



February 11, 2016

*Via electronic and first-class U.S. mail*

Dear Graduates:

The start of 2016 began the annual service obligation reporting period. You are receiving this letter because, according to our records, you have not yet completed your service obligation to the Maritime Administration (MARAD). This list of recipients encompasses the graduating classes from 2009 - 2015 and includes over 1,400 graduates from the U.S. Merchant Marine Academy (USMMA) and 300 graduates from the six State Maritime Academies who received financial assistance through the Federal Student Incentive Payment (SIP) Program. This letter is also being provided to all members of the graduating class of 2016 as a reminder of actions that will need to occur in 2017.

Last year, MARAD sent a letter dated December 22, 2014, to everyone from the graduating classes of 2008 - 2014. That letter provided specifics regarding your service obligation; answered frequently asked questions and corrected common misconceptions about your service obligation; provided an update on changes and improvements made to the Maritime Service Compliance System (MSCS) as well as information on who to contact at MARAD with any questions about your service obligation.

This letter will highlight the same basic points, but will also include an update on the current need for officers aboard U.S. flag vessels and provide some additional important information about your service obligation and the steps that you will need to take to ensure that you are in good standing.

Included with this letter are the following documents:

- **Appendix A – Your Service Obligation.** An explanation of your basic service obligation.
- **Appendix B – Frequently Asked Questions.** Answers to the most frequently asked questions.
- **Appendix C – Standards of Training, Certification and Watchkeeping (STCW) Gap Closing Training.** Details on the new STCW training requirements that take affect January 1, 2017.

## **I. THE MARITIME SERVICE COMPLIANCE SYSTEM (MSCS)**

Over the last three years, MSCS has undergone a significant overhaul. This system redesign is intended to make compliance reporting and tracking easier and more automated. As with many computer systems, it remains a work-in-progress, with some minor compatibility and functionality

issues. We have worked diligently this year to address these problems, and to respond individually to all of the graduates who contacted MARAD to voice concerns or to ask for assistance. We continue to request that you bear with us during the system upgrades.

If you encounter any difficulties in submitting your Annual Reports, please contact the MARAD Office of Maritime Labor and Training, via email at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov), or phone (202) 366-7618 and let us know exactly what is wrong. Your assistance to provide functionality recommendations is vital to our improvement of the system, and we will do everything in our power to work with you to ensure a smoother and more user-friendly experience.

## II. CLOSING THOUGHTS

MARAD takes fulfillment of your service obligation seriously. We believe that nearly all of you intend to fulfill your service obligation and comply with the terms of the contract that you signed. However, some graduates are currently not reporting compliance. If you are currently non-compliant – or simply do not know what your compliance status is – you must contact us as soon as possible.

You may only be missing paperwork, which is easily remedied. You may require MARAD approval for an alternative category of employment, which will require a more in-depth review of your circumstances and will warrant individual determinations on a case-by-case basis. You may have encountered hardship and require additional time in which to completely fulfill your obligation. Whatever the case or circumstance, the one constant is that we can only work with the information you provide.

If you ask for assistance, we will provide it to the best of our ability. Otherwise, we will have to process your file based upon the information we have, no matter how incomplete. Whereas the former typically results in a productive dialog and a mutually agreeable result, the latter has the potential for difficult and costly legal action. While such action is not our preferred course, MARAD has a legal and fiduciary duty to taxpayers who have funded, in whole or in part, your education, and we will do our utmost to fulfill that duty.

Thank you in advance for your cooperation and understanding, and again, if you have any questions – about any portion of your service obligation – please contact us as soon as possible.

Sincerely,



Paul N. Jaenichen

## **APPENDIX A – YOUR SERVICE OBLIGATION**

Upon entrance in the U.S. Merchant Marine Academy (USMMA) or the Student Incentive Payment (SIP) Program, you signed an agreement (the “Service Obligation Contract”), which is mandated by law.<sup>1</sup> In exchange for your education at USMMA or SIP funding, you committed to fulfill a maritime service obligation following graduation – an obligation that is restated in MARAD’s regulations<sup>2</sup> and in the Service Obligation Contract you signed.

What follows is a summary of the applicable laws and regulations governing your service obligation.

