

**SENATE CONCURRENT
RESOLUTION No. 31**

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

Senator M. TERESA RUIZ

District 29 (Essex)

Co-Sponsored by:

Senator O'Scanlon

SYNOPSIS

Urges Congress and President to permanently exempt Puerto Rico from Jones Act.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee with technical review.



(Sponsorship Updated As Of: 10/17/2022)

1 **A CONCURRENT RESOLUTION** urging the Congress and President of
2 the United States to permanently exempt Puerto Rico from
3 certain provisions of the Merchant Marine Act of 1920, also
4 known as the Jones Act.
5
6 **WHEREAS**, The Merchant Marine Act of 1920 is a federal statute that
7 was enacted after World War I to maintain a vibrant merchant
8 marine for the defense and economy of the United States (U.S.);
9 and
10 **WHEREAS**, Certain provisions of the Merchant Marine Act of 1920,
11 codified at 46 U.S.C. s.55102 and commonly referred to as the
12 Jones Act, require that all goods shipped by water between U.S.
13 ports be carried in U.S. flagships that are constructed primarily in
14 the U.S., owned by U.S. citizens, and crewed by U.S. citizens and
15 permanent residents; and
16 **WHEREAS**, The shipping restrictions of the Jones Act have had a
17 disparate impact on U.S. island states and territories because these
18 island economies import goods primarily by sea; and
19 **WHEREAS**, Due to the provisions of the Jones Act, goods shipped
20 from the U.S. mainland to its island states and territories must be
21 shipped by U.S. companies, which are often more expensive than
22 foreign shipping companies, and which results in higher prices for
23 island residents; and
24 **WHEREAS**, Puerto Rico is an unincorporated territory of the U.S. and
25 is subject to the provisions of the Jones Act; and
26 **WHEREAS**, On September 20, 2017, Hurricane Maria, a category four
27 hurricane, made landfall in Puerto Rico and is the strongest storm to
28 hit the island in nearly a century; and
29 **WHEREAS**, Prior to Hurricane Maria, Puerto Rico had been suffering
30 from an acute financial crisis and had accumulated \$74 billion in
31 debt, the payments on which prevented the maintenance of the
32 island's public utility and transportation infrastructure; and
33 **WHEREAS**, Hurricane Maria, compounded by the effects of the
34 financial crisis, has destroyed most buildings and infrastructure on
35 the island, leaving nearly all 3.4 million residents without power
36 and in need of food, clothing, medicine, and shelter; and
37 **WHEREAS**, The government of Puerto Rico is estimating that it may
38 take up to six months to repair the electrical grid and to restore
39 power on the island; and
40 **WHEREAS**, Almost half of the electricity on the island is provided by
41 petroleum-burning power plants and approximately a third of the
42 island's electricity is provided by natural gas-fired power plants, the
43 fuel for which must be imported to the island by ship; and
44 **WHEREAS**, It is imperative for the recovery of Puerto Rico that
45 humanitarian aid, disaster relief supplies, and fuel for its electric
46 power plants are imported to the island by ship in the most
47 inexpensive and expeditious manner possible; and

SCR31 POU, CRUZ-PEREZ

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1 **WHEREAS**, On September 28, 2017, the Acting Secretary of the
2 Department of Homeland Security waived the provisions of the
3 Jones Act, codified at 46 U.S.C. s.55102, for 10 days, which will
4 allow for all ships, no matter their provenance, to dock at Puerto
5 Rican ports without restriction, allowing residents to quickly access
6 humanitarian aid, disaster recovery supplies, and fuel, and will
7 likely reduce the cost of goods needed for the disaster recovery; and

8 **WHEREAS**, Although the waiver of the Jones Act may be extended
9 beyond the initial 10 days, it is likely the disaster recovery effort in
10 Puerto Rico will take months or years; and

11 **WHEREAS**, After the disaster recovery effort is complete, the economy
12 of Puerto Rico will still be affected by the ongoing financial crisis
13 that existed prior to Hurricane Maria and would greatly benefit
14 from the cheaper shipping options afforded to the island in the
15 absence of the Jones Act; and

16 **WHEREAS**, Permanently exempting Puerto Rico from the Jones Act,
17 codified at 46 U.S.C. s.55102, will provide residents with the
18 certainty that goods needed for the recovery of the island will be
19 accessible without restriction and will help to expedite the recovery
20 process from this unprecedented disaster and from the economy's
21 ongoing financial crisis; now, therefore,

22

23 **BE IT RESOLVED** by the Senate of the State of New Jersey (the
24 *General Assembly concurring*):

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26 1. The Legislature of this State urges the Congress and President
27 of the United States to grant Puerto Rico a permanent exemption from
28 certain provisions of the Merchant Marine Act of 1920, codified at 46
29 U.S.C. s.55102, to expedite the delivery of humanitarian aid, disaster
30 recovery supplies, and fuel for electric power plants by ship to Puerto
31 Rico and to assist the recovery of Puerto Rico's economy from the
32 ongoing financial crisis by allowing for cheaper shipping options to
33 the island for consumer goods, with the exception of goods necessary
34 for national defense.

35

36 2. Copies of this resolution, as filed with the Secretary of State,
37 shall be transmitted by the Clerk of the General Assembly or the
38 Secretary of the Senate to the President and Vice President of the
39 United States, the Majority and Minority Leaders of the United States
40 Senate, the Speaker and Minority Leader of the United States House of
41 Representatives, and each member of the United States Congress
42 elected from New Jersey.