



# THE JONES ACT

## THE IMPACT ON PUERTO RICO AND THE UNITED STATES

---

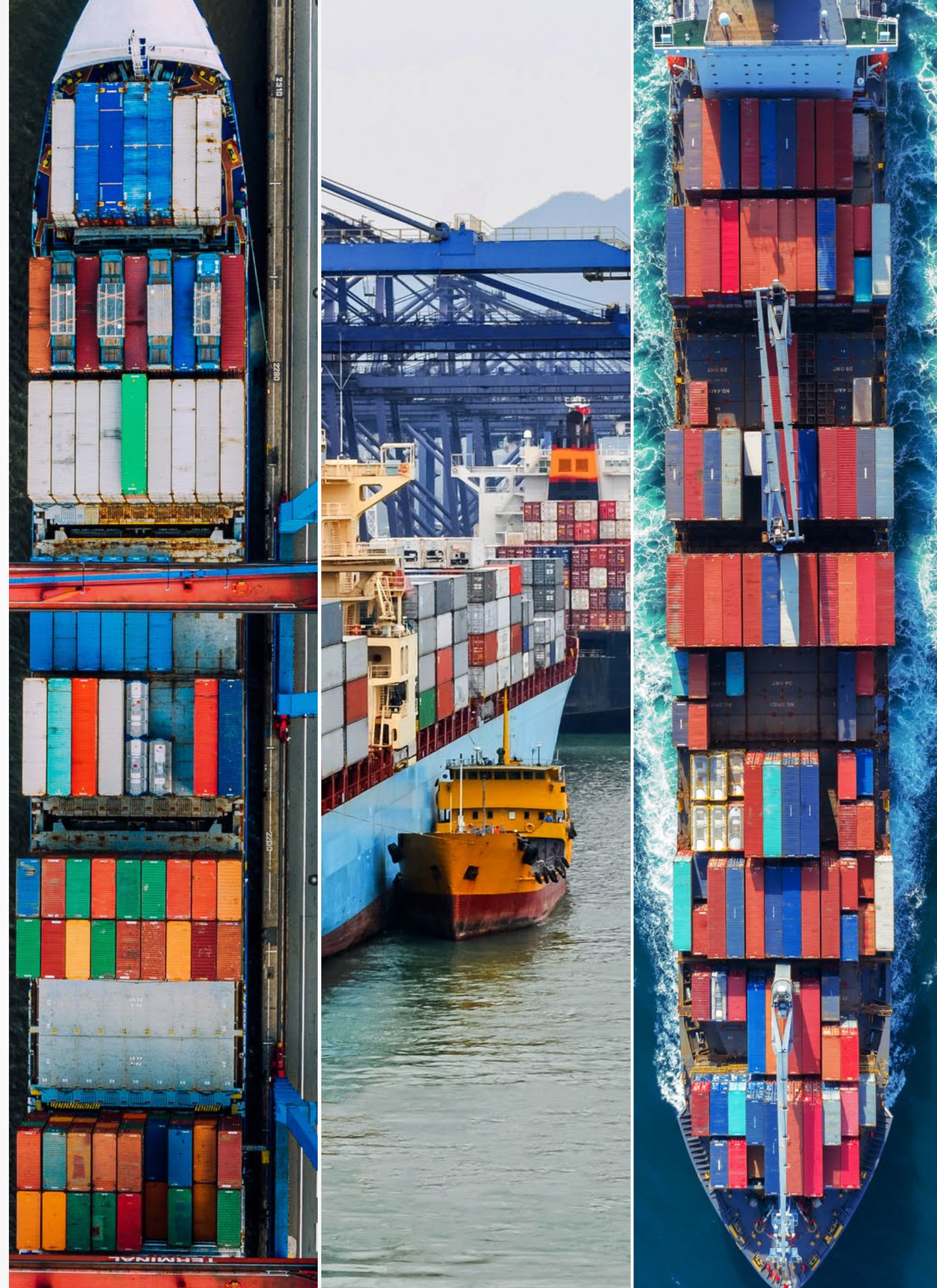
Mr. Jacob Wegryzn  
Vice President Caribbean  
Trailer Bridge

Moderator: Eyck O. Lugo  
EDGE Legal LLC



# OVERVIEW

- What is the Jones Act (Merchant Marine Act of 1920)?
- Governs maritime shipping between U.S. points: ships must be U.S.-owned, crewed, built, and flagged.
- Creates 650,000 jobs with over 40,000 vessels involved.





