretations that have turned into a nearly impenetrable maze for the individual mariner. We need to simplify and improve the process.

That is not to say that we should adopt a one size fits all approach. Our country is lucky enough to have not one, but several maritime sectors. As our association testified before this committee two years ago, nearly 95 percent of the U.S. flag fleet consists of limited tonnage vessels that operate on coastal or inland voyages.

It doesn't make sense to require the mariners on those vessels to meet the training requirements for an ocean-going supertanker or cruise ship.

The boat handling skills needed to work around an oil rig are vastly different from the skills needed to handle a deep draft ship. As one of our members once said, "Their captains try to navigate as far as possible from fixed structures when they are at sea. While ours try to get as close as possible."

We need a licensing system that allows mariners to gain the right skills for the right job without unnecessary complexity and expense. We need a system that allows the hawsepiper the same shot at success as the academy grad.

Within that context we need to simplify the system and remove obstacles that serve no purpose. The Coast Guard has stated that one third of applications submitted for a credential are incomplete. Let's not be too quick to blame the mariners. For comparison's sake, the IRS sends out seven million notices a year informing taxpayers of simple math errors. Any system that is too complex lends itself to mistakes.

As it happens the Coast Guard is looking at some solutions that came from the tax world – using online forms with business rules imbedded in the forms to make the application process "sailor-proof." We strongly urge the Coast Guard to devote the necessary resources to create the equivalent of "turbo tax" for licensing and implement the program as a high priority for their limited computer programming resources.

More than that, the Coast Guard must completely revamp the licensing process and requirements. Their past efforts have been like sticking Band-Aid after Band-Aid over a major wound. Further exacerbating the problem, changes to international mariner licensing requirements are coming into force faster than the Coast Guard can publish regulations to implement them in the United States. A full seven years after the last major IMO STCW Convention came into force, domestic regulations to implement major parts of these requirements have still not appeared in any Coast Guard proposed rule making or final rule. Part of the reason for this is that,

applying the STCW on top of the current licensing requirements may prove to be the final straw.

We understand the process to more fully implement the IMO STCW Convention has already started at the headquarters level. The Coast Guard should work very closely with maritime groups to develop a totally new, simple, and more efficient credential application, evaluation and issuance system. Let me stress at this point that the changes need to focus on improving the process for the mariner. The goal should not be to simply make the Coast Guard's life easier or allow it to reduce personnel. That said we strongly believe anything that makes the application process better for the mariner will also be better for the Coast Guard.

In conclusion, the reorganization and relocation of the NMC has resulted in difficult growing pains. We have to recognize that the brunt of that pain is falling on the shoulders of American mariners. We need to revamp the whole mariner credentialing system with a goal of creating simple and understandable career paths for mariners.

Thank you for allowing our association to testify on this issue. I would be happy to answer any questions.