



# West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXXII No. 11  185

SAN FRANCISCO, CALIFORNIA

Friday, November 22, 2019

## Stopgap funding measure avoids government shutdown

The U.S. Congress passed a stopgap spending bill this month to keep the government open for four additional weeks, avoiding a paralyzing government-wide shutdown before Thanksgiving but also punting a tough decision on border wall spending.

The lower chamber approved the short-term spending fix in a 231-192. The Senate also cleared the measure. President Donald Trump signed off on the bill, which runs through Dec. 20, since it doesn't impose new restrictions on border wall spending.

While Congress has averted yet another debilitating lapse in federal funding, congressional leaders still lack a fiscal 2020 funding plan beyond the new deadline. Protracted fights over Trump's border wall dominate spending talks and impeachment proceedings threaten to consume Congress through January.

"Failing to secure funding for the federal government before the end of the year is not an option," Senate Majority Leader Mitch McConnell said on the Senate floor before the House vote. "These talks must continue because it's vital that we work in good faith to fund important priorities for the coming year. But what is needed in the near term is to keep the government

open for the next several weeks while this work goes on."

The bill passed largely along party lines, with Republicans like Reps. Kay Granger and Mac Thornberry of Texas opposing the measure over concerns about continually flat-funding the military through a series of stopgap bills.

House Democrats lost the votes of the four progressive members known as "The Squad." Rep. Alexandria Ocasio-Cortez of New York said that she wouldn't support the bill because of surveillance extensions that were tacked on. Reps. Ilhan Omar of Minnesota, Rashida Tlaib of Michigan and Ayanna Pressley of Massachusetts also joined her in voting no.

Congressional leaders have set an ambitious goal of passing a dozen, full-year appropriations bills before Dec. 31. And top appropriators had hoped to secure a deal on spending levels for those measures.

But the topline numbers are still embroiled in partisan fighting, despite a massive bipartisan budget deal earlier this summer that boosted defense and domestic spending limits by about \$100 billion for the next two years.

The stopgap maintains the status quo on border wall funding

*continued on page 2*

## Transportation Labor sets national agenda: demands include infrastructure spending

As a renewed wave of worker activism sweeps the country, the leaders of 33 transportation unions focused on ways to improve the lives of working families by creating and protecting middle-class transportation jobs, investing in infrastructure, and enhancing on-the-job safety during the Executive Committee meeting of the Transportation Trades Department, AFL-CIO (TTD).

The gathering, held earlier this month, comes as teachers in Chicago march for smaller class sizes and greater resources, transit workers in Virginia protest unfair labor practices, workers across the transportation industry fight for more funding, improved safety, and fair contracts, and just days after 50,000 UAW members ratified a new contract, ending the longest automotive strike in 50 years.

"There is a reason people are taking to the streets and fighting for their rights at a rate we haven't seen in decades. Workers today are fed up with unsafe working conditions, an economy that favors the wealthy, and infrastructure that struggles to meet basic needs," said TTD president Larry I. Willis. "By fighting for policies that keep our transportation system well-funded, safe,

and a creator of good jobs, we can grow the middle class and help rebalance our economy in favor of working families."

Transportation labor leaders called for robust investments in surface transportation, passenger rail, and our nation's seaports that put working people first. They vowed to uphold fair trade rules that govern the aviation industry, and mitigate fatigue among cargo pilots. Union leaders are also taking a strong stand against a dangerous, Wall-Street backed business model that threatens good jobs and safety in the freight rail industry.

TTD's Executive Committee discussed these and other priorities with Rep. Brian Fitzpatrick (R-Pennsylvania), a member of the House Transportation and Infrastructure Committee, and Sen. Sherrod Brown (D-Ohio).

"A safe, efficient transportation system is a source of pride, a hallmark of American freedom, and the fuel that drives our economy," Fitzpatrick said. "I look forward to working with TTD and its 33 unions to find common-sense solutions to our most pressing transportation challenges."

"Something is wrong when corporate profits go up and CEO pay soars, but wages for

working people barely budge," Brown said. "You can't say you're for workers individually if you aren't willing to stand with workers collectively. I am proud to stand with transportation labor as we fight together to put power back in the hands of working people."

Transportation union leaders also discussed a new report that shows how the relatively affordable and convenient service found in the ride-hailing industry is based on a business model that exploits workers and undermines the goals of public transportation. The report finds that companies like Uber, Lyft, and Via artificially drive down prices by misclassifying their drivers as independent contractors, trapping them in low-wage, no benefit positions, avoiding regulation, and relying on massive subsidies from private capital.

"Anyone who works for a living deserves fair wages, safe working conditions, and the ability to retire with dignity," said TTD Secretary-Treasurer Greg Regan. "Transportation labor is committed to fighting for policies that will uphold these basic civil liberties and enhance the rights of working people everywhere."

## Sudden wildfires engulf Cal Maritime college

On Sunday October 27, California Maritime Academy officials published an emergency tweet "EVACUATE CAMPUS. Fire has jumped the freeway".

The California State University Maritime Academy is one of 23 campuses in the California State University system and is one of seven degree-granting maritime academies in the United States. It is located in Vallejo, California, just north of San Francisco.

Dry conditions and high winds created numerous large fires across the state in recent months but most fires have occurred far inland.

The Cal Maritime fire started across the freeway to the east but embers jumped the freeway

and ignited the campus, which prompted the evacuation. The fire also crossed the Carquinez Strait by embers on the wind, and those fires forced the evacuation of the city of Crockett.

Press reports said that 55 acres had burned but only two minor injuries to firefighters had been reported.

State and local firefighting trucks responded quickly and in large numbers, while administrators scrambled to evacuate the campus. A tweet from Cal Maritime officials indicated a complete and safe evacuation 90 minutes after the initial call.

The training ship Golden Bear, pictured above, was put in standby status by the Maritime Administration. MarAd designated Mat-



son Navigation under a general agency agreement to assist with a potential sailing. Since all student crew had been evacuated, the SUP was notified to prepare for emergency crewing to get the ship off the dock should the fire threaten the ship. Contingency

planning was underway when MarAd ultimately decided against the activation as the fire abated and was extinguished.

One official said about 130 to 140 cadets were on campus at the time and evacuated in about 30 minutes.



# SUP Honor Roll

Voluntary contributions from the membership to the following funds:

## Dues-Paying Pensioners

Donald Cushing	Book #4777
Diane Ferrari	Book #2251
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
Gunnar Lundeborg	Book #4090
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3093
James Savage	Book #7488
David Shands	Book #7483
Arthur Thanash	Book #3249

## West Coast Sailors

Jeff Bonneville	25.00
Brandon Keopuhiwa	100.00
Benjamin Linn	50.00
Brian McCarthy	25.00
Joseph Meehan	25.00
Paul Splain	100.00

*thank you*

## Political Fund

Rodolfo Bautista	40.00
Archie Bickford	50.00
Elisabeth Bishop	60.00
David Connolly	100.00
David Fadoul	100.00
Joseph Ginez	20.00
Valeriy Goncharov	50.00
John Hartley	50.00
Michael Henderson	100.00
Matt Henning	50.00
Haz Idris	50.00
Brian McCarthy	150.00
Napoleon Nazareno	25.00
Vincent O'Halloran	200.00
Paul Splain	100.00
Sale Ugaitafa	20.00
Scott Weideman	40.00

## Organization/General Fund

Rodolfo Bautista	60.00
Elisabeth Bishop	60.00
Corey Burton	100.00
Brian McCarthy	25.00

# California truckers plan protest over independent contractor law

A protest over AB 5, a California law designed to limit the use of independent contractors, is being planned by truckers.

While the planned protests originated with truckers hauling construction materials and agricultural products, some flyers promoting the protests also have been posted around the ports of Oakland, Los Angeles and Long Beach so that drayage drivers may also become involved and ports may be affected. It was unclear whether the protest would gain traction with drayage drivers at those ports.

Debbie Ferrari of MAG Trucking in Hayward, California said there is no group in charge of the planned shutdown, but a number of truckers have "decided they would take time off" on those days.

Ferrari, who has been in the trucking business for 38 years, said that many truckers in the agriculture and construction businesses are frustrated that an exemption was not made for them in AB 5.

These include not only drivers moving material such as aggregate, block, hot asphalt, soil and other construction material - "integral work to keep California moving," she stated. She also noted that some of these drivers are involved in emergency clean-up and repairs or moving the harvest from California farms and orchards.

"The shutdown is a grassroots effort of many firms making a personal choice. Some will be demonstrating at designated areas that will be disclosed each day on the day prior," said Ferrari.

"In our community, owner-operators are prevalent because work is seasonal and the cost of living is higher. A lot of people prefer to be owner-operators," she said.

"There are a lot of truckers that are misclassified, but there are quite a lot that are not," she added.

When AB 5 was being discussed, Ferrari said that she spent a number of days in Sacramento speaking to legislators and lobbyists about the concerns of truckers serving the construction industry.

"The whole thing has been unreal -

the treatment, taking away the freedom, taking away the living of people who have invested in clean trucks," she said.

Ferrari expects additional protests and visits to legislators to have the law modified. "We have a great, clear case and they are treating us very badly and controlling us. They are shutting us down for the wrong reasons - mischaracterizing the people who hire the owner-operators and the owner-operators."

Weston LaBar with the Harbor Trucking Association, which represents port drayage companies, said his organization is following the planned protest, but said "it is being organized by the construction brokerage community, it's not being organized by anybody that has to deal with drayage."

"I don't know what level of participation you're going to see in ports. That being said, obviously there areas many owner-operators in the drayage industry and they're very upset about AB 5," said LaBar. "We want the drivers to absolutely reach out and let people know their opinions and the fact that they don't appreciate AB 5. We definitely want elected officials and legislators to be educated on the viewpoints of these drivers and the fact that they have no interest in being employees."

However, LaBar reiterated that the Harbor Trucking Association is not promoting the protest because of concerns that it could impact cargo.

"We always have concerns with anything that disrupts the flow of cargo in and out of the ports on the West Coast. We deal with a good percentage of the nation's discretionary cargo... every time there is a major disruption it affects discretionary cargo and market share on the West Coast," LaBar said. "The sad part is, this is the type of engagement we were hoping we would get from drivers before AB 5 was voted on so that legislators could actually understand the points of view of truck drivers. But there was a large level of apathy in the sense that they didn't think something like this would ever happen and that their livelihoods might be threatened. And so now they're on the defensive after the fact."

# Buzby presents \$18 million grant to Port of Beaumont

United States Department of Transportation Maritime Administration Administrator Admiral Mark Buzby formally presented a check last week for \$18 million to the Port of Beaumont for its Multimodal Corridor Expansion and Improvement Project.

U.S. Secretary of Transportation Elaine L. Chao announced that the Trump Administration will invest \$900 million in American infrastructure through the Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants program.

"The Administration is targeting BUILD Transportation grants to repair, rebuild, and revitalize significant infrastructure projects across the country," said Chao.

Fiscal Year 2019 BUILD Transportation grants are for investments in surface transportation infrastructure and have been awarded on a competitive basis to projects with a significant impact in their local or regional communities. BUILD funding supports roads, bridges, transit, rail, ports or intermodal transportation.

"This investment in the Port of Beaumont supports America's national and economic security. By investing in ports, we're strengthening the U.S. maritime industry, which supports hundreds of thousands of good paying American jobs. As homeport to three of our Ready Reserve Fleet vessels, the Port supports sealift, which ensures that the U.S. can protect itself and its interests around the globe" said Buzby. The SUP "crews" the Cape Texas, Cape Taylor and Cape Trin-

ity at the port and the Cape Vincent and Cape Victory are homeported in nearby Orange, Texas.

The Multimodal Corridor Expansion and Improvement Project at the Port of Beaumont reconstructs condemned wharves 2, 3, and 4 at the Main Street Terminal 1, adds approximately 16,000 linear feet of new rail track and realigns and upgrades approximately 4,275 feet of existing rail track at the Buford Rail Yard Interchange, and replaces a deteriorated grain dock.