# GLOBAL CONTEXT OF CABOTAGE LAWS

---



80% of the world's coastline under similar cabotage laws.



The oldest cabotage law dates back to 1381.



Importance for economic independence through a national commercial maritime fleet.





# THE JONES ACT IMPACT

---

- Applies uniformly across all U.S. states including Puerto Rico, Alaska, and Hawaii.
- No restrictions on foreign ships to service U.S. ports.
- No restrictions on foreign ships at U.S. ports but no cargo transport between U.S. ports.





# U.S.-FLAG VS. FOREIGN-FLAG SHIPS

---

- U.S.-flagged ships adhere to American laws, including EPA, OSHA, labor, and Coast Guard regulations.
- Foreign-flagged ships (flags of convenience) often ignore environmental laws and pay low wages.

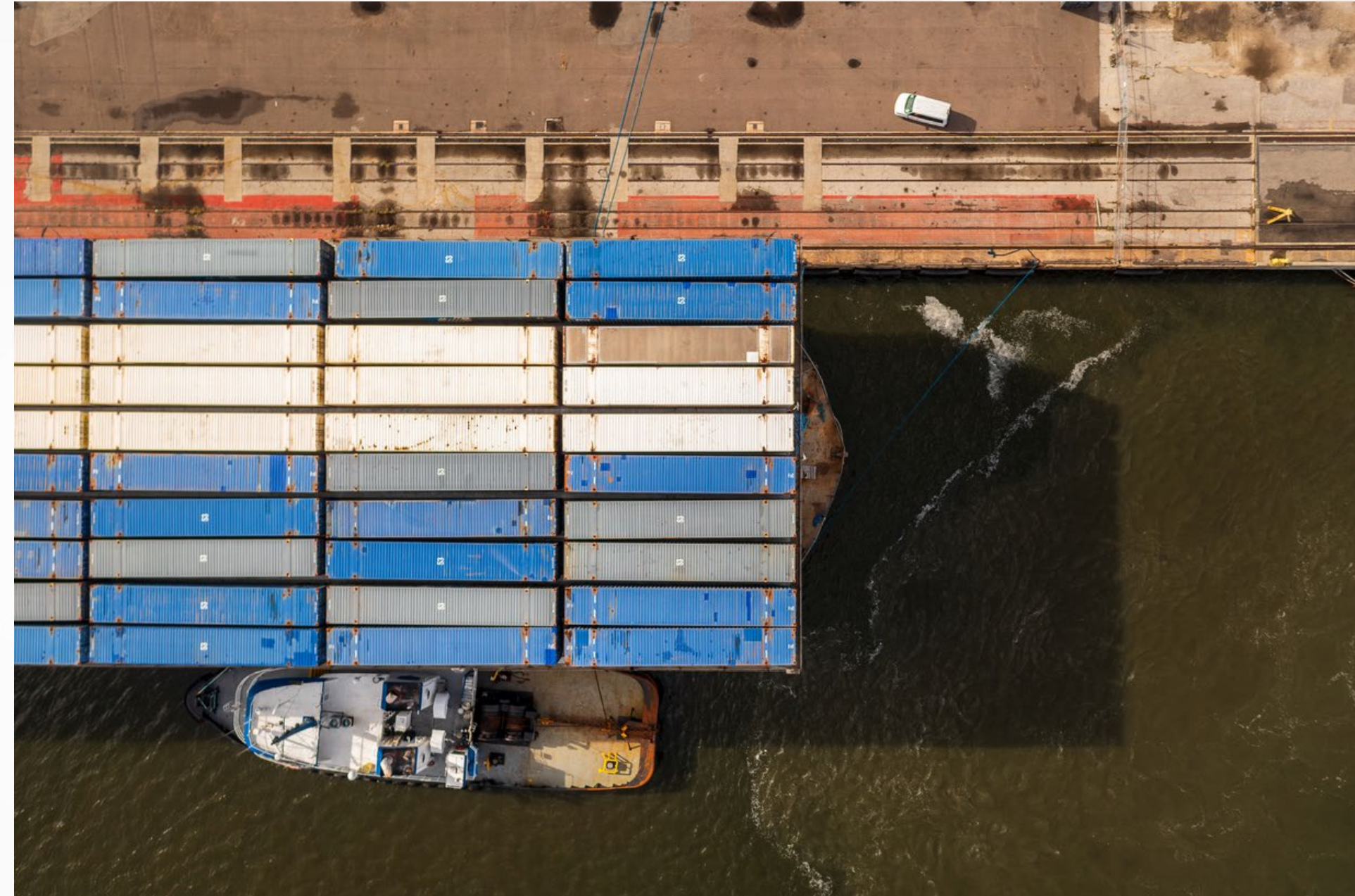




# U.S.-FLAG VS. FOREIGN-FLAG SHIPS

---

- The 3 major Jones Act carriers utilize 53-foot equipment which has a 42% larger capacity than the International standard of 40-foot container.
- International vessels utilize 40-foot containers almost exclusively.