Having successfully completed the course of instruction at your Academy and received your U.S. Coast Guard (USCG) Merchant Mariner Credential (MMC) with an officer endorsement and a STCW endorsement, your remaining service obligation covers the following four elements:

1. Service/employment in the maritime industry or U.S. Armed/Uniformed Services;
2. Maintaining your USCG credential;
3. Maintaining your Reserve commission; and
4. Annual compliance reporting.

Your obligation requires completion of every element listed above. The only exception to this is individuals who, for the five (5)-year period following graduation, serve as a commissioned officer on active duty in a branch of the U.S. Armed Forces or as a commissioned officer of the National Oceanic and Atmospheric Administration (NOAA) or the U.S. Public Health Service (USPHS). Those graduates who provide five (5) years of honorable active duty service shall be excused from maintaining their USCG credential and the reserve requirements of their obligation. Details are included below.

Failure to comply with your service obligation may lead to induction into the U.S. Armed Forces or repayment of (a) the cost of the education you received while enrolled at USMMA or (b) the amount of SIP funding you received from MARAD.

This section of the letter provides details on fulfilling your obligation for each of these categories, and attempts to answer frequently asked questions about your obligation.

### **SERVICE/EMPLOYMENT IN THE MARITIME INDUSTRY**

#### ***A. What exactly does the service/employment portion of my service obligation require?***

The key component of your service obligation is that for a specified amount of time following graduation, you must sail as a merchant marine officer aboard a U.S. flag vessel. For USMMA graduates, your service/employment requirement is five (5) years. For SIP graduates, your service/employment requirement is three (3) years.

---

<sup>1</sup> See 46 U.S.C. §§ 51306, 51509.

<sup>2</sup> See 46 C.F.R. §§ 310.58, 310.7

This includes, but is not limited to, service on any of the following types of vessels – provided that they are in-fact U.S. flag vessels: Ocean going; Military Sealift Command; NOAA; coastal and inland; tugs and towboats; passenger; and offshore energy vessels, platforms, and drilling units.

This is the primary objective of the service/employment portion of your obligation, and while you may potentially satisfy your service obligation through other, alternative, means of service/employment, sailing as an officer aboard a U.S. flag vessel is considered the principal method of meeting your obligation.

***B. Can I fulfill my service obligation in any way other than sailing as an officer aboard a U.S. flag vessel?***

Yes, but there are some regulatory and procedural constraints that you need to be aware of.

The laws and MARAD regulations that govern your service obligation do allow you to fulfill the service/employment portion of your obligation in several alternative ways. These alternatives are broken down into two main categories of service: (i) service that DOES NOT require MARAD approval to qualify as obligation-fulfilling; and (ii) service that DOES require MARAD approval to qualify as obligation-fulfilling.

**i. Service that DOES NOT require MARAD approval to qualify**

By and large, MARAD approval is required before an alternative means of employment will be considered as satisfying your service obligation. The sole exceptions are:

- (a) as a commissioned officer on active duty in the U.S. Armed Forces; or
- (b) as a commissioned officer in NOAA or USPHS Corps.

Currently graduates from USMMA and the SIP Program proudly serve in all branches of the U.S. Armed Forces and the NOAA and USPHS Corps and this is an excellent way to fulfill your service obligations while contributing directly to the nation's security. Five (5) years of honorable active duty service satisfies all portions of your service obligation with the exception of your Annual Report. If you complete at least five (5) years of honorable active duty service, you do not need to maintain a reserve commission or maintain a valid USCG credential.

***Please note that you still must submit all of the required Annual Reports. This includes providing employment information (duty station, address, etc.).***

If you are on active duty service for less than five (5) years, you are still responsible for the other components of your service obligation.