By reconstructing wharves originally built in the 1950s that failed in 2011 due to age-related structural deterioration, the project will bring the Main Street Terminal into a state of good repair to restore dock service to handle military, breakbulk, and project cargoes. Similarly, the project will replace the grain dock, which is past its useful life.

The project increases economic competitiveness by doubling rail interchange capacity and adding general cargo handling capacity to reduce freight shipment costs and facilitate direct intermodal interchange and transfer at the Port of Beaumont, particularly for grain exports. By increasing capacity and efficiency for water-based and rail freight movement, the project decreases heavy truck traffic and emissions, aligning with safety and environmental sustainability respectively.

The program selection criteria encompassed safety, economic competitiveness, quality of life, state of good repair, environmental sustainability, innovation, and partnerships with a broad range of stakeholders.

# Late November government funding averts shutdown *continued from page 1*

and other immigration issues.

It would also fund a 3.1% military pay raise, provide extra cash to help the Commerce Department gear up for the 2020 census and allow state highway programs to avoid a \$7.6 billion cut this summer. The measure includes a number of health extenders and renews three expiring surveillance provisions through March.

## Final Departures

**Patrick Harris**, Book #5560. Born in California in 1927. Joined SUP in 1945. Died September 21, 2019. (Pensioner)

**Robert Hitchcock**, Book #5440. Born in Kansas in 1928. Joined SUP in 1944. Died October 8, 2019. (Pensioner)

**John Herrera**, Book #5715. Born in California in 1927. Joined SUP in 1951. Died October 15, 2019. (Pensioner)

**Michael Powell**, Book #3869. Born in Washington in 1944. Joined SUP in 1965. October 16, 2019. (Pensioner)

**Lloyd Whittal**, Book #3621. Born in Washington in 1931. Joined SUP in 1967. Died October 18, 2019. (Pensioner)

**Lige Midkiff**, Book #5468. Born in Texas in 1940. Joined SUP in 1966. Died October 19, 2019. (Pensioner)

**Fenton Townsend**, Book #3253. Born in California in 1927. Joined SUP in 1946. Died October 22, 2019. (Pensioner)

**George Simpier**, Book #7484. Born in California in 1948. Joined SUP in 1967. Died November 5, 2019. (Pensioner)

## West Coast Sailors

Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francisco, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals' postage paid at San Francisco. (USPS 675-180). Printed by Dakota Press Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

**Dave Connolly,**  
President/Secretary-Treasurer  
**Julia Preciado, Designer/Editor**  
BRANCH OFFICES

Seattle, WA 98199  
4005 20<sup>th</sup> Ave. W. Ste.115 (206) 467-7944  
FAX: (206) 467-8119

Wilmington, CA 90744  
533 N. Marine Ave. (310) 835-6617  
FAX: (310) 835-9367

Honolulu, HI 96813  
707 Alakea St., Rm. 101 (808) 533-2777  
FAX: (808) 533-2778

WELFARE OFFICE

(415) 778-5490

PENSION PLAN OFFICE

(415) 764-4987

*Happy Thanksgiving*

## Jones Act under attack: customs proposal would give niche to foreign vessels in offshore trades

The U.S. Customs and Border Protection (CBP) has issued a proposal that would modify rules affecting offshore oil and gas production intending to provide relief for U.S.-flag vessels regarding movement of vessel equipment. But the recently issued Customs Bulletin also includes a determination that redefines the meaning of offshore "lifting operations." That revision would clarify that "certain lateral movements do not constitute transportation under the Jones Act," an interpretation that would clear the way for certain foreign-flagged vessels to perform work formerly restricted to U.S.-flag vessels with American mariners.

The Chairman of the House Committee on Transportation and Infrastructure Peter DeFazio (D-Oregon) issued a statement expressing alarm over the CBP announcement. "While I applaud the U.S. Customs and Border Protection for concluding their decade long process, I have

very serious concerns about new determinations on the application of the Jones Act to the offshore oil and gas industry. To be clear, any Administrative action or determination that serves to weaken the Jones Act is unacceptable. As I continue to work through the "Customs Bulletin Notice" to understand the full scope of its effect on the Jones Act, I urge CBP to reconsider any ruling that undermines the American shipping industry."

The Offshore Marine Service Association (OMSA) believe the rule modification aspect of the CBP action will benefit U.S. mariners and shipyards. However, they strongly criticized the lifting operations re-interpretation that, they say, "will unfortunately create new loopholes." OMSA noted, "The Jones Act does not allow for the lateral movement of merchandise by foreign flagged ships and no amount of interpretive guidance changes that."

## Longshore union will seek to overturn \$93.6 million verdict

The verdict against the union and in favor of ICTSI, Oregon Inc. was "shocking," said ILWU International President Willie Adams. "Worse was the mischaracterization throughout the trial that the ILWU does not care about the Oregon community or the Port of Portland."

In a filing with the U.S. District Court in Portland, the ILWU says it will seek to have to verdict modified, and if necessary, appeal.

The \$93.6 million in damages were apportioned 55% against the ILWU and 45% against Local 8.

Attorneys for the union say "entry of judgment on the verdict will impose a heavy financial burden with serious collateral consequences, including bankruptcy." The ILWU's annual LM-2 Labor Organization Annual Report filed with the Department of Labor says the union had net assets of \$6,181,317 at the end of 2018.

ICTSI Oregon is a U.S. subsidiary of the Philippines-based International Container Terminal Services Inc. It operated Terminal 6, the sole container terminal in the Port of Portland, from 2011 to 2017, but had a rocky relationship with the ILWU and its Local 8.

"The lawsuit stems from a labor dispute between ICTSI and the union in 2012, when ICTSI became a signatory to a labor agreement with the ILWU but refused to assign all of the work covered by the collective bargaining agreement to ILWU-represented workers," said the union in a press release. "The labor dispute was quickly decided in ICTSI's favor by the NLRB and later in federal court, while labor management relations at Terminal 6 worsened for wholly unrelated reasons."

The union contended work tending reefer containers rightfully belonged to its members and not the International Brotherhood of Electrical Workers, while ICTSI said the decision of who to assign the reefer

work to was that of the Port of Portland.

In a memorandum to ILWU locals and affiliates, Adams said the union had attempted to settle the lawsuit and accused ICTSI of having the goal of "union-busting on a global scale." He said the jury's verdict was inconsistent with the evidence and based on "flawed NLRB findings and unreliable evidence of ICTSI's damages."

He accused ICTSI of "creating and promoting a miserable working environment for longshore workers" and said the company "was doomed to fail at the Port of Portland." He also pointed to the challenges the company faced operating a container terminal on the Columbia River, which is located over 100 miles inland.

Based on earlier proceedings, Judge Simon said the court accepted as proven fact that "between June 1 and June 10, 2012, ILWU members engaged in slowdowns, work stoppages, safety gimmicks and other acts with the objective of obtaining the reefer work for ILWU members, which constituted unlawful labor practices" and that union leaders had threatened that steamship lines would not continue to do business with ICTSI in Portland.

ICTSI claimed that unlawful job actions caused the container carriers calling Terminal 6 to abandon Portland, and said the job actions continued until it shut down the terminal in 2017, causing it harm and damages.

Adams said the ILWU Longshore Division will be holding a special caucus to discuss the ICTSI verdict.

He said since ICTSI's departure, the Port of Portland has resumed operating Terminal 6 in partnership with the ILWU, and the ILWU and the port are working together to bring new business and container services to Terminal 6."

## Seafarer loneliness highlighted

Long working hours, isolation and extended periods away from home can put seafarers around the globe at risk of eroded mental health, new research by Cardiff University has found. The study, funded by the Institution of Occupational Safety and Health (IOSH), urges cargo shipping companies to provide greater support for workers to help prevent conditions such as anxiety and depression. This includes the provision of onboard amenities such as internet access, improved accommodation and recreational activities.

More than 1,500 seafarers completed a questionnaire on their experiences for the research, while face-to-face interviews were conducted with a small group of seafarers, employers, maritime charities and other stakeholders. Lack of internet access, long periods away from friends and family, poor accommodation and food were among the leading causes of concern for those working at sea.

The report concludes that the provision of free internet access would make the most significant contribution to improving the mental health and wellbeing of those working onboard ships. Other areas for focus include better terms and conditions of work, relationships with colleagues on board, accommodation and recreation.

## Green Lake crew recognized for Sincerity Ace rescue efforts

MARAD's Gallant Ship Citation Award and U.S. Merchant Marine Medals for Outstanding Achievement have been awarded to the crew of the U.S.-flagged car carrier *Green Lake* for their rescue efforts in response to the fire onboard the *Sincerity Ace* in the northern Pacific Ocean on December 31, 2018.

The crew of the *Green Lake's* actions began on New Year's Eve 2018 when the ship responded to the disaster unfolding 2,000 miles northwest of Hawaii. The car carrier *Sincerity Ace* caught fire, forcing her 21-man crew to abandon ship. Arriving on the scene, the *Green Lake* encountered the daunting task of locating *Sincerity Ace* crew members spread out across several miles. The *Green Lake* crew fought 17- to 20-foot waves and turbulent winds during a rescue effort that lasted 18 hours, with the *Green Lake's* entire deck crew working tirelessly to get the survivors onboard. They saved seven *Sincerity Ace* crew members.

The merchant ships *SM Eagle*, *New Century 1*, *Venus Spirit* and *Genco Augustus* also aided the response, and together they brought an additional nine survivors to safety. Four other *Sincerity Ace* crewmembers were found unresponsive in the water and were not recovered; one remained missing at the end of SAR operations.

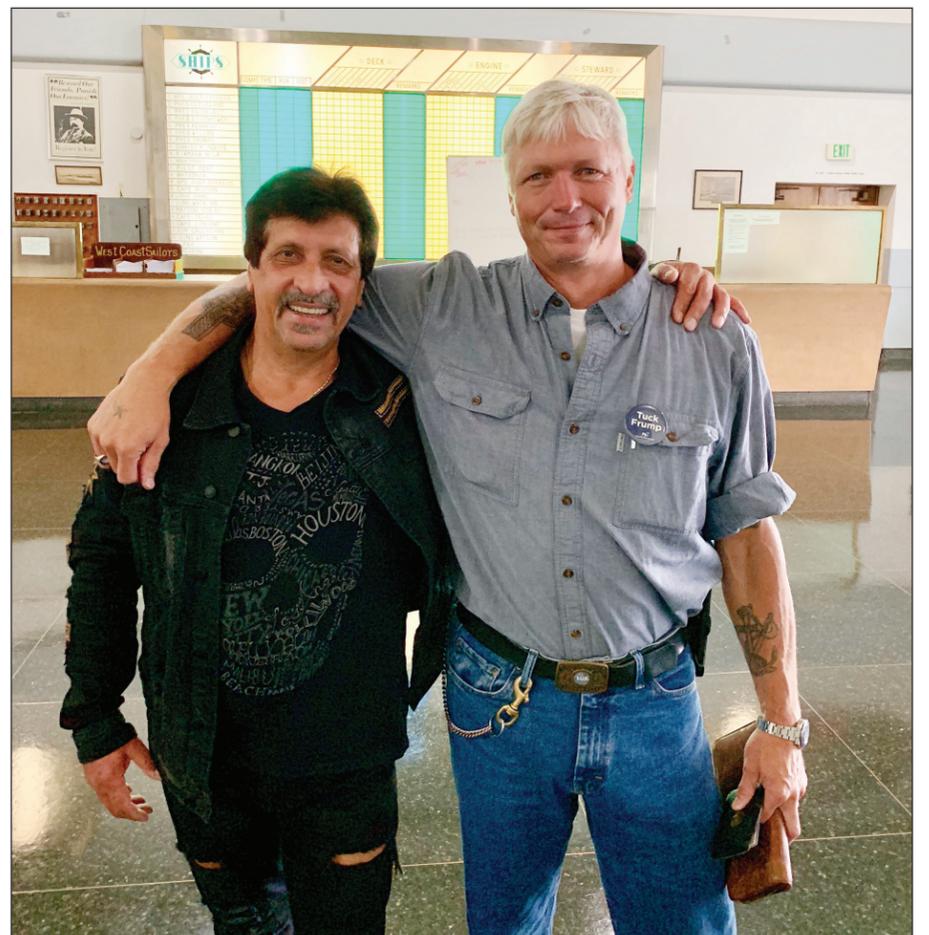
MARAD Administrator Mark H. Buzby said: "The *Green Lake* was there to respond in the time-honored tradition of mariners coming to the aid of fellow mariners. This American-trained crew highlights the

professionalism and valor of our nation's mariners, whether conducting humanitarian aid missions or providing vital sustenance to the U.S. Armed Forces."