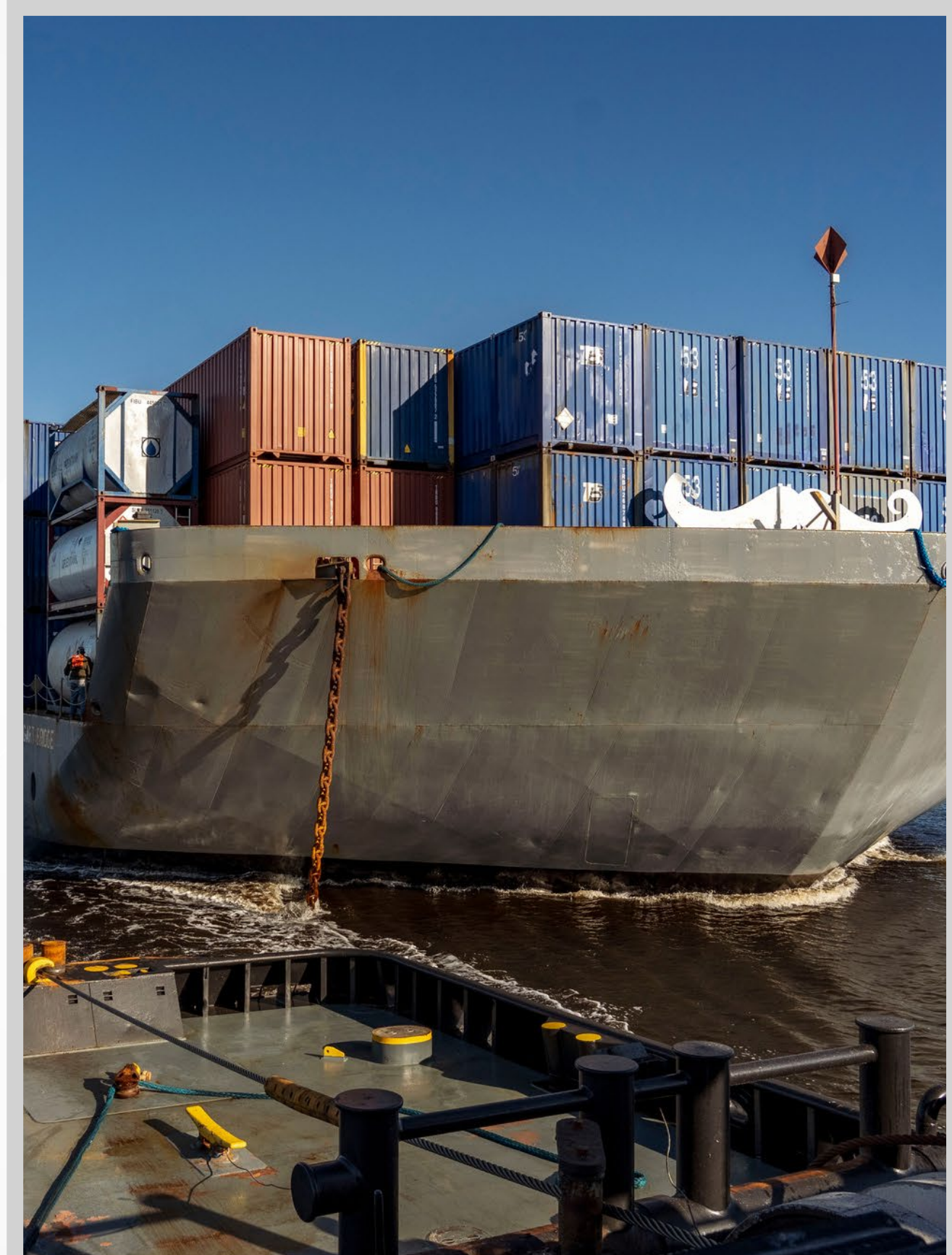




# STABILITY AND RELIABILITY OF JONES ACT SERVICES

---

- Predictable and regular services to Puerto Rico with seven (7) weekly sailings enhancing supply chain reliability.
- During the pandemic, Jones Act carriers maintained steady service, unlike foreign carriers who increased rates and chased lanes with higher profits.
