

Maritime Administration

The Maritime Administration's (MARAD's) mission is to strengthen and improve the U.S. maritime transportation system – including infrastructure, industry and labor – to meet the nation's economic and security needs. The agency also seeks to ensure that the United States maintains adequate shipbuilding and repair services, efficient ports, effective intermodal water and land connections, less congested transportation routes and reserve shipping capacity for use in time of national emergency.

The agency is the principal advocate for waterborne transportation systems and the federal programs supporting them within the Department of Transportation. Changing demographics, trading patterns, economic growth and consumer demand are straining the U.S. transportation infrastructure, intensifying congestion and increasing transportation-related pollutants. Expansion of waterborne services could relieve congestion and improve air quality along highways, and greater integration of waterborne shipping into the overall transportation system is an agency priority.

Historical Perspective

In the 19th century, U.S.-flag merchant vessels transported more than 90 percent of America's foreign trade. Today, while 95 percent (by weight) of the nation's overseas trade still moves by water, only about 3 percent is carried by the U.S.-flag fleet.

Shipping provides a vital link for mobilizing U.S. armed forces for military contingencies and supporting civilian emergency response. Auxiliary sealift provided by the U.S.-flag Merchant Marine has played a vital role in American successes in wars and the international crises in which U.S. forces have been involved. MARAD vessels have supported the deployment of U.S. armed forces during Operation Enduring Freedom in Afghanistan and maintained continuous logistical support for Operation Iraqi Freedom.

MARAD provides the programs for the integration of civilian support for military requirements. Many of these programs provide not only a planning aspect, but a platform for discussion with the military on its priorities.

Maritime Security Program (MSP)/Voluntary Intermodal Sealift Agreement (VISA)

The MSP and VISA programs make commercial ships and intermodal sealift capacity available to the U.S. armed services. The programs are designed primarily for sustainment sealift, maintaining sealift capacity when the initial surge period has passed.

VISA includes nearly all of the U.S.-flag oceangoing cargo fleet. VISA participants commit specific vessel capacity, intermodal equipment and management services to the Department of Defense (DoD). The VISA program is used to preplan the availability of militarily useful commercial vessels in times of emergency. In return for their capacity commitments, VISA participants receive priority consideration for the award of peacetime cargo. MSP-generated capacity is a significant component of VISA.

MSP participants are required to enroll 100 percent of their MSP capacity and a corresponding level of intermodal resources and services in the VISA program. These two interlocking programs serve to maintain a fleet of active, commercially viable, militarily useful, privately owned U.S.-flag vessels to meet national defense and other security requirements while maintaining a presence in international commercial shipping. The MSP is responsible for retaining approximately 2,400 U.S. citizen mariners.

During 2011, MARAD maintained the enrollment of 60 ships in the MSP. The current MSP fleet includes 30 container ships, seven geared container ships, 18 roll-on/roll-off (RO/RO) vessels, two heavy-lift ships and three product tankers. A total of 49 shipping companies participated in the VISA program during 2011.

Ready Reserve Force (RRF)

The RRF is the active component of the National Defense Reserve Fleet (NDRF), which is maintained by MARAD. The RRF provides vessels for surge and sustainment sealift capability to the Department of Defense. The ships of the RRF are owned and maintained by MARAD in varying status of readiness: (Reduced Operational Status) ROS-5 and RRF-10.

An ROS-5 vessel must be ready for sea within five days, including a proof of readiness sea trial. Nearly all of the RRF fleet is in ROS-5 status. The ships are crewed with 10 Merchant Mariners who form the nucleus of the sailing crew. As the keystone to activating the vessels, they perform preventative and routine maintenance on a daily basis, and receive training appropriate to DoD missions. More than 390 highly skilled Merchant Mariners comprise ROS crews.

Types of vessels in ROS-5 include: 35 RO/RO ships; six auxiliary crane ships for the transportation of cargo to a location without a developed port; two sea barge ships with 2,000-ton elevators to lift cargo on/off from the stern; two aviation repair ships; and three special-mission vessels capable of conducting replenishment with naval fleet forces.

ROS-5 vessels are layberthed at commercial and government outports located throughout the continental United States, close to their designated loadports for faster cargo deployment.

RRF-10 ships normally are maintained at an NDRF site with maintenance performed on a cyclical basis and extended periods between sea and dock trials.

Training Availability

NDRF vessels are made available to various groups for training purposes. Ships in the reserve fleet anchorages are used for military, law-enforcement and ship-interdiction training by the Navy and FBI. RRF vessels standing by at port facilities are often used for cargo-handling training for Navy, Army and Marine Corps cargo-handling units, as well as stevedores sponsored by the Pacific Maritime Association, and federal, state and local law enforcement personnel. These RRF vessels also support security exercises conducted by anti-terrorism units from the U.S. Coast Guard and Marine Corps.