The Gallant Ship Award dates back to an executive order issued by President Franklin D. Roosevelt during World War II to recognize excellence and bravery in merchant mariners. Between 1944 and 1994, only 41 ships received Gallant Ship status, with the last award presented in 1994. The award is presented "to any United States vessel or to any foreign vessel (merchant, Coast Guard, Navy, or other), the crew of that ship, or other individuals or organizations participating in outstanding or gallant action in marine disasters or other emergencies for the purpose of saving life or property." Ships and crews receiving Gallant Ship status must have encountered substantial danger during rescue and lifesaving efforts while demonstrating efficiency, discipline, and expertise in conducting such operations.

The Merchant Marine Medal for Outstanding Achievement is awarded to U.S. merchant mariners who have participated in an act or operation of humanitarian nature directly aiding an individual or group of individuals.

The *Green Lake* is part of the MARAD Maritime Security Program fleet. Created in 1996, the Maritime Security Program maintains a fleet of 60 modern U.S.-flag ships, active in international trade, yet available on-call to meet U.S. Department of Defense transport requirements.



Dmitri Seleznev and Dale Gibson before 0900 job call at SUP Headquarters in San Francisco. Dmitri caught the President Wilson and Dale the President Truman, both as bosuns.

### SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2019/2020:

	Hdqtrs.	Branch
December	9	16
January	13	21
February	10	18
March	9	16

Corrections to October's *West Coast Sailors*:

Effective date of the SUP Officer Wage increase -- Oct. 1, 2019 not 2018

Pensioner Paul Barbour joined SUP in 1975 not 1976.



## Pirates attack OSV in the Gulf of Mexico

Pirates attacked an Italy-flagged offshore supply vessel in the southern Gulf of Mexico, injuring two crew members, the Mexican Navy said, in the latest outbreak of robbery and piracy to hit oil platforms and infrastructure in the area.

One of the crew members of the vessel, Remas, received a bullet wound, and the other suffered a concussion, and both were transferred to a nearby hospital, the Navy said in a statement.

Owned by Italian offshore contractor Micoperi, Remas is a supply vessel for Mexico's oil industry.

It had a crew of about 35 when the attack occurred off the city of Ciudad

del Carmen in the state of Campeche, according to two people familiar with the matter and local media reports.

About eight armed pirates arrived in two small vessels and boarded the Remas, robbing the crew, the reports said.

Micoperi and the Italian embassy in Mexico did not immediately respond to requests for comment.

Mexican state oil firm Pemex has said robbery is increasingly affecting its oil infrastructure. Sophisticated equipment has been stolen and resold, and crews robbed.

Most registered attacks have been in the southern rim of the Gulf of Mexico, where dozens of oil platforms produce thousands of barrels of crude per day.

## Harbor Maintenance Trust Fund Act advances

The Full Utilization of the Harbor Maintenance Trust Fund Act, H.R. 2440, advanced in the U.S. House of Representatives on October 28.

The vote was 296 in favor and 109 opposed. The voting required a two-thirds super majority of the House in order to pass under "suspension of the rules."

The American Association of Port Authorities (AAPA) says the legislation would enable Congress to appropriate \$34 billion over the next decade to restore America's federal navigation channels to their originally-constructed widths and depths.

AAPA's President & CEO, Chris Connor, says: "The legislation will stop the diversion of HMTF payments and provide a means for Congress to spend down the more than \$9 billion that has been diverted in previous years."

William P. Doyle, Chief Executive Officer of Dredging Contractors of America, said: "Where the government collects taxes from taxpayers, and that tax is codified into federal law to be used for a specific purpose, then the tax must be used for that specific purpose. It's very simple. The Harbor Maintenance Tax receipts are collected from shippers and are to be used for harbor maintenance dredging."

In 1986, Congress enacted the Harbor Maintenance Tax (HMT) to recover the operation and maintenance dredging costs for commercial ports from maritime ship-

pers. The HMT is directly levied on importers and domestic shippers using coastal or inland ports as a 0.125% ad valorem tax on the value of imported cargo (e.g., \$1.25 per \$1,000 value) and is typically passed along to U.S. taxpayers on the purchase of imported goods or services.

These revenues are deposited into the Harbor Maintenance Trust Fund within the U.S. Treasury from which Congress currently appropriates funds to the Corps for harbor maintenance dredging. Currently, what is collected and what is spent on harbor maintenance is not the same according to the House T&I Committee.

In April 2019, Chair of the House Committee on Transportation and Infrastructure Peter DeFazio (D-OR), Committee Ranking Member Sam Graves (R-MO), Chair of the Subcommittee on Water Resources and Environment Grace F. Napolitano (D-CA), Subcommittee Ranking Member Bruce Westerman (R-AR), and Congressman Mike Kelly (R-PA) introduced the Full Utilization of the Harbor Maintenance Trust Fund Act.

House passage of this bill is a major milestone towards full Congressional HMT legislation enactment. The next action lies with the Senate, where the Environment and Public Works Committee is anticipated to release initial HMT legislative language in the next few weeks, as part of developing their Water Resources Development Act bill.

## US Marines provide embarked security for Strait of Hormuz transit

Marines and sailors from U.S. Central Command's Fleet Anti-Terrorism Security Team (FASTCENT) recently provided the MSC-chartered ro-ro Liberty with an on-board security presence during a transit of the Strait of Hormuz, a regional flash point for tensions between Iran and the United States.

A FASTCENT unit boarded the U.S.-flagged Liberty on October 21. On October 24, after the transit, a U.S. Navy Seahawk helicopter lifted them off the ro/ro's deck.

According to the Navy, marines with FASTCENT have a history of deterring, detecting, mitigating, and defending naval and national assets against terrorism since the unit's activation in 1986.

"A strong U.S. presence in the Gulf region is both a deterrent to any potential adversaries who may have an interest in disrupting the maritime domain or using the seas for nefarious purposes, as well as a force to reassure allies, and partners of the United States' commitment to ensuring the free flow of commerce throughout the region,"

said Brigadier Gen. Matthew Trollinger, Commander of Task Force 51/5th Marine Expeditionary Brigade.

The U.S. Navy is part of an allied effort to secure the Strait of Hormuz and the Gulf of Oman for all traffic, and as always it provides additional security assurance for American shipping.

"The U.S. Navy and Marine Corps has and will continue to protect U.S. forces and interests in the region. This includes routine escorting and embarking on U.S. flagged vessels," said Vice Adm. Jim Malloy, Commander, U.S. Naval Forces Central Command/Commander, U.S. 5th Fleet. "We are not seeking conflict, but we will be prepared to defend ourselves and respond to attacks on U.S. forces and our interests."

The Liberty is a Japanese-built, U.S.-flagged ro/ro operated by American Roll-On Roll-Off Carriers. In 2017, she was purchased from Wilhelmsen and flagged into the United States for Maritime Security Program (MSP) service. She was exiting the Gulf of Oman once more, eastbound and headed for Singapore.

## Marijuana legalization runs into employment drug policy problems

Smoking pot cost Kimberly Cue her job.

Ms. Cue, a 44-year-old chemical engineer from Silicon Valley, received an offer this year from a medical device manufacturer only to have it rescinded when the company found out that she smoked prescription marijuana to treat post-traumatic stress disorder.

"My email was set up with the company," she said. "My business cards were printed." But after a pre-employment drug test came back positive for marijuana, a human resources representative told her the job was no longer hers.

"I've lost all confidence in the process," said Ms. Cue, who ultimately took a different job, at 20% less pay. "I'm so frustrated and so irritated. I should be able to be upfront and honest with my employer."

The relatively rapid acceptance of marijuana use in the United States has forced lawmakers and employers to grapple with how to adapt. Last month, Nevada passed a bill prohibiting the denial of employment based on a positive test for marijuana. In Maine, employers may not discriminate against people who have used cannabis, and the state has specific rules for drug testing. And under a bill overwhelmingly approved in April by the New York City Council and awaiting Mayor Bill de Blasio's signature, employers would no longer be able to force job applicants to take drug tests for marijuana use.

In fact, marijuana is legal in some form in 33 states and the District of Columbia. The district and 10 states allow recreational use. (Illinois will join the group next year; New York and New Jersey appear to be headed in that direction.) Surveys in 2017 and this year showed that millions of Americans used cannabis with some regularity.

Some employers have already changed their policies on pre-employment drug screening, and not just to address the dissonance in punishing someone for using a legal substance. With unemployment so low, companies are finding that testing for marijuana adds an unnecessary barrier in hiring top talent.

"With an economy that's humming along, employers are desperate," said Jim Reidy, a lawyer with the firm Sheehan Phinney in Manchester, N.H., who regularly advises large corporations on drug-testing policies. "If they have these rigid drug and alcohol policies and drug testing at the pre-employment stage, where marijuana was still on one of the panels, they found they were otherwise losing out on qualified candidates."

Last year, Caesars Entertainment, one of Nevada's largest casino companies and employers, said it would no longer test candidates for marijuana. A company press officer called such testing "counterproductive" and acknowledged that it might be eliminating good candidates. Cannabis is legal for recreational use in Nevada, and Las Vegas is dotted with dispensaries.

Apple, too, has changed course. "In general, we have stopped testing most candidates and have never done testing

of current employees," the company said. "We continue to do pre-employment drug testing for a limited number of positions that have a safety risk."

There is also federal law to contend with. Employers with federal contracts or those whose employees are licensed through federal agencies are legally required to screen job candidates for drugs, including marijuana, which remains a Schedule 1 drug in the federal government's view. And Transportation Department rules frequently require companies in the industry to screen for drugs when hiring for safety-sensitive positions.

In a survey conducted in 2011, a year before Colorado and Washington became the first states to pass ballot questions legalizing marijuana for recreational use, the Society for Human Resource Management and the Drug and Alcohol Testing Industry Association found that 57% of employers conducted drug tests on all job candidates. In recent years, "more and more companies are dropping marijuana from pre-employment testing," Mr. Reidy said.

But not all are doing so.

In Fresno, Calif., Nicole Perez, 32, recently applied for a receptionist position at a trucking company only to be ruled out when she disclosed her cannabis use.

"I don't feel like I'm doing anything wrong and have anything to hide," said Ms. Perez, who recently moved to Eureka, Calif., in Humboldt County, where marijuana is more widely accepted. "So I will tell companies frankly and honestly that I will fail the test. And that's usually when the interview ends."

Courts have upheld the right of employers to set and enforce drug policies.

In a 2008 medical marijuana case, the California Supreme Court ruled that an employer could refuse to hire an applicant who tested positive for cannabis, even if it was legally prescribed for a disability. And in 2015, the Colorado Supreme Court ruled that Dish Network was legally allowed to fire a quadriplegic man who used medical marijuana at home, because the drug was still illegal under federal law.

Furthermore, most states, when they legalized marijuana use, gave employers the explicit right to discipline an employee for violation of a workplace drug policy or for working while under the influence.

Fiat Chrysler Automobiles in Michigan, a state that legalized recreational use last year, tests all of its employees. "A positive test for marijuana use will disqualify a candidate," the company told The Detroit Free Press. When contacted by The New York Times last month, the company added that its rules barred possession or use at work.

