

Congress of the United States
Washington, DC 20515

September 5, 2007

The Honorable John Olver
Chairman
Transportation Appropriations Subcommittee
2358 Rayburn House Office Building
Washington, DC 20515

The Honorable Joe Knollenberg
Ranking Member
Transportation Appropriations Subcommittee
1016 Longworth House Office Building
Washington, DC 20515

Dear Chairman Olver and Rep. Knollenberg:


We respectfully ask for your support to recede to the Senate position to appropriate no less than \$10 million for the Maritime Administration's Title XI Ship Loan Guarantee Program in the FY 2008 Transportation Appropriations Bill. Title XI is extremely important to the U.S. shipbuilding industry by facilitating the construction of commercial ships in this country.

Title XI is one of the most successful partnerships between the federal government and private industry. The financing terms and conditions facilitated by Title XI are not subsidized rates, but rather are comparable to finance rate at commercial banks to which large corporations have access. If it were not for Title XI, many U.S. companies would not be able to replace aging vessels to meet this country's domestic transportation needs.

The vast majority of Title XI guarantees are for small and medium sized companies ordering dry and liquid cargo ships to transport petroleum, agricultural, and other consumer goods in the Jones Act trades. The program has traditionally had a 20 to 1 multiplier, generating \$20 million in ship construction in the United States for every \$1 million appropriated for the program. As America's fleet of over 100 ocean-going Jones Act ships, which are at or near retirement age, are removed from service, the demand for reasonable financing to build replacement vessels will exceed \$11 billion. Funding for new Title XI loan guarantees is needed now to allow U.S. ship owners to afford to finance the construction of vessels in order to reconstitute the Jones Act fleet and ensure America's transportation maritime independence.

An appropriation of \$10 million, at a minimum, is required in FY 2008 to enhance our national security and sustain thousands of shipbuilding jobs in U.S. shipyards and throughout the manufacturing base. Thank you for your consideration of this request.

Sincerely,


Gene Taylor
Member of Congress


Jo Ann Davis
Member of Congress



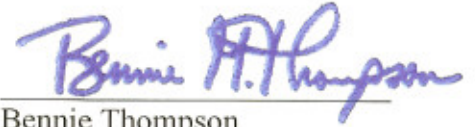
Tom Davis
Member of Congress



Neil Abercrombie
Member of Congress



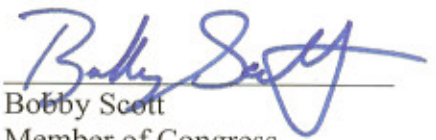
Jim Langevin
Member of Congress



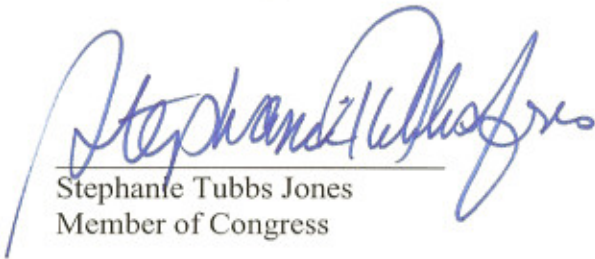
Bennie Thompson
Member of Congress



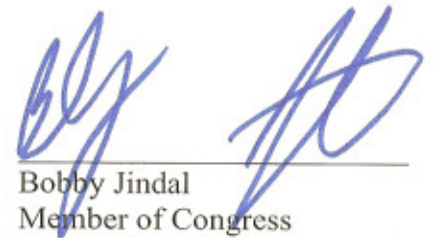
Frank LoBiondo
Member of Congress



Bobby Scott
Member of Congress



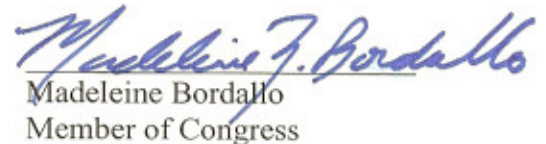
Stephanie Tubbs Jones
Member of Congress



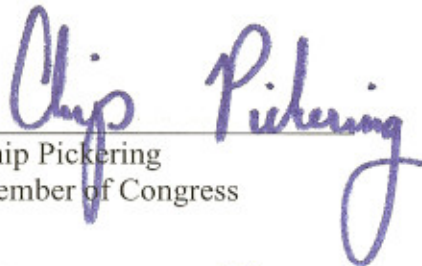
Bobby Jindal
Member of Congress



Michael Michaud
Member of Congress



Madeleine Bordallo
Member of Congress



Chip Pickering
Member of Congress



Thomas Allen
Member of Congress



Corinne Brown
Member of Congress



John B. Larson
Member of Congress



Joe Wilson
Member of Congress



Jason Altmire
Member of Congress



Rosa DeLauro
Member of Congress



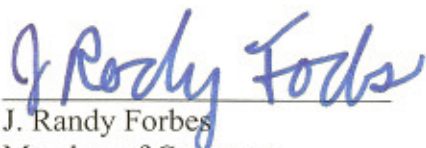
Jo Bonner
Member of Congress



William Jefferson
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Geoff Davis
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J. Randy Forbes
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Gene Green
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G. K. Butterfield
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Joe Courtney

Joe Courtney
Member of Congress

Thelma Drake

Thelma Drake
Member of Congress