To reiterate, unless you sail as an officer aboard a U.S. flag vessel, or serve as a commissioned officer on active duty in the U.S. Armed Forces or with NOAA or USPHS, your employment does not count towards your service obligation unless MARAD has approved your alternative employment. ***All other alternative categories of employment must be approved by MARAD before***

*any service in such employment will count towards the service you owe under your service obligation.*<sup>3</sup>

ii. Service that **DOES** require MARAD approval to qualify

The potential alternative categories of employment are:

- (a) As a merchant mariner in an unlicensed position aboard a U.S. flag vessel;
  - (b) As an officer aboard a foreign flag vessel;
  - (c) As an employee of the Federal Government in a shoreside position that is significantly maritime-related, and which serves the national security interests of the country; or
  - (d) As an employee of a private company in a shoreside position that is maritime-related.
- Note this will only be approved if*** a determination has been made by MARAD that you first conscientiously sought an afloat position as an officer aboard a U.S. flag vessel and that afloat employment is not available to you.
- Be aware that in view of current and projected employment opportunities afloat, this private shoreside employment option is granted infrequently and only on the basis of comprehensive evidence, provided by you, that you conscientiously sought afloat employment and that such employment was/is not available to you.

While the applicable laws, regulations, and language of your Service Obligation Contract have not wavered on these requirements, there has been some confusion among the graduates and among employers, concerning these alternative categories of employment. We are aware of instances where graduates have accepted employment in one of these alternative categories, but did not ask or receive MARAD's approval for their employment.

This presents a potentially disturbing consequence, as those who have not obtained MARAD approval are non-compliant and in danger of defaulting on their obligation. If the default is not cured, then the Maritime Administrator may determine that the service obligation contract has not been met and he may seek reimbursement of the cost of taxpayer-funded education, or SIP funding.

Some graduates have mistakenly believed that their alternative employment was pre-approved by MARAD, or that no approval was required at all. This is not, and has never been, accurate; explicit MARAD approval of these alternative categories of employment is ***always*** required.

MARAD is currently pursuing default procedures against a number of graduates who have either willfully refused or ignored MARAD's repeated attempts at communication and warnings. In accordance with current MARAD policy, all defaulted graduates will be referred to the Department of Defense for induction into the U.S. Armed Forces to serve the remainder of their service obligation. If the Secretary of Defense decides not to order a defaulted graduate to active duty service, that defaulted graduate will then be pursued by MARAD and the Department of Justice to recover the cost of education or SIP funding provided to them through the prosecution of civil lawsuits, Federal debt collection procedures, and any other legal remedies available.

---

<sup>3</sup> 46 U.S.C. §§ 51306(a)(5), 51509(d)(5) and 46 C.F.R. §§ 310.58(a)(5), 310.7(b)(3)(vi).

We hope that these defaults will be the exception rather than the rule. Instead, for those graduates who have not secured MARAD's approval for their alternative employment, MARAD is optimistic that we will be able to find an acceptable accommodation that avoids an adversarial legal and collection action.

If you have questions about your current or former employment and how it may impact your compliance, you are encouraged to contact MARAD via email at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov), or phone (202) 366-7618 to discuss your individual situation.

**a. Unlicensed Employment Aboard a U.S. Flag Vessel**

If you are sailing, or intend to sail as a crewmember aboard a U.S. flag vessel in an unlicensed billet, you must still obtain MARAD approval before any time spent in that billet will count towards your service obligation. This option is not expressly authorized by law, but has been made a potential employment option by MARAD policy. The requirements for approval of this option are:

- (1) The position must be aboard a U.S. flag vessel, and
- (2) The position must be part of a recognized career path or ladder that will lead to a position that requires an officer endorsement to a USCG MMC (e.g., employment as a Steersman while working towards becoming a Pilot on a towboat).

**b. Foreign Flag Employment**

If you are sailing or intend to sail as a crewmember aboard a foreign flag vessel, you must obtain MARAD approval before any service in that position will count towards your service obligation. As with U.S. unlicensed employment, foreign flag employment is not expressly authorized by law, but has instead been made a potential employment option by MARAD policy. The existing policy established the following hierarchy for approval of foreign flag jobs.