Quest Diagnostics compiles data on more than 10 million drug tests a year. Only a small number of companies have struck marijuana from the list of drugs they screen for, and nationally, roughly 99% of all general work force drug tests include marijuana.

“There is no America without labor, and to fleece the one is to rob the other.”

President Abraham Lincoln (1861-1865)

## House of Representatives acts to reauthorize Export-Import bank

The House of Representatives has passed legislation that would reauthorize the Export-Import Bank for a 10-year period, allowing for a full resumption of the bank's critically important export financing activities.

The legislation, HR 4863, was strongly supported by MM&P, MIRAID and the USA Maritime Coalition.

The House vote in support of the bill was 235-184.

The legislation has now been sent to the Senate, where its fate is at best uncertain.

Majority Leader Sen. Mitch McConnell and the administration have expressed opposition to the bill passed by the House.

## Labor Union popularity surges as income inequality spreads

After decades of declining membership and seemingly sidelined authority, a series of national strikes has put unions back in the spotlight. And as economic inequality has become a hot-button issue for workers and candidates on the 2020 campaign trail, some experts have said a surge of emboldened organized labor movements could be on the horizon.

Once considered by many to be essential, union membership is a fraction of what it once was: Approximately 10% of U.S. workers were part of a union in 2018, according to the most recent data from the U.S. Bureau of Labor Statistics. In 1983, the first year the department collected data, the number was more than twice that -- over 20%. Striking union auto workers walk the picket line outside the General Motors Flint Truck Assembly in Flint, Mich., Oct. 9, 2019.

"We've had massive union decline -- back in the '40s, over 30% of workers were unionized in this country," Sylvia Allegretto, a labor economist and the co-chair of the University of California, Berkeley's Center on Wage and Employment Dynamics, told ABC News.

While union members account for only a fraction of the workforce, recent actions have forced them back in the public eye.

Last month, the United Auto Workers completed the longest auto industry strike in 50 years at General Motors, and ended it with \$11,000 bonuses, higher wages and clearer paths to full-time status for temporary workers.

Similarly, last month, the Chicago Teachers' Union organized a 15-day strike that ended with pay raises and a pledge to reduce class sizes.

Presidential candidates, including Sen. Bernie Sanders, Sen. Elizabeth Warren and former Vice President Joe Biden, joined strikers on the picket lines, and a slew of politicians expressed support on social media.

In the wake of these two highly publicized strikes, the Association of Flight Attendants announced this month that it's organizing an effort to unionize Delta flight attendants for the first time.

"Union organizers I've talked to have said that there is a dramatic pick-up in the number of people interested in organizing and trying to gain collective bargaining," Larry Mishel, a labor expert and distinguished fellow at the Economic Policy Institute, told ABC News.

"Working people have taken it on the chin for many decades. They've been not able to get the help of government to be on their sides, the employers are suppressing their wages," he added. "And now they are being shown that some collective action can actually work."

"If people see that they can solve their

In a letter to Congress prior to the House vote, USA Maritime reminded legislators that U.S.-flag shipping companies "depend on the cargoes financed by the Export-Import Bank which are by law reserved for privately owned U.S.-flag commercial vessels."

The coalition also underlined the fact that these cargoes, as well as other U.S. government taxpayer-financed exports and imports, help ensure that our country and the Department of Defense continue to have the militarily useful commercial vessels and the U.S.-citizen crews necessary to meet national defense commercial sealift readiness requirements.

problems through collective bargaining -- and even striking if they have to -- then they will do that," Mishel said. "And I think that's what we're seeing."

The ratio between the highest- and lowest-paid Walmart employee is more than 1,000-to-1. Many other U.S. corporations have pay ratios exceeding 500 to 1. The top 1% of the U.S. holds more wealth than the entire middle class, according to the Brookings Institute, a Washington, D.C.-based think tank.

It wasn't always this way: Prior to 2010, the middle class owned more wealth than the top 1%. Since the mid-'90s, however, the share of wealth held by the top 1% has steadily increased, while the share held by the middle class has steadily declined, according to Brookings.

"Not all people are sharing in the economic gains that we are seeing," Kane said. "That's led to some very real frustrations and curiosity, I think, of, 'Well, what can unions do about this?'"

While many unions probably would agree that strikes are a "last-resort" option, Kane said these high-profile strikes are "magnifying some of these broader interests in what unions and organized labor can do to help people."

Allegretto added that some of the recent teacher strikes happened at a "time when economic growth was happening for quite a while" in the decade following the 2008 recession, and "most of the states had already fulfilled their budget shortfall, but what a lot of them didn't do was replace the money that they took away from the public education."

"I think workers are really saying, 'What are we supposed to do here? The economy is booming, the economic pie has grown considerably, but my paycheck has gone nowhere.'" It certainly helps workers who might face discrimination in the work place get a better deal.

While union membership has declined across the board, it has dropped the slowest among black workers, who remained more likely to be union members than any other race in 2018, according to BLS data.

"We know that unions tend to raise wages for those who have the least wages, so they tend to disproportionately help minorities," Mishel said of the statistics. "So Hispanics and blacks are very favorable in union organizing drives, and we see women growing more than among men in various sectors."

Allegretto added that because unions bargain collectively, everybody "under the collective bargaining agreement is getting the same deal, so it certainly helps workers who might face discrimination in the work place get a better deal."

Allegretto said that it has become nearly "impossible to form new unions in the United States."

## Storms shift century old wreck at Niagara



Montreal (AFP) - An iron barge stuck above Niagara Falls for more than a century has moved because of severe weather, a park official said.

"We think it's about 50 meters (yards) down the river from its original location," Jim Hill, senior manager of heritage for Niagara Parks, said in a video posted online, adding that the vessel "flipped on its side."

Rain and strong winds that hit the region on that night were responsible for moving the boat, according to local media.

Known as the "Iron Scow," the boat is

## UN takes aim at US trade policy

The uncertainty caused by rising protectionism will slow growth across the maritime sector over the next five years, according to a major new report from the United Nations (U.N.).

In a thinly veiled swipe at the trade policies of President Trump, the report said "trade tension and growth in protectionism" now top the list of downside risks for shipping.

"The dip in maritime trade growth is a result of several trends including a weakening multilateral trading system and growing protectionism," said Mukhisa Kituyi, secretary-general of the U.N. Conference on Trade and Development (UNCTAD).

"It is a warning that national policies can have a negative impact on the maritime trade and development aspirations of all."

International maritime trade will increase by 2.6% in 2019 and continue rising at a compound annual growth rate of 3.4% over the 2019-2024 period, according to the latest forecasts in UNCTAD's Review of Maritime Transport 2019.

This follows growth of just 2.7% last year which was significantly below the historical average of 3% and also lower than the 4.1% growth recorded in 2017.

"World maritime trade lost momentum in 2018 as heightened uncertainty, escalating tariff tensions between the U.S. and China, and mounting concerns over other trade policy and political crosscurrents, notably a no-deal Brexit, sent waves through global markets," the report stated.

Containerized and dry bulk trades are expected to grow at compound annual growth rates of 4.5% and 3.9%, respectively, over the 2019-2024 period. The tanker trade — combined crude oil, refined petroleum products, gas and chemicals — is projected to grow by 2.2% during the same period.

The U.N. notes that many of the trade headwinds apparent during the past two years continue to cast dark shadows over the outlook for global trade and shipping and could result in the downgrade of forecast growth rates.

Downside risks include the U.S.-China

an iconic feature of Niagara Falls and had been stuck in the rocks about 600 meters from the edge of the falls.

The boat broke loose from a tug on August 6, 1918, leaving two men stranded aboard, but they were rescued the following day, according to Niagara Parks.

"It looks secure at the moment, however, if there's severe weather that comes along, it may shift it some more," Niagara Parks CEO David Adames told the CBC.

Every year, millions of tourists visit Niagara Falls, which is made up of three waterfalls spread across the United States and Canada.

trade war, Brexit, economic transition in China, geopolitical turmoil, natural disasters and disruptions to shipping routes and supply chains, as well as the transition to lower sulfur bunker fuels and low-carbon shipping.

While global growth and shipping demand could swing in a positive direction due to upside factors such as China's Belt and Road Initiative and various trade deals newly in place or in the pipeline, "the balance of risks to the outlook remains poor," notes the U.N.

The report highlights how the heightened trade tensions of 2018 and 2019 contrast sharply with past trends which saw trade liberalization and multilateralism "mainstreamed" into the global trading framework.

"United States tariffs are matched by retaliatory tariff increases on United States exports by Canada, China and the European Union and by other countries bringing disputes to the World Trade Organization," added the report.

Shipping's 'new paradigm'

The U.N. also argues that the industry's operating landscape has shifted to a "new paradigm" in which slower trade and economic growth compared with the pre-2009 era are creating new shipping demand and trade patterns. This is resulting in the regionalization of supply chains and the rebalancing of China's economy, as well as a larger role for technology and services in value chains and logistics.

The maritime sector is also facing "intensified and more frequent natural disasters and climate-related disruptions," which is making climate-risk assessment, adaptation and resilience building for ports an increasingly urgent priority, according to the U.N.

"Today, the maritime sector is dealing with much more than market uncertainty and short-term cyclical factors," added Shamika N. Sirimanne, director of UNCTAD's technology and logistics division. "Other factors that are structural and existential, such as technological disruptions and climate change, are at play and are redefining the sector."

## Sealift Fleet replacement a key concern in Pentagon war plans

The U.S. military is the best equipped, best trained, and best funded fighting force in the world. It is maintained in a high state of readiness for coping with any kind of conflict, anywhere around the globe.

But the military faces a big operational challenge that few policymakers or politicians are even aware of: its ability to get to the fight is declining.

A once-vast fleet of U.S.-flagged commercial ships has been precipitously reduced since the Reagan Administration eliminated construction subsidies three decades ago, and meanwhile the sealift vessels owned by the government have aged to a point where their availability in a crisis can be called into question.

Additionally, the availability of foreign shipping in an emergency is increasingly doubtful, in part because of China's growing dominance of trade routes and key ports. Owners of foreign vessels are reluctant to carry military cargoes that might be used in countering Beijing's geopolitical strategy, particularly at a time when the security of sea lanes is becoming less certain.

In any kind of major conflict, most military equipment and supplies moving from the U.S. to foreign war zones would have to be transported by sea. Available airlift, even when tapping commercial air carriers, would be woefully inadequate to the task. A single oceangoing cargo ship can carry as much materiel as a hundred airlifters, and bulk commodities needed by forward-deployed forces such as fuel for armored vehicles would be nearly impossible to transport using any means other than sealift.

The Navy's Military Sealift Command, which is charged with providing oceangoing transport to all the armed forces, has attempted to mitigate the logistical challenges of mobilization by prepositioning equipment and supplies on vessels near likely war zones. However, those vessels too are beginning to age, and the incoming Commandant of the Marine Corps has said the prepositioning program will need to be rethought. In light of its dependence on overseas port facilities—many of which might be run by state-controlled Chinese companies.

What makes the challenge of securing adequate sealift a crisis today, though, is an across-the-board erosion of assets under U.S. control that might be used to move military supplies in wartime. That problem takes several forms. First of all, the U.S. Navy has not invested adequately in renewing its existing sealift assets despite their age. For instance, there is no money in the proposed 2020-2024 spending plan for constructing a new generation of sealift vessels even though Congress has mandated that delivery of such ships must begin in 2026 (ships typically take years to construct once funding is provided).

Second, the National Reserve Defense Fleet maintained in mothball status by the Transportation Department's Maritime Administration has dwindled away to almost nothing after decades of neglect.

In 1950, there were over 2,000 ships in that fleet; today there are less than a hundred. A subset of the national reserve fleet known as the Ready Reserve Force is in somewhat better condition, but even its ships average 44 years of age and only half a dozen are currently in use.

