

1 **CONCURRENT RESOLUTION ENCOURAGING REPEAL OF**
2 **THE JONES ACT**

3 2024 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Norman K Thurston**

6 Senate Sponsor: Lincoln Fillmore

8 **LONG TITLE**

9 **General Description:**

10 This resolution proclaims the Legislature of the state of Utah supports the repeal of the
11 Jones Act by Congress.

12 **Highlighted Provisions:**

13 This resolution:

14 ▶ urges Congress to consider repealing the Jones Act to fully utilize waterborne
15 transport when shipping goods domestically and improve intra-United States
16 commerce and supply chain linkages.

17 **Special Clauses:**

18 None

20 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

21 WHEREAS, Section 27 of the Merchant Marine Act of 1920 (P.L. 66-261) (46 U.S.C.
22 55102), commonly known as the Jones Act, is a federal cabotage law that restricts the surface
23 carriage of cargo by water between coastwise points in the United States to vessels that are
24 built, flagged, owned, and crewed by the United States;

25 WHEREAS, the requirements of the Jones Act dramatically increase the cost to
26 purchase, staff, and maintain shipping vessels;

27 WHEREAS, the high cost of constructing shipping vessels in the United States
28 diminishes the size of the United States shipping fleet, increases its age, increases fuel costs
29 due to age, increases maintenance costs due to age, and increases crewing costs due to age and

30 a lack of automation;

31 WHEREAS, all other modes of domestic transportation in the United States are
32 permitted to use foreign manufactured equipment for commercial operation without restriction
33 including aircraft, railroad cars and locomotives, trucks, automobiles, and mass transit
34 vehicles;

35 WHEREAS, both the United States commercial shipbuilding industry and domestic
36 shipping fleet have experienced significant declines under Jones Act protectionism;

37 WHEREAS, a 2013 report issued by the World Economic Forum in collaboration with
38 Bain & Company and the World Bank described the Jones Act as "the most restrictive
39 example" of a cabotage law and that "such barriers actually damage local economies and saddle
40 businesses and consumers with significant costs";

41 WHEREAS, the Jones Act has been cited as a key factor behind United States refineries
42 purchasing Russian oil instead of domestic supplies due to the high cost of domestic transport;

43 WHEREAS, New England and Puerto Rico must import liquified natural gas due to the
44 total lack of Jones Act-compliant gas tankers needed to transport it domestically;

45 WHEREAS, numerous useful types of vessels do not exist in the Jones Act-qualified
46 fleet including gas tankers, livestock carriers, and heavy-lift vessels;

47 WHEREAS, the high cost of Jones Act transport and lack of appropriate vessel types
48 serve as a barrier to commerce within the United States and discourage domestic supply chains;

49 WHEREAS, United States trading partners restrict their markets to United States
50 exports in retaliation for United States refusal to modify the Jones Act and open its domestic
51 shipping and shipbuilding markets;

52 WHEREAS, the high costs associated with the Jones Act have many domestic
53 businesses utilizing the nation's highway and rail systems in order to transport goods to various
54 markets, leading to increased wear and tear on the nation's roadways and railways, increased
55 maintenance costs on roadways and railways, increased fuel consumption, and increased
56 vehicle congestion on the nation's roadways; and

57 WHEREAS, repealing the Jones Act would allow domestic businesses to realize cost

58 savings by utilizing the nation's waterways as a safer and easier method of transporting goods
59 to market, would reduce the number of vehicles on the nation's highways, and would permit
60 goods to arrive to markets in a more timely fashion:

61 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
62 Governor concurring therein, urges the United States Congress to consider repealing the Jones
63 Act.

64 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the President of
65 the United States, the United States Secretary of Transportation, the Majority Leader of the
66 United States Senate, the Speaker of the United States House of Representatives, and the
67 members of Utah's congressional delegation.