- (1) U.S. flag vessels – A graduate's first responsibility is service on U.S. flag vessels.
- (2) Foreign flag vessels through the U.S. maritime labor unions – Criteria for approval includes:
  - Employment sought is on a foreign flag vessel; and
  - Graduate is an applicant or member of one of the U.S. maritime labor unions; and
  - The U.S. maritime labor union has an agreement in place to provide union members for employment on the foreign flag vessel.
- (3) Foreign flag vessels required to employ U.S. citizens – Criteria for approval includes:
  - Employment sought is on a foreign flag vessel that is required by U.S. regulations to employ U.S. citizens or resident aliens; and
  - Graduate has demonstrated that they have conscientiously sought employment aboard U.S. flag vessels (ability to find employment aboard foreign flag vessels through the U.S. maritime labor unions will also be taken into consideration); and

- MARAD makes a determination that afloat employment on U.S. flag vessels is not available to the graduate.
- (4) Foreign flag vessels not required to employ U.S. citizens – Criteria for approval includes:
- Employment sought is on a foreign flag vessels; and
  - Graduate has demonstrated that they have conscientiously sought employment aboard U.S. flag vessels (ability to find employment aboard foreign flag vessels through the U.S. maritime labor unions or foreign flag vessels that are required to employ U.S. citizens will also be taken into consideration); and
  - MARAD makes a determination that afloat employment on U.S. flag vessels is not available to the graduate.

**c. Shoreside, Federal Employment**

If you are working or intend to work in a shoreside position with a Federal department or agency, you must obtain MARAD approval before any time spent in that position will count towards your service obligation. Shoreside, Federal, maritime-related employment is authorized by 46 U.S.C. §§ 51306(a)(5)(C) and 51509(d)(5)(C); and 46 C.F.R. §§ 310.58(a)(5)(iv), 310.58(a)(5)(vi), 310.7(b)(3)(vi)(C), and 310.7(b)(3)(vi)(E).

Approval of shoreside, Federal employment requires that the graduate provide evidence that their prospective employment:

- (1) Is as a civil servant employed by the Federal Government;
- (2) Serves the national security interests of the United States; and
- (3) Is significantly maritime-related;
  - “Significantly” is defined by law as meaning that “a material or essential portion” of the graduate’s job responsibilities are maritime-related. This does not mean that the “majority” of a graduate’s responsibilities must be maritime-related, but it does mean that more than just an incidental part of their responsibilities must be maritime-related. 46 C.F.R. §§ 310.58(b)(vi) and 310.7(b)(3)(vi)(E).

Please note that as long as your Federal employment meets the legal requirements described above, MARAD approval is automatic. **However, you still must submit an Employment Determination Request (EDR) for your Federal employment so that MARAD can evaluate the position and ensure that it does in fact meet the established legal criteria.**

Note also that approval is only needed for those Federal employees working in a shoreside position. If you are sailing for a Federal department or agency (e.g., Military Sealift Command or NOAA) you do not need to seek MARAD approval for that Federal afloat employment.

Lastly, your employment must be as a Federal civil servant. If you are employed as a contractor to a Federal agency, you do not qualify for consideration as a shoreside, Federal employee. Instead,

you are evaluated under the shoreside, non-Federal employment option described below, and must meet the separate legal criteria established for that employment option.

**d. Shoreside, non-Federal Employment**

If you are working or intend to work in a shoreside position with a private company, you must obtain MARAD approval before any service in that position will count towards your service obligation. Shoreside, non-Federal, maritime-related employment is authorized by 46 U.S.C. §§ 51306(a)(5)(B) and 51509(d)(5)(B); and 46 C.F.R. §§ 310.58(a)(5)(ii) and 310.7(b)(3)(vi)(B).

It is crucial to note that only positions in a U.S. maritime-related industry, profession, or marine science are eligible for consideration. 46 U.S.C. §§ 51306(a)(5)(B) and 51509(d)(5)(B). MARAD is not authorized to approve employment that is not maritime-related.

Approval of shoreside, non-Federal employment requires that the graduate provide comprehensive evidence to MARAD that:

- (1) The prospective position for which approval is sought is in a U.S. maritime-related industry, profession, or marine science; and
- (2) The graduate conscientiously sought afloat employment as an officer on a U.S. documented vessel and that such employment was not available to that graduate<sup>4</sup>.

Lastly, “[i]n view of current and projected employment opportunities, afloat, the Maritime Administrator will grant the shoreside [non-Federal] employment option infrequently and only on the basis of comprehensive evidence.<sup>5</sup>”). MARAD’s current understanding, based on discussions with Military Sealift Command, NOAA, the maritime labor unions, and various other operators, is that there is a significant demand for both engineers and deck officers on U.S. flag vessels and that this demand has persisted for the last several years. This means that unless a graduate can provide comprehensive evidence that he or she conscientiously and exhaustively sought afloat employment aboard U.S. flag vessels and that he or she was unable to secure afloat employment, MARAD is highly unlikely to approve any EDRs seeking approval of shoreside, non-Federal employment.