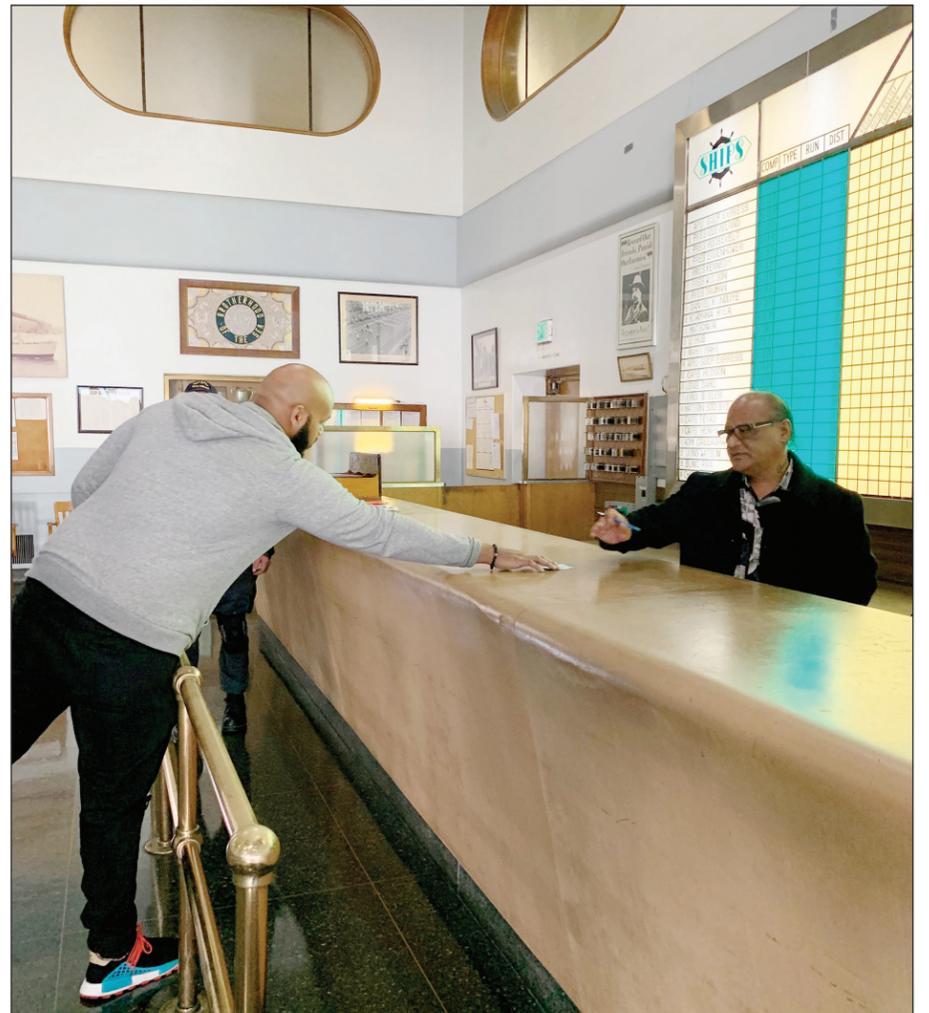
The third and most serious problem is that America has largely ceased to be a builder and operator of oceangoing commercial vessels. The Ready Reserve Force is supposed to provide a bridge between the Navy's organic sealift assets and reliance on commercial vessels. Even if the Ready Reserve Force were adequate to this task the U.S. commercial fleet today is at a low ebb, being almost entirely dependent upon a century-old prohibition on foreign carriage of shipping between U.S. ports for its survival. Most observers agree that if this prohibition, known as the Jones Act, were weakened, construction of oceangoing commercial vessels in the U.S. would collapse.

It already has collapsed to a significant degree, thanks to a unilateral termination of U.S. shipbuilding subsidies 30 years ago. At the time, the U.S. was a fairly robust producer of commercial vessels, but once the U.S. eliminated its subsidies without seeking reciprocal action by other nations, construction of large commercial ships for international trade ceased in the U.S. Today the only such ships being built in the U.S. are those destined for Jones Act routes.

**There are a few, relatively inexpensive, steps that Washington might take to arrest the decline in U.S. sealift capabilities. First, it needs to preserve Jones Act protections so that what is left of the U.S. commercial fleet and merchant marine does not disappear. Second, it needs to consider additional cargo preference measures aimed at securing a minimal U.S. commercial presence on trade routes against subsidized foreign carriers. Third, it needs to provide more money for sealift construction through the Navy's shipbuilding budget.**

The reason the Navy has not emphasized sealift in its construction plans is that it is already overwhelmed with demand for new warships, and is having difficulty making ends meet. Congressman Joe Courtney (D-Connecticut), head of the seapower subcommittee in the House, has suggested creating a joint sealift fund in recognition of the fact that all the military services would require sealift in wartime, not just the Navy. Congressman John Garamendi (D-California), head of the readiness subcommittee, has crafted legislation to increase domestic construction of sealift vessels, rather than simply buying used foreign ships. With the U.S. currently producing only 1% of the world's oceangoing commercial vessels, it's easy to see why Garamendi thinks shipyards need to be reenergized.

The bottom line, though, is that if Washington doesn't do something fast, U.S. warfighters will be hard-pressed to respond to future aggression.



*OS James Coulter throws in his registration card for a job posted at SUP HQ and called by San Francisco Business Agent Roy Tufono. Roy is out on the binnacle list but is doing well. He sends his thanks to all for the many good wishes for a speedy recovery.*

## Required hair testing in trucking could take years

Long-delayed guidelines on using hair tests to detect drugs in the workplace are again emerging in the Administration but a federal requirement for truck drivers will likely take years, according to a trucking policy expert.

"Scientific and technical guidelines for the inclusion of hair specimens" to detect illegal drugs, along with standards for certifying laboratories in federal agency drug testing, was sent by the U.S. Department of Health and Human Services (HHS) to the Office of Management and Budget (OMB), an agency within the executive branch, on June 11.

Because the guidelines are more than two years overdue – Congress had directed the guidelines be issued in December 2016 – their arrival at OMB is significant.

"This has been a long time in coming, and it represents seriousness on the part of HHS to move these forward," David Osiecki, President and CEO of Scopelitis Transportation Consulting, told FreightWaves. "But it's just a step, not the final rule."

Osiecki pointed out that once the OMB approval process is completed – which itself could take 90 days or more – two federal agencies would have to go through a rulemaking process before hair testing for drugs is required for commercial drivers: one from the U.S. Department of Transportation's Office of Drug and Alcohol Policy and Compliance (ODAPC), and one from the Federal Motor Carrier Safety Administration.

ODAPC advises the DOT secretary and publishes regulations on drug and

alcohol testing among the federally regulated transportation modes. Each modal agency then must adopt testing procedures based on those regulations, Osiecki explained.

"So we're actually years away from hair testing in the commercial trucking sector due to the steps that still have to be taken," he said.

That's either good or bad, depending on where you sit. At a Congressional hearing on June 12, American Trucking Associations (ATA) President and CEO Chris Spear testified that hair tests for drug use are more difficult to subvert.

"However, since urine is the only sample type permitted under DOT regulations, companies that voluntarily conduct hair tests must do so in addition to mandatory urine tests. This duplicated time and expense deters fleets from adopting this more effective testing method," Spear said.

The ATA's support for mandatory hair testing was bolstered by drug-test survey data released by the Trucking Alliance that found over 300,000 drivers currently on the road would fail or refuse a hair analysis.

Small business truckers represented by the Owner-Operator Independent Drivers Association (OOIDA), however, have so far opposed requiring hair testing in federal drug and alcohol test procedures.

"We have concerns about hair testing, such as biases toward hair color and texture, and the lack of any evidence of a connection between hair testing and crash reduction," OOIDA told FreightWaves in a statement. See President's Report on page 10.

### ATTEND YOUR MONTHLY SUP UNION MEETINGS!

“With a feeling of natural pride, we venture to present to the public this opening issue of the COAST SEAMEN'S JOURNAL—beyond a doubt the first newspaper that has ever been published exclusively in behalf of the myriads who live upon the watery part of the globe of ours, the seafaring class. In taking this step we do not lend ourselves to any delusion, we fully conceive the immensity of our task. Descendants as we are of the “House of Want,” and pupils of such grim teachers as extreme hardship and continuous toil, we have even now a woeful apprehension of the scolding, cuffing, and general ill treatment which this offspring of ours is to receive, especially at the hands of that class of parasites who have grown corpulent and lazy on the hard earnings, the ignorance and proverbial generosity of the Sailor. How they will hate its voice; how they will endeavor to stifle it; how they will employ each conceivable soothing charm to rock it to sleep again—for its voice, tiny and insignificant as it may seem, is a menace to their objects, a death message to their very existence. It bears within it the germs of a mighty trumpet of salvation for the seafaring class.”

--editorial from the first edition of the Coast Seaman's Journal, 1887



# Heroes of the American Merchant Marine: SUP WWII Veterans

This Veteran's Day we recognize the still unrecognized contribution of World War II merchant mariners, particularly the SUP heroes. They like others of that era served the war effort with such humble and honest dedication as though it were just another voyage.

Here is bosun Clarence Tucker, who managed to launch two liferafts and two lifeboats as the SS Marcus Whitman went down from torpedo strikes, or the crew of the SS Cape Sandy, who took fire from enemy fighters and bombers while rescuing the survivors from U.S. troop ships hit in the Battle of Leyte Gulf in 1944. The tanker SS Yamhill eluded by maneuvering and countering fire the torpedoes and shells from a persistent enemy submarine until it finally got Allied air support and the sub gave up and submerged. Here is the story of SUP man Buck Ward, who when his ship the SS Capillo was bombed and sunk in the Philippines, helped deliver war supplies to Corregidor by fishing boats before being captured by the enemy, imprisoned and then escaping to fight with local guerrilla resistance. Here is the cheery note from SUP mariner Ernest DeLima

from a POW camp in China. And here is SUP AB Fred Anderson, who signed on the SS Samuel Parker in Seattle, and ten months later after 130 separate attacks en route, took incendiary fire from enemy planes while offloading high explosives and gasoline in support of troops landing on a Sicilian beachhead. Anderson unhesitatingly climbed into the ammunition hold with a hose to extinguish that fire, then climbed out and strapped on a foamite fire extinguisher and calmly descended into a second hold to put out gasoline fires.

These and many more true stories are spread across the pages of the West Coast Sailors during the war years as if they were normal or commonplace. But in the stark terms of war, they reveal the astonishing stories of SUP members who had a strength of mind accustomed to encountering enormous danger, and bearing pain and adversity with uncommon courage, doing so on a scale no less grand if made regular by routine. There are many thousands more than these, our unsung heroes of the American Merchant Marine.

## Bunker spill in Honolulu Harbor

The U.S. Coast Guard responded to a bunker fuel discharge from a Matson container-ship near Pier 19 in Honolulu this month.

Watchstanders at Coast Guard Sector Honolulu received a report from the master of the M/V Kamokuiki, that evening that heavy fuel oil discharged during bunkering operations with a barge.

The crew of the vessel immediately secured the discharge, activated their Vessel Response Plan, and began clean-up operations.

Pacific Environmental Corporation and Marine Spill Response Corporation representatives have deployed 25 bales of absorbent material stretching from the stern of the vessel to Pier 22.

Two response vessels arrived on scene

and deployed 1600 feet of hard boom surrounding the 25 bales of absorbent material and spilled oil.

A Coast Guard MH-65 Dolphin crew completed an over-flight of the impacted area and confirmed some of the oil had leaked out of the contained area and was coming ashore near the Coast Guard Base Honolulu on Sand Island.

Clean-up of the impacted area is still on-going. So far, two barrels (about 84 gallons) of oil has been recovered with sorbent material, and another 40 gallons have been cleaned up by skimmers deployed in the area.

There are no reports of impacted wildlife.

The U.S.-flagged M/V Kamokuiki is a 8,490 LT containership operated by Matson.

## World War II merchant marine veteran's gold medal bill needs support

Our armed forces relied on America's merchant mariners to carry supplies, cargo and personnel into both theaters of operation during World War II.

