

Ranking Member John Thune
Questions for the Record
Nomination of Paul Jaenichen to be
Administrator, Maritime Administration
Senate Committee on Commerce, Science, and Transportation
Hearing on November 21, 2013

- 1) During the government shutdown in October, the U.S. Merchant Marine Academy was required to shut down its operations – the only one of the five service academies that had to do so. While nobody wants to see another government shutdown, are there any steps that MARAD can take to prevent a similar situation at the Academy if another shutdown were to occur?

While all the Federal service academies were forced to make changes as a result of the Government shutdown, the impact on the U.S. Merchant Marine Academy (USMMA) was especially severe because nearly all of the USMMA's faculty and staff are civilian federal employees. Unlike the other service academies whose staffs include a large number of active duty military personnel, USMMA experienced significantly reduced operations, classes were cancelled and administrative support programs ceased. I am committed to continuing to work with Congress to ensure that, in the event of a future government shutdown, the U.S. Merchant Marine Academy has the same flexibility as the other military academies to continue to operate over the course of a lapse in funding.

- 2) In your Committee Questionnaire responses, you mention that the number of U.S. flagged deep ocean vessels involved in international trade has declined over 80 percent in the last 20 years, which could have a detrimental impact on the U.S. military's ability to move troops, equipment, and supplies should our national security require such capabilities. Should you be confirmed, how will you address this potential problem?

MARAD is developing a strategy to revitalize the U.S. Merchant Marine that will focus on actions that would enable ship owners to flag vessels under the U.S. flag and operate with U.S. crews. Although the strategy ultimately will include other segments of the industry, an initial focus will be on developing options which, if implemented, could result in gains for the U.S. flag operating in international trade and potentially result in an increased portion of ocean borne commerce being on U.S. flag vessels. Increased U.S. international trade and more vessels operating under U.S. flag would also provide more jobs for American seafarers. This increase in the number of ships and mariners would enhance national security by ensuring the Department of Defense has sufficient access to sealift capacity to respond in time of armed conflict or national emergencies.

As part of its strategy, MARAD plans to analyze the costs of operating under the U.S. flag compared to foreign flag and to determine if the Agency can take actions to make the U.S. flag more competitive. In addition, MARAD will be looking at challenges facing the U.S. shipbuilding industry and options to promote this industry, which has proven to be beneficial to the Nation from both an economic and defense perspective. MARAD expects to conduct extensive public outreach on these issues to identify actions that could strengthen the U.S. Merchant Marine.