- Rumor that this regular liner service increases costs which is simply not true.
- Manufacturing on the Island relies heavily on quick transit back to the US.
- International vessels have routes that stop in 3 or 4 ports before arriving at destination.





# PUERTO RICO BENEFITS



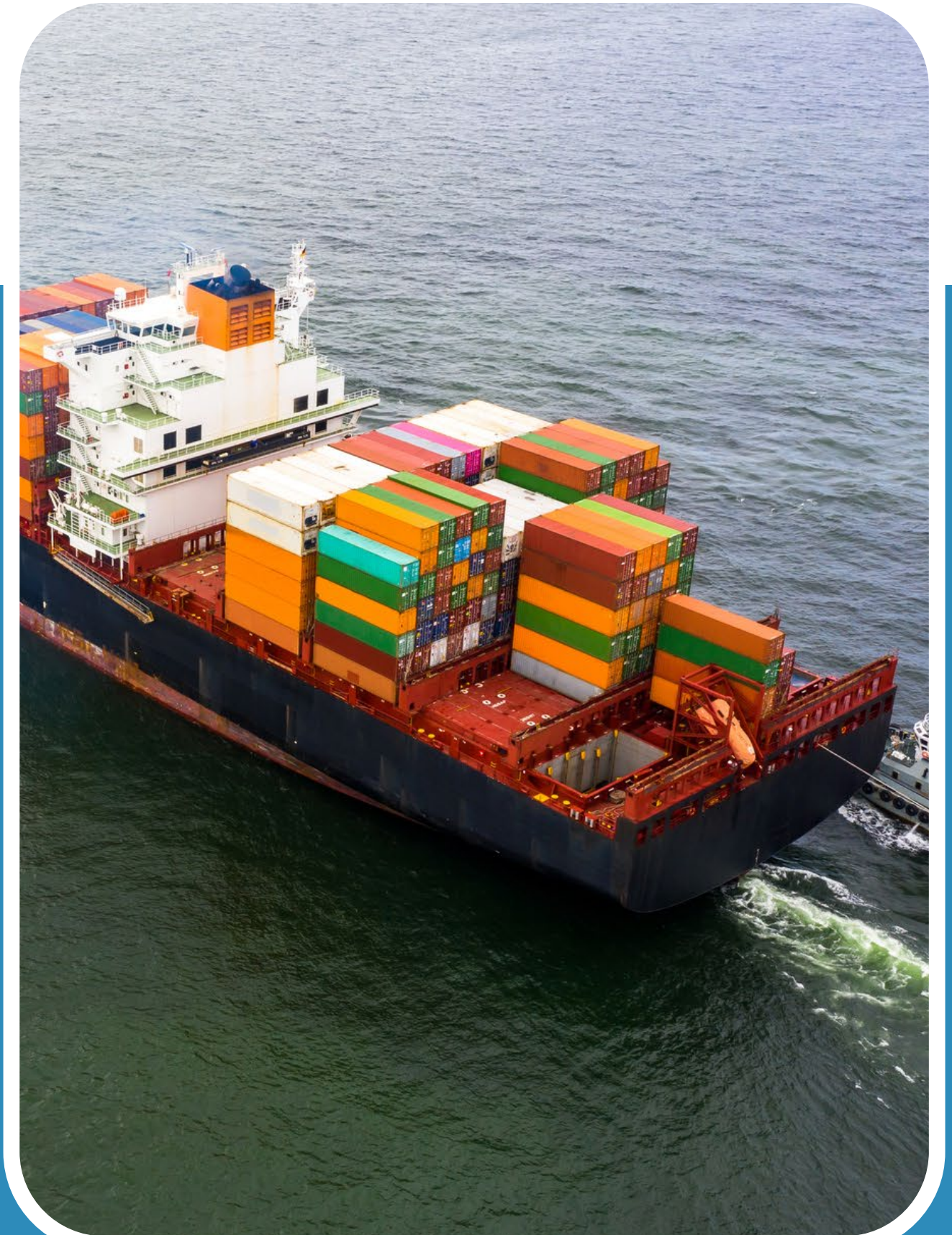
- Reliable, predictable liner service.
- Commitment to the Puerto Rican market.