They paid a heavy price in service to their country: thousands perished, and thousands more were wounded; dozens were captured and tortured.

The Merchant Marine suffered the highest per capita casualty rate in the U.S. armed forces during World War II.

The contributions of these brave mariners have been overlooked for far too long.

In September, legislation to honor World War II merchant mariners with a Congressional Gold Medal was passed unanimously by the House of Representatives.

The measure would authorize a Congressional Gold Medal to collectively honor World War II merchant mariners.

The gold medal would be displayed at the American Merchant Marine Museum at the U.S. Merchant Marine Academy in New York.

Duplicates would be struck and made available to the public.

**SUPPORT THE SUP POLITICAL FUND**

## Immediate action urged to address Gulf of Guinea piracy

Following the attack on two more vessels in the Gulf of Guinea, the International Transport Workers' Federation called for urgent global and regional cooperation to fight piracy in the region. Globally, the region accounts for over 80% of mariner kidnappings.

On November 2nd, pirates kidnapped nine crew members from the Norwegian-flagged *MV Bonita* while the vessel was at anchor off the coast of Benin in West Africa. Two days later, four crew members were taken hostage off the coast of Togo from the Greek-flagged *Elka Aristotle*. Those incidents add to a large growing list of recent ship attacks in the region. Sixty-two seafarers have reportedly been captured off the coasts of Nigeria, Guinea,

Togo, Benin and Cameroon this year.

ITF seafarers' section chair David Heindel called on the shipping industry, governments and unions to work collaboratively to eliminate piracy in the Gulf of Guinea. "Coastal countries in the Gulf must work with industry and unions to identify actions, and allocate adequate resources, to reduce the risks posed to seafarers and shipping," Heindel noted.

"While we acknowledge the difficult international regulatory environment, we must continue to build capacity and cooperation, and address the mounting human toll that these attacks are having on lives and physical and mental health transiting through the waters of West Africa," he said.

## Trans-Pacific trade expected to contract

The Trans-Pacific container trade from Asia to North America is slated for its first annual decline in a decade, according to Alphaliner. Alphaliner predicts that the eastbound Trans-Pacific container trade will register its first negative growth year since 2009, with a 2% drop expected for the full year 2019.

"While volume growth has remained marginally positive in the first three quarters of this year despite the ongoing trade war between China and the U.S., the fourth quarter is expected to register a significant decline, with no repeat of the front loading by shippers to avoid higher import tariffs at the end of last year," said its latest weekly report. The latest Trans-Pacific liftings data for the month of October showed a 3.9% year over year decline.

Alphaliner forecasts even larger year over year declines in November and December because of the record volumes recorded during the last two months of 2018, fueled by frontloading of cargo from China ahead of U.S. tariff deadlines.

Maersk Line, Mediterranean Shipping Co. (MSC), Hapag-Lloyd and COSCO are the carriers that have lost the most market share this year, as volumes have contracted. Their combined total eastbound

liftings fell by between 3.1 to 4.5% during the first 10 months of the calendar year, compared to the same period of 2018. Niche carriers Pacific International Lines (PIL) and Wan Hai also recorded volume declines, while the rest of the main trans-Pacific carriers all posted increases.

"Evergreen was the main gainer on the trans-Pacific trade with liftings growing by 10.3%, along with the small South Korean carrier SM Line which grew volumes by 10.4%," said the report. "ONE, which lost significant market in 2018 following the merger of K Line, NYK and MOL's volumes in April 2018, saw liftings recover by 1.8% in the first 10 months of this year."

Alphaliner's reading of the Trans-Pacific market in November contrasts with predictions in the latest Global Port Tracker report by the National Retail Federation (NRF) and Hackett Associates.

They forecast that box imports to U.S. retail ports in October would total 1.93 TEUs, down 5.2% from last year's record 2 million TEUs. However, it anticipated that November volumes would total 1.96 million TEUs, up 8.3% year-over-year.

Like Alphaliner, the Global Port Tracker then expects a decline in container imports to 1.78 million TEUs in December, down 9.2% from a year ago.

## NOAA to stop producing traditional paper charts

The National Oceanic and Atmospheric Administration Office of Coast Survey has announced plans to phase out the production of all traditional paper nautical charts.

NOAA plans to transition to electronic chart products over the next five years, with a focus on improving data consistency and providing larger scale ENC coverage.

The process includes replacing 1,200 irregular ENC cells on 130 different scales with a standardized grid system and a set of 12 standard scales, which is expected to significantly improve the level of detail and consistency of NOAA's ENCs.

As it reorients its efforts towards electronic products, NOAA says it will gradually shut down services associated with traditional paper charts, including full-size chart PDFs, print-on-demand paper charts and NOAA raster charts.

The agency said the phase-out will start in mid- to late-2020 and be completed by January 2025.

NOAA will still provide access to paper chart products based on ENC data, either through third-party vendors or through

the NOAA Custom Chart system, now in prototype phase.

The online NOAA Custom Chart application lets users create their own paper charts with NOAA ENC data. The user can define the scale and size of custom-made nautical charts and download them in a special PDF format.

The phase out of traditional paper products reflects broader trends in the industry, the agency says.

The International Maritime Organization now requires that all large commercial vessels on international voyages use electronic charts.

In 2016, the U.S. Coast Guard started allowing commercial vessels on domestic voyages to use ENCs instead of paper charts.

NOAA's Office of Coast Survey has produced traditional paper charts for nearly 200 years, and these products have been the primary source of navigational information for generations of American mariners.

Comments on the decision may be submitted through NOAA's online feedback tool.

## Welfare Notes November 2019

Access is available online to Summary Plan Descriptions for both the SUP Welfare Plan and SIU Pacific District Pension Plan at the SUP website: [www.sailors.org](http://www.sailors.org). Click on the SUP Welfare Plan tab at the top and you will see the two Summary Plan Descriptions mentioned above, as well as a variety of forms and information for download as follows:

### Forms

- Member Assistance Program Brochure (Human Behavior Associates)
- SUP 401(k) Enrollment Form
- SUP 401(k) Plan Investment Choices Selection and Account Reallocation Form
- SUP 401(k) Plan Beneficiary Designation Form
- SUP Money Purchase Pension Plan Investment Choices Selection and Account Reallocation Form
- SUP Money Purchase Pension Plan Beneficiary Designation Form for Single Participants
- SUP Money Purchase Pension Plan Beneficiary Designation Form for Married Participants
- SUP Welfare Plan, Inc. – Authorized Beneficiary Form for Active Members-Death Benefit
- SUP Welfare Plan, Inc. – Pensioner Annual Hospital Medical Benefit Reimbursement Form
- Address Change Form

### FAQs

- Frequently Asked Questions – 401(k)
- Frequently Asked Questions – MPP

Mail, email or fax forms to the SUP Welfare Plan Office at 730 Harrison St, Suite 415, San Francisco, CA 94107. The fax number is: 1-415-778-5495.

Michelle Chang, Administrator [mcsupsiupd@sbcglobal.net](mailto:mcsupsiupd@sbcglobal.net)

Patty Martin, MPP & 401(k) Plans, Death Benefits [martinpatty59@sbcglobal.net](mailto:martinpatty59@sbcglobal.net)

Michael Jacyna, Eligibility [mjacyna67@sbcglobal.net](mailto:mjacyna67@sbcglobal.net)

Gina Jew, Claims [gina@marinerbenefits.org](mailto:gina@marinerbenefits.org)

Training Representative, Berit Eriksson 206-551-1870 [berittrainrep@sbcglobal.net](mailto:berittrainrep@sbcglobal.net)

SUP Welfare Plan 730 Harrison Street, #415, San Francisco, CA 94107

Phone Numbers: 415-778-5490 or 1-800-796-8003 Fax: 415-778-5495

SIU-PD Pension Plan 415-764-4987

SIU-PD Supplemental Benefits Fund 415-764-4991

Seafarers' Medical Center 415-392-3611



Aboard the *Daniel K. Inouye*, AB Edwin Pastolero with bosun Haz Idris and AB Alex Capistrano in Oakland. Photo Matt Henning

## November 2019

# ANNUAL FUNDING NOTICE

### For SIU Pacific District Pension Plan

#### Introduction

This notice, which federal law requires all pension plans to furnish on an annual basis, includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning August 1, 2018 and ending July 31, 2019 (the "2018 Plan Year").

#### How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the 2018 Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

	Funded Percentage		
	2018 Plan Year	2017 Plan Year	2016 Plan Year
Valuation Date	August 1, 2018	August 1, 2017	August 1, 2016
Funded Percentage	Over 100%	Over 100%	Over 100%
Value of Assets	\$105,673,021	\$104,556,811	\$104,135,946
Value of Liabilities	\$97,021,217	\$90,405,432	\$91,445,010

#### Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of each plan year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years. The value of the Plan assets shown as of July 31, 2019 is an estimate based on the most accurate unaudited financial information available at the time this notice was prepared. The final audited information on the Plan's assets will be reported on the Plan's 2018 annual report filed with the Department of Labor in May 2020.

	July 31, 2019	July 31, 2018	July 31, 2017
Fair Market Value of Assets	\$104,089,292	\$105,757,360	\$104,354,750

#### Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80%. A plan is in "critical" status if the funded percentage is less than 65% (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

**The Plan was not in endangered, critical, or critical and declining status in the 2018 Plan Year.**

#### Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,180. Of this number, 854 were current employees, 1,006 were retired and receiving benefits, and 320 were retired or no longer working for the employer and have a right to future benefits.

#### Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. Plan benefits are funded by employer contributions and investment returns on those contributions. Commencing January 1, 2016, the shipping companies have agreed to make contributions to the Plan, and may agree through collective bargaining in the future to make additional contributions as necessary to satisfy the minimum funding standards of the Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code ("Code"). The Plan's funding policy is to continue to fund Plan benefits in this manner in accordance with the minimum funding standards of ERISA and the Code.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to maintain a portfolio of investments which is conservative in nature. The Trustees, working with experienced investment consultants, monitor and make appropriate changes to the Plan's investments, seeking to achieve positive investment results over the long term.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the 2018 Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (Interest bearing and non-interest bearing)	4.1%
2. U.S. Government securities	0.9%
3. Corporate debt instruments	0.3%
4. Corporate stocks (other than employer securities)	19.1%
5. Real estate (other than employer real property)	9.0%
6. Value of interest in registered investment companies (e.g. mutual funds)	62.2%
7. Other	4.4%

#### Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to [www.efast.dol.gov](http://www.efast.dol.gov) and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator, Ms. Michelle Chang, at 730 Harrison Street, Suite 400, San Francisco, CA 94107. Annual reports for the 2016 Plan Year and earlier plan years are available now. The annual report for the 2017 Plan Year will be available when it is filed with the Employee Benefits Security Administration in May 2019. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact the plan administrator at 415-764-4993 or the address above if you want information about your accrued benefits.

#### Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multi-employer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

This Plan is not insolvent and is over 100% funded.

#### Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100% of the first \$11 of the Plan's monthly benefit accrual rate, plus 75% of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service (\$600/10), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 (.75 x \$33), or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 (\$35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer). Please contact your employer or fund administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information about Your Plan," below.

#### Where to Get More Information

For more information about this notice, you may contact Ms. Michelle Chang, Administrator, SIU Pacific District Pension Plan, at 730 Harrison Street, Suite 400, San Francisco, CA 94107, 415-764-4993. For identification purposes, the official plan number is 001, the plan sponsor is the Board of Trustees of the SIU Pacific District Pension Plan, and the employer identification number or "EIN" is 94-6061923.



# SUP PRESIDENT'S REPORT

In late October, I traveled to Washington to join our allies to oppose the political adversaries of the Union and the US merchant marine. As this office has made clear many times in the past, our opposition takes the position of neither party but focuses only on those who would eliminate or diminish our work as merchant mariners or our rights as Union members. Except for the last two items in this report, the following items are directly related to that work.

