

US Oil & Gas Association







July 11, 2025

The Honorable Rick Larsen

Committee on Transportation and

2165 Rayburn House Office Building

U.S. House of Representatives

Washington, DC 20515

Ranking Member

Infrastructure

The Honorable Sam Graves Chair Committee on Transportation and Infrastructure U.S. House of Representatives 2165 Rayburn House Office Building Washington, DC 20515

Dear Chair Graves and Ranking Member Larsen:

President Trump's directive that the U.S. government "unleash American energy" (Executive Order 14154) has helped set the country on a course of global energy dominance. Congress plays a significant role in advancing this important agenda, and the U.S. Outer Continental Shelf (OCS) is a critical component in this energy dominance strategy. Approximately 1 of every 6 barrels produced domestically comes from the OCS, along with more than 300,000 jobs for American workers, and billions of dollars in state and federal taxes and royalty revenues. Offshore energy development is an irreplaceable strategic asset for America's national security, which is why it is so important that U.S. policy supports growing access to, and production of, oil and natural gas in the Gulf of America.

As the Committee prepares to consider the HR 4275, the Coast Guard Authorization Act of 2025, we want to caution against the inclusion of language that could hinder the goal of energy dominance, specifically in the Gulf of America. In the last several Coast Guard reauthorization bills, the House of Representatives has included language from a bill introduced in past Congresses called *The American Offshore Worker Fairness Act*, which would place stifling and unreasonable restrictions on the limited number of highly specialized vessels needed for exploration, to construct new and expanding Gulf of America oil and natural gas projects and to effectively maintain existing production. The language would effectively eliminate the ability to use these vessels and the well-trained and highly experienced crew that accompany them because they are foreign-owned and foreign-flagged.

While we understand the intent of the language is to encourage building more vessels in the U.S. and crewing them with U.S. mariners, the reality is that certain types of specialized vessels have never existed in the U.S. fleet because the domestic U.S. market dynamics do not support building them here,

all while this country continues to be constrained by mariner shortages. Instead, these specialized vessels and crew operate in the global market and travel the world primarily performing short-term highly technical operations necessary to bring new offshore projects online and maintain existing production. Following this short-term work, the completed offshore projects often enable decades of continuous servicing by U.S. flagged and crewed service vessels from U.S. shore bases like Port Fourchon in Louisiana, while also delivering affordable and reliable U.S. oil and natural gas to U.S. consumers and abroad.

In short, this limited number of foreign vessels are needed for certain phases of exploration and development of the very oil and natural gas projects required to achieve energy dominance and will help facilitate the kinds of work normally performed by American vessels and mariners. If the offshore energy industry cannot utilize these vessels because of misguided policies, then future energy development and its significant benefits – jobs (including for US mariners), energy security, national security, economic impact (including for US vessel providers), increased royalties, and increased tax revenue - will be imperiled.

A recent Wood Mackenzie report called out increased production and new projects coming online in the Gulf of America as the reason U.S. oil production will rise this year. Specifically, the report notes that increases in Gulf of America production will account for half of all U.S. production growth in 2025, and all U.S. production growth in 2026. The Gulf of America and the thousands of jobs that directly and indirectly support it are too important to be put at risk by a policy that could handicap future oil and natural gas projects.

The offshore oil and natural gas industry recognizes the important role that American offshore energy can play in growing U.S. jobs and understands the interest that President Trump and Congress have in expanding the U.S. shipbuilding capabilities and workforce. Because these policies were not included in Senate versions of the Coast Guard bill, they ultimately never reached the president's desk. However, the oil and natural gas industry has proactively engaged with the U.S. vessel community to try and find a practical solution between industries outside of legislation and Congress. The continued efforts to include this problematic language in the House is not only dangerous but also distracting from the direct efforts by industry to reach a solution that ultimately bolsters American energy dominance.

We appreciate the Committee's interest in unleashing American energy and recognize the important role the Coast Guard plays in keeping the U.S. OCS safe, and we will be available to provide additional details on the impact such legislation would have on offshore oil and gas development. Please do not hesitate to reach out to us as the Committee is considering this year's Coast Guard Authorization Act.

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CC: House Leadership

Senate Committee on Commerce, Science and Transportation Leadership