- Protection of the environment and labor rights.



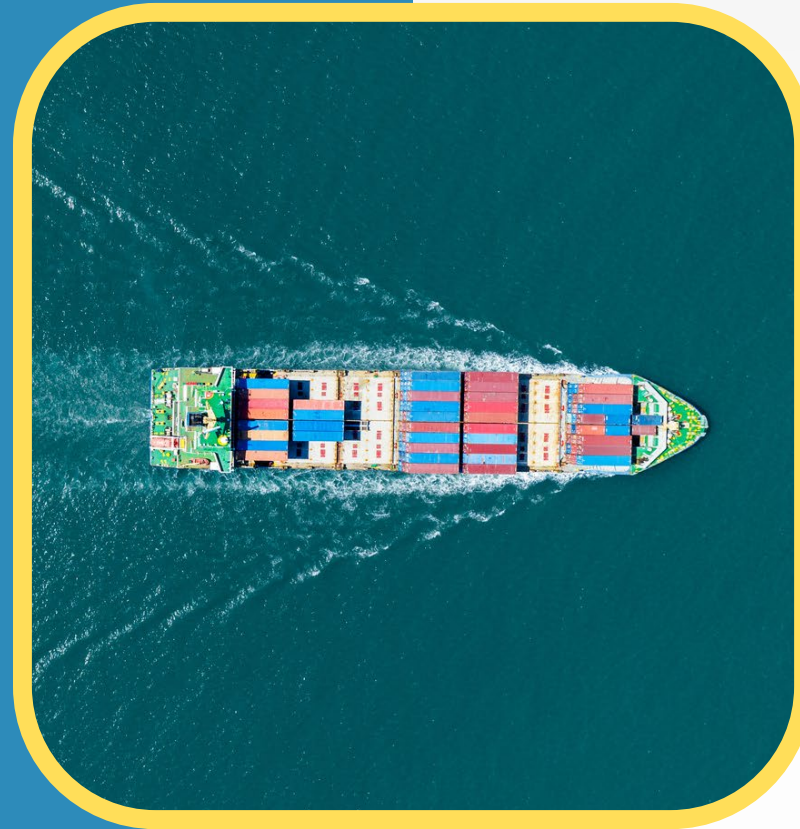
- Innovation in clean fuel and specialized containers.
- The Jones Act ensures competitive shipping costs and prevents supply disruptions.





# COMMUNITY ENGAGEMENT

---



- Jones Act carriers heavily involved in local communities and employment.