## MARITIME SECURITY PROGRAM

In October, the Union became aware of a proposed amendment to pending Maritime Security Program (MSP) legislation in the National Defense Authorization Act for Fiscal Year 2020. The amendment would make it unlawful for a "collective bargaining representative" to hold a contract with an MSP operator if it had previously demonstrated by unclear and potentially arbitrary criteria an "unwillingness to crew" and to "make full use of all available mariners regardless of collective bargaining representative affiliation." Not only might the Union be barred from MSP participation in the affected slot, the amendment also called for a punitive one-year surrender of all the Union's MSP participation under the program. Adding insult to injury, the poison pill rider would also grant immunity to the operating company at the center of the dispute essentially giving it free reign to ignore its previous obligations. Depending on the circumstances this openly anti-Union rule might even make straightforward and lawful compliance with a collectively bargained contract a potential trigger to the "unwilling" determination. At a time of great focus on the logistics of national security, when maritime Unions are doing all they can to improve and strengthen military readiness, and when the industry has heretofore worked in unison to renew and expand MSP, the idea was counter productive. Of course, we raised a strong objection.

The Maritime Security Program legislation includes a ten-year program reauthorization with a stipend increase that requires annual appropriations. Its renewal is of critical importance to the SUP.

## MARAD LETTER ON RRF RENEWAL

The Union's existing Ready Reserve Force (RRF) contracts stem from a 2015 tripartite agreement with the SIU-AGLIW and the MFOW. It covers the terms and conditions for all contracted ship management companies participating in the U.S. Maritime Administration's (MARAD) Request for Proposals for ship management services of all 48 ships in both the RRF and the National Defense Reserve Fleet (NDRF). In October, for the first option period the three Unions agreed to submit a three percent total labor cost (TLC) to all contracted RRF companies. The SUP submitted those costs to Matson and to Patriot. On October 18, the Union was notified that MARAD was protesting TLC increases in the three percent range as not "fair and reasonable." MARAD cited its own Consumer Price Index (CPI) calculation of 1.65% as appropriate without sufficient support or justification. MARAD argued that "unrealistic and unreasonable labor rate increases cannot be sustained" and that the labor wage increases would ultimately result in fewer mariners employed. After discussion maritime labor (AMO, ARA, MEBA, MFOW, MM&P, SIU and SUP) agreed to raise objections to what appears to be a MARAD misinterpretation of the Service Contract Act of 1964 and its codification in the Federal Acquisition Regulations. The objection was lodged in writing and we demanded a face-to-face meeting with MARAD to discuss interference by government with the employer/employee relationship and to pursue a mutual understanding pertaining to our responsibilities under the RFP and with our respective employers.

## TRANSPORTATION TRADES DEPARTMENT

In Washington there are few allies as effective as the AFL-CIO's Transportation Trades Department, and

its Executive Board meeting was a central piece of the Washington agenda. The SUP is a long-standing member of the TTD's broad coalition of AFL-CIO transportation unions; it has an excellent track record of defending and advancing the rights of workers in the maritime, rail, aviation. At this meeting board members debated and approved new policy statements (see page 1 for more). Of particular importance to the SUP and maritime labor in general, the Port and Maritime issues included fresh support for the Jones Act, Cargo Preference, and Maritime Security Program as well as our perennial opposition to the unfair competition from foreign-flag ships that shop the globe for low-cost labor, lax environmental rules, and virtually no oversight from their countries of registry. The Board also adopted new policies in support of Short Sea Shipping, the repeal of the double Harbor Maintenance Tax, protection for workers in automation, among other things.

As the TTD was taking action on it, there was an important step forward on Harbor Maintenance Trust Fund reform when the House passed HR 2440, which would dedicate the funds HMT taxes to dredging and other maritime infrastructure improvements as well as eliminate the double taxation of two port cargo. It passed by a vote 296-109 qualifying for a two thirds majority required under the "suspension of the rules" method and indicates that perhaps the political will for the reform is at last available. The bill now goes to the Senate, where companion legislation in the form of the Water Resources Development Act (S. 2470) was reported out of Senate Appropriations in September. As it has many times in the past, the TTD, the SUP and other maritime unions weighed in favor of the legislation.

Board members also heard from Sen. Sherrod Brown (D-Ohio) who comes from an important political and maritime state and has demonstrated an excellent labor voting record during his tenure. Sen. Brown railed against the misclassification of workers as independent contractors and noted that the moral force of organized labor derives from its sometimes lonely defense of the basic dignity of work. Relaying an decades-old transformative epiphany, when he recognized the wonder and grateful satisfaction of new union members who had taken paid vacation for the first time in their lives, he repeated his commitment to labor. Moreover, as chair of the Senate Banking Committee he pledged block any legislation that is anti-labor and that doesn't include worker safety provisions. We also met with Rep Ryan Fitzpatrick (R-Pennsylvania) who promised to continue his bi-partisan support for labor, particularly for infrastructure improvements but on other topics as well. As a former government employee at the Federal Bureau of Investigation, Rep. Fitzpatrick knows first-hand the burdens and setbacks of a government shutdown (see page 1 for update on shutdown). He responded well to questions on the topic and said he would join with transportation labor in opposition of any future shutdowns. If nothing is done to extend the funding for the federal government by continuing resolution or by approval of a new budget, a deadline of November 21 looms for another possible shutdown.

## EXPORT-IMPORT BANK REAUTHORIZATION

Next on the Washington agenda was support for one of the lesser known but essential foundations of the U.S. merchant marine known as the Export Import Bank. The bank has since 1934 helped finance the purchase of a variety of major products for export, resulting in cargoes that are reserved by law for carriage in privately owned U.S.-flag commercial ships. Ex-Im Bank funding and authorization has been held up by political ideology and maneuvering for years, weakening the presence of the U.S.-flag carriers in the international trades. Now before Congress is HR 4863, the United States Export Financing Agency Act of 2019, also known as the Ex-Im Bank re-authorization, which maritime labor and the entire U.S.-flag industry supports. The bill as reported by the Financial Services Committee would extend the Bank's operating charter for another ten years, to FY 2029 and would increase its statutory lending authority

from \$145 billion to \$175 billion in FY 2026 through FY 2029. The Sailors' Union joined with others in maritime labor and the industry and signed on to a support letter to Chairwoman Maxine Waters (D-California) as a member of the USA Maritime Coalition.

## DOT DRUG TESTING

A years-old initiative to introduce hair specimen collection into the Department of Transportation drug testing regimen is again gaining momentum. The SUP, TTD and other groups have objected to any such testing method since at least 2015, but it appears that the House Transportation Committee may soon take up the matter again depending on the recommendation from the Department of Health and Human Services (HHS). The DOT must follow guidelines issued by the HHS and that is where the proposed regulations have languished for years. But industry advocates especially in trucking are pressing for hair testing arguing that although urine tests are proven to be fair, effective and accurate they oppose the privacy requirements that they say leads to cheating. Hair specimen collection can be observed, and observation would reduce adulteration or substitution problems, they argue. Such problems however are as infrequent as positive tests. There is also some evidence that hair follicle testing standards are not based on sound science. Validity and accuracy shortfalls have occurred that suggest the tests produces false-positives associated especially with external contamination, i.e., exposure vs. ingestion. Hair absorbs substances in the environment without consumption of the substance and lab testing is presently unable to tell the difference.

Moreover, there is not enough attention in the drug-testing regulatory regime on the notion that the opioid epidemic and much drug use today is begins with legal prescriptions from doctors for pain management. Yet as DOT and HHS have increasingly added legal prescription drugs to testing panels, they have not taken steps to ensure that testing remains fair and valid. Steps like outreach and training for tested employees to understand exactly what they are allowed to take, when they can and cannot take it, and their rights and responsibilities during the process are necessary. And as part of this process, Medical Review Officers (MROs) must receive updated and improved training on new regulatory requirements and expanded testing panels. DOT has still not produced new guidance materials and not done so for over a decade and when an MRO's determination can dictate the fate of a transportation worker's career, it is wrong for them to be uninformed or unaware of new and developing issues.

Even without any attempt to deal with the complex new problem of the patchwork impact of legalized marijuana on federal rules, and not to mention the ongoing lack of a legal standard of marijuana impairment, drug testing and its regulatory problems will continue to beleaguer our industry. We must stay vigilant because any change in drug testing rules to use hair specimens although not immediate and impacting the trucking industry first, would inevitably spread to the rail, aviation, and maritime industries as well.

## SAN FRANCISCO BAR PILOTS

After months of internal review and discussion on all aspects of employment covered by the Agreement, discussion that generated numerous proposals with thorough participation from every member in more than 15 preparatory meetings, as well dozens of email exchanges and other communication, on November 7, 2019 the Union formally met with the San Francisco Bar Pilots to open negotiations toward a new contract. Representing the San Francisco Bar Pilots was Capt. Joseph Long, Port Agent of San Francisco Bar Pilots, Capt. Dave McCloy, Capt. Dave Merritt, Business Manager Anne McIntyre, Chief Counsel Ray Paetzold, Marine Superintendent Jason Covell, and Human Resources Manager Claudia Hernandez. For the Union was dock bosun Leo Moore, delegate Mike Koller, Steve Ross, Geoff Knight, Aiden Minty, Mike Sposeto, Mark Hargus, Eric Weiss, Sven Morgenstern, along with SUP Vice-President Matt

# SUP President's Report continued

Henning and myself.

Associated with the extensive advance work, a controversial matter around lengthened normal work schedules was explored and debated but failed to reach both consensus and a full understanding of the ramifications. It was therefore referred by unanimous consent to a committee for further work. A statement of work for the committee as well as member appointees is pending following the outcome of the negotiations. At the first meeting with the employer there was general discussion about the business and the business climate as well as a beginning exchange of specific proposals on the normal subjects of bargaining. More meetings are ahead and will keep the membership informed on progress. The present agreement expires on December 31, 2019.

## HOLIDAYS

**Thanksgiving Day** - All SUP halls will be closed on Thursday, November 21, in observance of Thanksgiving.

### Holiday Luncheons

At SUP Headquarters in San Francisco, the holiday luncheon will be held at the SUP Hall on December 13, 2019 from 1130 to 1430.

In Seattle, the pensioners holiday party will be held December 14th from noon to 1600 at the Polish Home Association.

In Wilmington, the holiday luncheon will be in the adjoining MMP dispatch hall on Saturday, December 7, 2019, 1000 to 1400.

In Honolulu, the holiday luncheon will be at O'Toole's on Merchant St. on Sunday, December 8, 2019, 1100 to 1400.

**Christmas Eve** - Since Christmas Eve is a Mainland ILWU holiday, SUP halls in Seattle, San Francisco and Wilmington will be closed on Tuesday, December 24, in accordance with the Agreements with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the SUP Maintenance agreements.

Christmas Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at Noon.

**Christmas** - All SUP halls will be closed on Wednesday, December 25, in observance of Christmas Day.

**New Year's Eve** - Since New Year's Eve is a Mainland ILWU holiday, SUP halls in Seattle, San Francisco and Wilmington will be closed on Tuesday, December 31, in accordance with the Agreements with APL and Matson. It is a holiday for vessels in Pacific Coast ports on that day and for those working under the SUP Maintenance Agreements.

New Year's Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at Noon.

**New Year's** - All SUP halls will be closed on Wednesday, January 1, 2019, in observance of New Year's Day.

## ACTION TAKEN

M/S/C to approve and concur in the balance of the President's Report.

Dave Connolly

# VICE PRESIDENT'S REPORT

November 2019

### Ships visited:

**Daniel K. Inouye**- Successful COI at Oakland #62. Continuing southern triangle run with no major beefs. Robert Reed, Bosun.

**USNS Dahl**- Alex Glosenger, Delegate. Several crew changes coming in December. Xerxes Cunanan, Bosun.

**USNS Sisler**- Ed Zepeda, Delegate. Successful trip back to Diego Garcia with several crew changes in November. Jeff Nicholas, Bosun.

**APL Gulf Express**- Cirilo Sajonia, Delegate. Continuing shuttle-run in Persian Gulf. Aaron Weibe, Bosun.

**APL President Cleveland**- Jose Duran Delegate. No major beefs. Bob Burns relieved Marc Calairo, Bosun. Investigating food and water issues.

