

SR-22

A Resolution condemning the unjust practices of cruise ship industries headquartered in the United States who fly foreign "flags of convenience" on their vessels to avoid being subject to U.S. laws and customs.

IN THE SENATE OF THE AMERICAN LEGION BOYS NATION

Mr. Puthumana of Missouri submitted the following resolution;

RESOLUTION

A Resolution condemning the unjust practices of cruise ship industries headquartered in the United States who fly foreign "flags of convenience" on their vessels to avoid being subject to U.S. laws and customs.

Whereas, In 2022, the global cruise industry earned a revenue of over \$19 Billion USD with cruise ship lines headquartered within the United States contributing over 50% of the total revenue market, and;

Whereas, The Merchant Marine Act of 1920 requires shipping trips between U.S. ports to be done by ships that were constructed in the United States, carry an American crew and bear U.S. flags, but provides exemption for passenger vessels such as cruise ships;

Whereas, over 90% of cruise ship vessels owned by these American corporations fly foreign flags of convenience in order to register the vessel in a foreign country;

Whereas, U.S. cruise corporations use this practice to avoid hiring U.S. citizens to man vessels, opting to hire foreign nationals who are subject to being underpaid, overworked and abused, and fewer

benefits and rights, by working under these vessels with a foreign flag, and;

Whereas, cruise lines evade paying U.S. federal taxes despite high levels of income per vessel by registering in countries with tax exemptions, including but not limited to the countries of Panama, Liberia, and Bermuda, and;

Whereas, Cruise corporations, circumvent paying U.S. based liability costs and insurance rates, leaving United States passengers in jeopardy under the legal jurisdiction of the vessel's registered foreign country should a crime or incident occur onboard whilst the corporation remains immune from liability: Now, therefore, be it

Resolved, That the Senate acknowledges:

(1) These aforementioned practices to be unjust and a distortion of United States maritime law and custom, as well as posing a legitimate risk to United States passengers on these vessels.

(2) Condemns cruise corporations based within the United States that employ the practice of flying a foreign "flag of convenience" and urges change and reformation within the industry.