HOUSE RESOLUTION NO. 7

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

Introduced: 3/22/23

Referred: State Affairs, Transportation

A RESOLUTION

1 Supporting the repeal of the Jones Act.

2 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

- WHEREAS 46 U.S.C. 55102 (sec. 27 of the Merchant Marine Act of 1920),
- 4 commonly known as the Jones Act, is a federal cabotage law that restricts the surface carriage
- 5 of cargo by water between coastwise points in the United States to vessels that are built,
- 6 flagged, owned, and crewed by the United States; and
- 7 WHEREAS the requirements of the Jones Act dramatically increase the cost to
- 8 purchase, staff, and maintain shipping vessels; and
- 9 WHEREAS the high cost of constructing shipping vessels in the United States
- diminishes the size of the United States shipping fleet, increases its age, increases fuel costs
- caused by age, increases maintenance costs caused by age, and increases crewing costs caused
- by age and a lack of automation; and
- WHEREAS other modes of domestic transportation in the United States are permitted
- 14 to use equipment made by foreign manufacturers for commercial operation without
- restriction, including aircraft, railroad cars and locomotives, trucks, automobiles, and mass
- transit vehicles; and

1	WHEREAS both the United States commercial shipbuilding industry and domestic
2	shipping fleet have experienced significant declines under Jones Act protectionism; and
3	WHEREAS a 2013 report issued by the World Economic Forum in collaboration with
4	Bain and Company and the World Bank described the Jones Act as the "most restrictive
5	example" of a cabotage law and that "such barriers actually damage local economies and
6	saddle businesses and consumers with significant costs"; and
7	WHEREAS, because of the high cost of domestic transport, the Jones Act has been
8	cited as a key factor behind United States refineries choosing to purchase Russian oil instead
9	of domestic supplies; and
10	WHEREAS, because of the total lack of gas tankers compliant with the Jones Act that
11	are needed to transport liquefied natural gas domestically, New England and Puerto Rico must
12	import liquefied natural gas; and
13	WHEREAS numerous useful types of vessels, including gas tankers, livestock
14	carriers, and heavy-lift vessels, do not exist in the fleet qualified under the Jones Act; and
15	WHEREAS the high cost of Jones Act transport and the lack of appropriate vessel
16	types serve as a barrier to commerce within the United States and discourage domestic supply
17	chains; and
18	WHEREAS, in retaliation for the refusal of the United States to modify the Jones Act
19	and open its domestic shipping and shipbuilding markets, United States trading partners
20	restrict their markets to United States exports; and
21	WHEREAS the high costs associated with the Jones Act have many domestic
22	businesses using the nation's highways and rail systems to transport goods to various markets,
23	leading to increased wear and tear on the nation's roadways and railways, increased
24	maintenance costs on roadways and railways, increased fuel consumption, and increased
25	vehicle congestion on the nation's roadways; and
26	WHEREAS a repeal of the Jones Act would allow domestic businesses to realize cost
27	savings by using the nation's waterways as a safer and easier method of transporting goods to
28	market, would reduce the number of vehicles on the nation's highways, and would permit
29	goods to arrive to markets in a more timely fashion; and
30	WHEREAS the Jones Act was adopted before Alaska statehood with no true

representation for Alaska in Congress and was sponsored by former United States Senator

31

- Wesley Jones of Washington for the benefit of Washington state and to the detriment of
- 2 Alaska; and
- WHEREAS a primary purpose of the Jones Act was to give Washington state a monopoly on shipping lines to Alaska;
- 5 **BE IT RESOLVED** that the House of Representatives urges the United States Congress to consider repealing the Jones Act.
- COPIES of this resolution shall be sent to the Honorable Joseph R. Biden, President of the United States; the Honorable Kevin McCarthy, Speaker of the U.S. House of Representatives; the Honorable Steve Scalise, Majority Leader of the U.S. House of Representatives; the Honorable Pete Buttigieg, United States Secretary of Transportation; and the Honorable Lisa Murkowski and the Honorable Dan Sullivan, U.S. Senators, and the Honorable Mary Peltola, U.S. Representative, members of the Alaska delegation in Congress.