**APL President Wilson**- Dennis Belmonte, Delegate. Investigating possible lodging claims. Robert Tomas, Bosun.

**Mississippi Voyager**- Cliff Toralba, Delegate. Continuing west coast run from El Segundo to Richmond Long Warf. Ron Gill, Bosun.

**Cape Hudson**- Currently is ROS status with possibility of another activation coming. Kim Dulay, Bosun.

**Cape Victory**- ROS status in Beaumont, Texas. Bosun Panciano Siquinia relieving James King.

**Cape Vincent**- Napoleon Ramon, Delegate. Activated for mission Nov. 1st. Jordan Polon, Bosun.

**Admiral Callaghan**- Successful COI with Dennis Sumague, Bosun.

Matthew Henning



On November 12 the duly elected Quarterly Finance Committee met at SUP Headquarters to review the finances for Union for the third quarter of 2019. On the far left is John Linderman, Frank Portanier Melvin Mate, Alan O'Neal, and Robert Reed. See report below.

# SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on October 7, 2019, hereby submits the following report:

### SUMMARY OF CASH AND INVESTMENTS

General Fund.....	\$2,832,313.62
Political Fund .....	\$18,411.34
Strike Fund .....	\$1,293,730.99
Total Cash and Investments 3rd Qtr. 2019 .....	<u>\$4,166,077.95</u>

### GENERAL FUND

Income:	
Dues, Initiation, Assessments .....	\$98,545.00
Interest .....	37,247.94
Donations - <i>West Coast Sailors</i> .....	745.00
Tanker & Joint Committee, Hiring Hall.....	199,684.32
Advertising & Promotion .....	165.00
Miscellaneous Income, Reimbursements, Fines.....	30.00
Reimbursed Administrative Expenses.....	28,835.94
Contributions - General Fund .....	<u>280.00</u>
Total Income: .....	<u>\$356,533.20</u>
Expense:	
Auto & Travel.....	\$1,421.65
Rent.....	20,950.04
Postage, Printing & Office .....	5,637.53
Telephone & Telegraph.....	4,944.46
<i>West Coast Sailors</i> Publishing Expense .....	11,598.40
Per Capita .....	13,443.00
Salaries & Payroll Taxes.....	229,216.22
Office Workers Pension.....	13,827.20
Insurance.....	72,640.02
Field Expense.....	1,126.64
Meeting/Committee & Neg., Conference & Conv. ....	2,804.66
Investment Expense.....	2,423.58
Officials Pension.....	3,008.00
Subscriptions.....	76.50
Accounting.....	0.00
Advertising & Promotion.....	360.00

Contributions .....	1,124.00
Miscellaneous.....	0.00
Flowers.....	<u>0.00</u>
Total Expense:.....	<u>\$384,601.90</u>

### BUILDING CORPORATION

Income:	
Rents .....	\$173,734.53
Building Services & Utilities Reimbursements.....	<u>0.00</u>
Total Income: .....	<u>\$173,734.53</u>
Expense:	
Building Services & Utilities.....	\$30,186.80
General Tax Expense .....	0.00
Repairs & Maintenance .....	30,919.11
Insurance.....	17,700.11
Salaries & Payroll Taxes.....	22,852.04
Pension .....	648.00
Auto .....	0.00
Accounting.....	0.00
Filing Fee.....	0.00
Office .....	<u>743.35</u>
Total Expense: .....	<u>\$103,049.41</u>

### POLITICAL FUND

Income:	
Contributions .....	<u>\$3,175.00</u>
Total Income .....	<u>\$3,175.00</u>
Expense:	
Office .....	<u>\$0.00</u>
Contributions .....	<u>\$2,000.00</u>
Total Expense:.....	<u>\$2,000.00</u>
Net Income 2nd Qtr. ....	\$43,791.42
Net Income YTD:.....	<u>\$157,068.36</u>

/s/ John Linderman /s/ Frank Portanier

/s/ Alan O'Neal /s/ Melvin Mate /s/ Robert Reed

*ACTION BY THE MEMBERSHIP* November 12, 2019. M/S/C—To concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the *West Coast Sailors*. Carried unanimously.

# SUP BRANCH REPORTS

## WILMINGTON

October 2019

Shipping: Bosun: 2, AB/W: 17, AB/D: 6, OS/STOS: 3, GVA/GUDE: 0, and standby: 62 for a total of 90 jobs shipped.

Registered: A: 20 B: 53 C: 6 D: 6

**Ships checked:** *President Wilson, R. J. Pfeiffer, Maunalei, Kaimana Hila, Mokihana, Manoa, President Kennedy, President Cleveland, President Roosevelt.*

Attended meetings of the Maritime Trades Department and American Merchant Marine Veterans Memorial Committee to discuss renovation of the Memorial.

Shipping at a steady pace here in Wilmington with numerous Military ships crewing for Sea Trails and several activations for extended missions, Thank You to all the members who made this a success.

Keep your dues current and be sure to check your documents, MMC, PP, TWIC

CG-MEDICAL, Basic safety Annual Physical, Drug card dues and documents must be current to ship.

The Annual Holiday Luncheon will be in the adjoining MMP dispatch hall on Saturday, December 7, 2019, 10 am to 2 pm.

*Leighton Gandy, Branch Agent*

## SEATTLE

October 2019

Seven Patriot AB billets were filled with 5 B, 1 C, and 1 Registrant; two Matson activation navy jobs went to 2 B cards; one Standby Boatswain taken by an A member, and nine Standby AB's taken by 4 A's and 5 B cards. Registered: 1 A card for a total of 1; 11 B cards for a total of 18; 1 C cards for a total of 3; 1 D cards for a total of 3.

Thank you to all those who stepped up to man the unprecedented amount of "fly now" activations.

The Seattle Pensioners Holiday Party will be held December 14th from noon to 1600 at the Polish Home Association, 1714 18th Avenue, Seattle WA.

The Seattle Branch represented the membership at the following meetings: The Washington State Labor Council Annual Convention. The King County Labor Council meetings. The Port of Seattle/Northwest Seaport Alliance Industrial Lands meeting whereby along with ILWU Local 19 the SUP voiced serious concern in the removal of cargo cranes in Terminal 46 allowing for Cruise Industry vessels exclusive use. Terminal 46 is a natural deep-water port sitting adjacent to a major railway yard. We can put the Cruise ships in other berths, but we cannot put container ships everywhere. We attended several meetings having to do with the disposition of the National Guard Armory property at Terminal 90-91 where the Cruise ships currently dock. This is a "developer" driven issue opposed by ILWU 19; the Port of Seattle and the SUP. We attended several meetings concerning the closures of the Chittenden Locks in Ballard to facilitate a first time in over a hundred years rebuild of the pumping systems. This project was given poor outreach to affected stakeholders and will negatively impact the many maritime businesses on Lake Union including the Deep-Sea Fisherman's Union and Foss Maritime.

*Brendan Bohannon, Branch Agent*

## HONOLULU

October 2019

Shipped the following jobs in the month of October: 0 Bosn steady, 6 AB Day steady, 2 AB Day relief, 1 AB Watch return, 8 AB Watch steady, 1 AB Watch relief, 1 AB Maint, and 1 OS Watch steady. The shipping jobs were filled by 5A cards, 13 B cards and 2 C cards.

Shipped 11 standby jobs. The standby jobs were filled by 0 A cards, 7 B cards, and 4 C cards. Registered in Honolulu: 9 A cards; 24 B cards; 8 C cards; 7 D cards.

Ships checked: I visited the *RJ Pfeiffer, Maunalei, Manoa, Mokihana, Mahimahi, Matsonia, Kamokuiki, Maunawili, Kaimana Hila, DK Inouye* and the Paint and Rigging gang. All are running with few or minor beefs.

*APL Guam*-no major beefs, *APL Saipan*-no major beefs, *USNS Charlton*-no major beefs, *USNS Watson*-no major beefs.

I represented the SUP at the Hawaii Ports Maritime Council meeting, and the Hawaii AFL-CIO executive board meeting.

The annual Honolulu Holiday luncheon will be on December 8 this year at O'Toole's Bar and Grill. 902 Nuuanu Street. That will be a Sunday from 11am until 2pm. It will be at the same time and same place as last year.

Remember to check your documents and anything with less than six months to expiration you should start the renewal process.

*Michael Dirksen, Branch Agent*

## Dispatcher's Report Headquarters—October 2019

<b>Deck</b>	
Bosun .....	3
Carpenter.....	0
MM .....	2
AB .....	24
OS .....	7
Standby .....	4
<b>Total Deck Jobs Shipped.....</b>	<b>42</b>
<b>Total Deck B, C, D Shipped.....</b>	<b>31</b>
<b>Engine/Steward</b>	
QMED.....	0
Pumpman .....	0
Oiler.....	0
Wiper .....	0
Steward .....	0
Cook.....	0
Messman .....	0
<b>Total E&amp;S Jobs Shipped.....</b>	<b>0</b>
<b>Total E&amp;S B, C, D Shipped .....</b>	<b>0</b>
<b>Total Jobs Shipped - All Depts. ....</b>	<b>42</b>
<b>Total B, C, D Shipped-All Depts. ....</b>	<b>31</b>
<b>Total Registered "A" .....</b>	<b>19</b>
<b>Total Registered "B" .....</b>	<b>42</b>
<b>Total Registered "C" .....</b>	<b>7</b>
<b>Total Registered "D".....</b>	<b>12</b>

## BUSINESS AGENT'S REPORT

San Francisco Business Agent Roy Tufono is on the binnacle list. Please see Vice President's report for ship update.



SUP crew and standbys aboard Maunawili with Erich Anglo, Ventrell Johnson, Bosun Julian Torre, and AB Dave Purgannan at coffee time. Photo: Matt Henning

## UAW ratifies GM agreement; reaches tentative agreement with Ford

The United Auto Workers reached a tentative agreement with Ford Motor Company this week which, if ratified by membership, will keep 55,000 union employees on the job for another four years.

Sources said the agreement shares many of the same terms that were part of the new contract reached with General Motors – an agreement that was accomplished only after a 40-day strike. Members ratified that contract late last week covering over 46,000 UAW employees represented by the union

## Membership and Ratings Committee

The Committee met on November 7, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membership Number	Seatime	Rating	Seniority
Emani Vili 0868	6 yrs.	A.B.	A
Dennis Sumague 7530	6 yrs.	A.B.	A
Jordan Polon 3881	6 yrs.	A.B.	A
Ahmed Ibrahim 19633	1 yr.	A.B.	B
Rory Alexander 19635	1 yr.	A.B.	B
Larry Moone 19636	1 yr.	A.B.	B
Cliff Toralba 19637	1 yr.	A.B.	B
James Stelpstra 2804	30 days	O.S.	C
Roiden Isberto 2805	30 days	O.S.	C

Membership and Ratings Committee's Report: M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Robert Reed #3203, Anthony Wylie #19570 and Eric Sheldon #2627.

## Buy UNION MADE for Thanksgiving

### SET THE TABLE

- Anchor Hocking
- Bennington Pottery
- Clauss knives
- CorningWare
- Fiestaware
- Homer Laughlin China
- Libbey glassware
- Pyrex

### TURKEY

- Butterball
- Foster Farms

### HAM

- Appleton Farms ham
- Butterball ham
- Cook's ham

### BREAD

- Aunt Millie's bread products
- Pillsbury rolls

### STUFFING

- Manischewitz
- Stroehmann bakery products

### VEGETABLES

- Andy Boy
- Birds Eye
- Eurofresh
- Mann's
- Muranaka Farm
- Sunripe Certified Brands

### CRANBERRIES/ CRANBERRY SAUCE

- Dole
- Ocean Spray

### POTATOES

- Betty Crocker flavored mashed potatoes
- Dole fresh potatoes

### PIE FILLING

- Del Monte fresh apples
- Food Club canned pumpkin