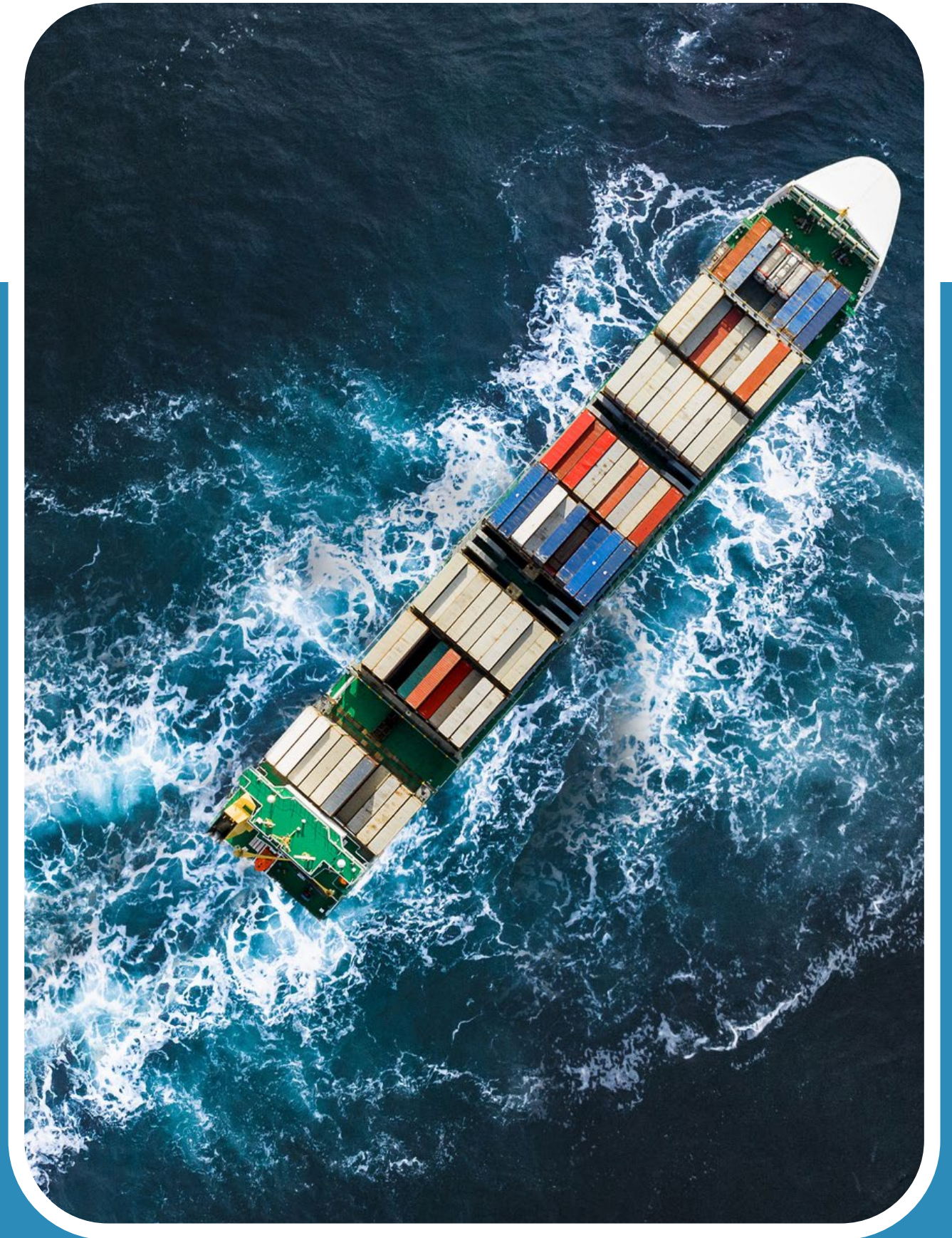
- Over 2,000 jobs in Puerto Rico directly tied to Jones Act operations.



# NATIONAL BENEFITS OF THE JONES ACT

---

- Homeland Security
- National Security
- Economic Security





# MISCONCEPTIONS

---

The Jones Act does not affect cargoes arriving from foreign ports.

