



AMERICAN MARITIME CONGRESS

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I S S U E B R I E F I N G

THE MARITIME SECURITY PROGRAM – PROTECTING AMERICA

The Maritime Security Program is one of the three legal pillars that ensure the continued existence of the United States Merchant Marine. First passed in 1996 as part of the Maritime Security Act (PL 104-239), MSP is critical to our nation's ability to defend itself in time of war or national emergency.

The Maritime Security Fleet is a fleet of 60 militarily useful vessels that operate internationally under the U.S.-flag. Under the terms of the program, participating vessel operators are required to make their ships and other commercial transportation resources available to the Department of Defense during times of war or national emergency. In return, the federal government provides them with an operating stipend to offset the increased operating costs of maintaining their ships under U.S. registry.

The original program as passed in 1996 created fleet of 47 U.S.-flag vessels. The program was reauthorized for an additional ten years in 2003, and increased in size to 60 U.S.-flag vessels. Each vessel is authorized by Congress to receive a \$2.7 million annual stipend, subject to annual appropriations.

Unlike past governmental support programs, such as the operating-differential subsidy (ODS) program, MSP has few restrictions on vessels operating in the U.S. foreign commerce. Eligible vessels may be built either in the United States or in a foreign country. The program, subject to annual appropriations, is administered by the Maritime Administration, on the basis of renewable one-year contracts, provided funding is available.

The Maritime Security Program is a major component in our military sealift policy. By keeping these vessels in the U.S.-flag fleet sailing internationally during peacetime, they ensure the job base of the merchant marine. And in time of war or national emergency, they provide the necessary sealift to support our nation's warfighters across the globe.