Strategic Ports

Strategic ports are commercial ports that have been specifically evaluated and selected for their militarily useful location, facilities, equipment and services. The National Port Readiness Network was established to facilitate coordination within the federal agencies that support deploying forces through these ports in the event of a mobilization or national defense contingency. This coordination is vital to minimizing congestion and disruption of commercial activities while supporting the military's surge and sustainment cargo operations.

Sixteen commercial ports have been identified as strategic by the military and the National Shipping Authority, which is the defense arm of MARAD. These ports are: New York/New Jersey Port Complex; Philadelphia; Hampton Roads Port Complex, Va.; Morehead City, N.C.; Wilmington, N.C.; Charleston, S.C.; Savannah, Ga.; Jacksonville, Fla.; Beaumont, Texas; Corpus Christi, Texas; San Diego; Long Beach, Calif.; Oakland, Calif.; Tacoma, Wash.; Anchorage, Alaska; and Guam.

Cargo Preference

U.S.-flag ships are registered in the United States and subject to additional U.S. laws and regulations. Unlike their foreign-flag competitors, U.S.-flag commercial ships must meet strict guidelines for the construction, maintenance, environmental and safety standards, resulting in increased operating costs. To help these ships compete, and provide an incentive to remain under U.S. registry, Congress established a series of cargo preference laws that assist ship owners in defraying costs associated with maintaining their vessels under the U.S. registry. These laws, the first of which was established in 1904, require that some government-sponsored cargo shipped internationally be carried on U.S.-flag vessels.

When the government provides a benefit to help export U.S.-made products, it often establishes a quid pro quo that requires a certain portion of the exports be carried on U.S.-flag vessels – when such vessels are available at fair and reasonable rates. The government recaptures the added cost through taxes on the total gross revenue of the U.S. carrier and on the taxes generated as that total gross revenue flows through the American economy.

Maritime Administrator

The maritime administrator, the agency's senior official, advises the secretary of transportation on commercial maritime matters, the U.S. maritime industry and strategic sealift. The administrator develops policies and manages agency activities, and serves as commandant of the U.S. Maritime Service and director of the National Shipping Authority.

David T. Matsuda was sworn in as maritime administrator on June 25, 2010, after serving as the acting administrator for nearly a year. He previously served as the U.S. Department of Transportation's acting assistant secretary for Transportation Policy.

Horn of Africa Piracy

Since the surge in pirate attacks off the Horn of Africa in 2008, MARAD has facilitated discussions among the international maritime industry, labor, U.S. and foreign governments to develop security training and best management practices to combat piracy on the high seas.

Information sharing is paramount to avoid, deter and prevent successful piracy attacks. As an industry advocate, one of MARAD's roles is to provide useful information to the private and public sectors in the event of a transportation crisis. Through its advisories and website, MARAD provides pertinent information to assist U.S.-flag ship owners, operators and other maritime industry representatives with anti-piracy efforts, operational advice and key resources for further information.

MARAD, with assistance from Military Sealift Command, has developed an assistance team to visit U.S.-flag merchant ships in port to assess their physical security vulnerabilities to piracy and provide the ships with "best practices" against piracy. The Anti Piracy Assessment Team (APAT) includes a representative from MARAD and the Naval Criminal Investigative Service's Security Training and Assessment Team. Forty-four APATs have been conducted since April 2009.

Maritime Work Force Development

MARAD supports programs to improve the education, training, health, welfare and safety of U.S. citizen seafarers, and ensures the availability of an adequate number of mariners to crew active U.S.-flag commercial vessels during peacetime and in emergencies, as well as RRF ships activated for sealift and/or humanitarian-assistance missions. The agency also operates the U.S. Merchant Marine Academy at Kings Point, N.Y., and provides assistance to the six state-operated maritime academies.

Deepwater Ports

The Deepwater Port Act of 1974, as amended by the Maritime Transportation Security Act of 2003, establishes a licensing system for the ownership, construction and operation of oil and natural gas deepwater port facilities located in federal waters.

To date, 18 deepwater port license applications have been filed with MARAD for review and approval. Of these, eight have been approved and six licenses have been issued to construct and operate offshore facilities to import liquefied natural gas (LNG) and oil.

Port Conveyance

The National Defense Authorization Act of 1994 authorized MARAD, by delegation from the secretary of transportation, to convey surplus federal property to states and local governments without monetary compensation for use in the development or operation of a port facility as a public benefit conveyance. Since the inception of the Port Conveyance Program, approximately 2,700 acres of property have been conveyed to eligible entities to facilitate the expansion of the nation's marine transportation system.

Issues and Challenges

The United States continues to face a vast transportation challenge — congestion — that threatens to overwhelm its ports and its distribution network and erase any efficiencies gained from improved vessel and cargo handling designs. MARAD is

supporting greater use of the nation's waterways to alleviate landside congestion in the transportation system.

There also is a worldwide shortage of trained mariners due to many factors, including the rapid growth of international trade. MARAD has taken action to identify the magnitude of the shortage and, through its crewing initiative, has secured agreements with international companies to hire U.S. mariners on LNG tankers and large international fleets.