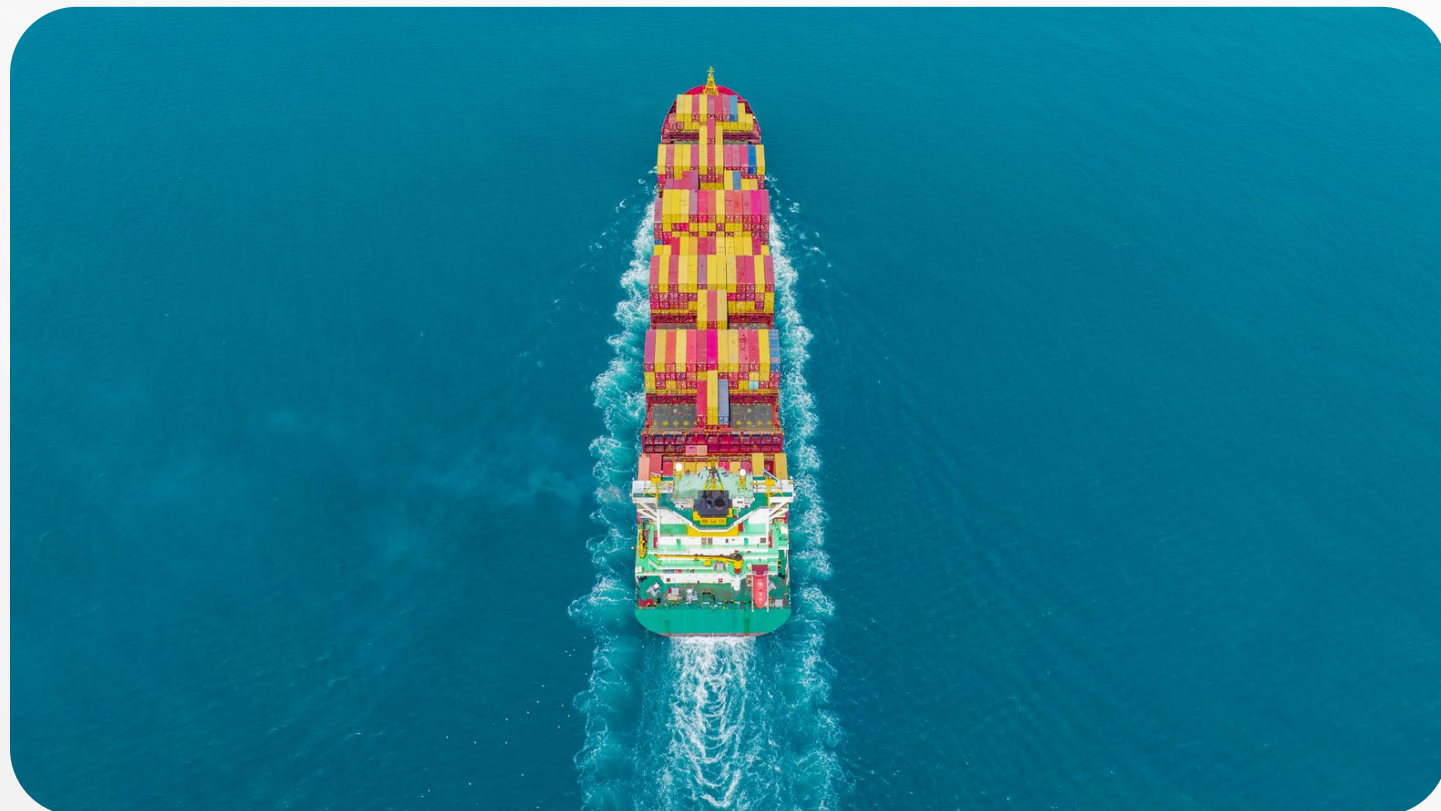
No impact on foreign flag ships stopping directly in Puerto Rico (2/3 of vessels).



# FACTS

---

The law can be waived in cases of national defense or unavailability of American vessels.





# CONCLUSION

---

- The Jones Act's role in safeguarding Puerto Rico's supply chains, economy, and environment.
- Advocacy for the continued support and recognition of the benefits it offers to Puerto Rico and the nation.







# THANK YOU

---

Moderator: Eyck O. Lugo  
EDGE Legal LLC



Speaker: Jacob Wegryzn  
Trailer Bridge







DOWNLOAD THE  
PRESENTATION HERE

