

**MARITIME  
CABOTAGE**



## **News Release**

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FOR IMMEDIATE RELEASE

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### **MARITIME CABOTAGE TASK FORCE RESPONDS TO ANNOUNCEMENT BY NCL AMERICA TO WITHDRAW U.S.-FLAG CRUISE SHIP**

The Passenger Vessel Services Act has been eviscerated by foreign cruise lines who have been evading the law on Hawaii cruises with sham foreign port calls in Mexico, sometimes for as little as one-hour, in the middle of the night, and with no passengers going ashore. These sham port calls allow these foreign cruise lines to avoid being subjected to U.S. laws and regulations, including Federal tax, labor, and employment laws, thereby enabling them to operate at a fraction of the cost of American-flagged ships.

The maritime cabotage laws were enacted to create a level competitive playing field in U.S. domestic trades by ensuring that everyone operating in those trades was subject to the same U.S. laws and regulations as their competition. The announcement by NCL America to withdraw the U.S.-flagged PRIDE OF ALOHA from its Hawaii service is unfortunate evidence of the harm imposed on coastwise operations resulting from unfair competition by flag-of-convenience foreign ships. As a result, hundreds of millions of dollars in economic activity for U.S. businesses and thousands of American jobs are being lost.

The Maritime Cabotage Task Force strongly supports Customs and Border Protection's efforts to enforce the cabotage laws, and urges the agency to promptly adopt an interpretive rule that prevents further incursion into the domestic Hawaii trades by foreign cruise ships circumventing the law with sham foreign port calls.

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The Maritime Cabotage Task Force is the largest coalition ever to represent the domestic U.S. maritime industry. It was founded in 1995 to promote the U.S.-flag, U.S.-built fleet engaged in domestic waterborne commerce. With more than 400 members, the MCTF is the largest coalition ever assembled to represent the domestic segment of the U.S. merchant marine. Nationwide, there are more than 39,000 vessels built in U.S. shipyards engaged in Jones Act commerce and they annually move more than 1 billion tons of cargo and 100 million passengers. The Act has been broadly supported by every Congress and Administration since its passage in 1920 and is considered a key element in the nation's national defense capabilities.