**C. How do I obtain MARAD approval of my alternative employment?**

To obtain MARAD approval for any alternative service options you must complete and submit an Employment Determination Request (EDR) and provide the information and documentation required by your particular category of employment. The most recent version of the EDR form includes a set of instructions outlining what information and documentation is required. A PDF copy of the EDR form can be downloaded from MARAD’s Maritime Service Compliance System (MSCS) website (<https://mcs.marad.dot.gov>).

---

<sup>4</sup> 46 C.F.R. §§ 310.58(c)(1).

<sup>5</sup> 46 C.F.R. § 310.58(c)(1) and 310.7(b)(4)(i)

If you are unable to access the form on the MSCS website and would like to request an EDR form, please contact MARAD at:

Maritime Administration  
Office of Maritime Workforce Development  
1200 New Jersey Avenue, SE  
Washington DC 20590  
(202) 366-7618  
[maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov)

Should you require assistance in preparing and submitting your EDR, please contact the MARAD Office of Maritime Workforce Development directly via telephone at (202) 366-7618 or e-mail at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov).

Please note that MARAD approval of an EDR will be strictly limited to the specific employment for which approval was sought. This means that approval will remain in effect only as long as you maintain the exact same employment as specified on your EDR. If you change positions with your existing employer, or if you change employers, you will need to submit a new EDR and obtain prior MARAD approval for each new position to meet the service portion of your obligation. These additional “follow-up” EDRs are necessary to allow MARAD to ensure that your new position satisfies the legal requirements for permissible alternative employment.

Lastly, the approval of an EDR does not exempt you from the other elements of your service obligation. You still must comply with the licensure, Reserve duty and reporting elements of your obligation.

### **MAINTAINING YOUR USCG MERCHANT MARINER CREDENTIAL (MMC)**

If you are not on active duty in the U.S. Armed Forces for the requisite five (5)-year period following graduation, you must maintain a valid USCG MMC with an officer endorsement and a Standards of Training, Certification and Watchkeeping (STCW) endorsement for six (6) years following graduation. You must also maintain the appropriate national and international endorsements and certification required by the USCG for service aboard domestic and international voyages. You must renew or upgrade your MMC at least once. Maintaining a document of continuity does not fulfill this portion of your obligation and there is *no* grace period. You must also maintain a medical certificate with an unexpired STCW date and a valid Transportation Worker Identification Credential (TWIC) for six (6) years following graduation.

### **MAINTAINING YOUR RESERVE COMMISSION**

If you are not on active duty in the U.S. Armed Forces for the requisite five (5) year period following graduation, you must apply for and accept, if tendered, an appointment as a commissioned officer in the reserves of the U.S. Armed Forces. The MARAD obligation requires maintaining your commission for at least six (6) years after graduation. Graduates are also strongly encouraged to join a reserve component of any of the U.S. Armed Forces as a Selective Reservist (SELRES).

If you have elected to request a recall to active duty in a branch of the U.S. Armed Forces and your request is approved, your service on active duty will satisfy this requirement as well as the service/employment portion of your obligation for the time period during which you remain on active duty.

### **ANNUAL SERVICE OBLIGATION COMPLIANCE REPORTING**

All graduates – including those on active duty as a commissioned officer in the U.S. Armed Forces or with NOAA or USPHS – must submit a minimum of seven (7) annual service obligation compliance reports (here within “Annual Reports”) following graduation to complete that portion of their service obligation<sup>6</sup>. This requirement is the same for both USMMA graduates and SIP graduates. These Annual Reports should be filed with MARAD between January 1 and March 1, and are intended to provide MARAD with details on what you did to comply with your service obligation during the previous calendar year.

For instance, if you were a graduate from the Class of 2009 you should have filed your first report between January 1 and March 1 of 2010. This report is referred to, and filed as, your 2009 report because it reports what you did during the prior calendar year, meaning in this case the time between when you graduated in 2009 until December 31, 2009.

You must then continue to file Annual Reports between January 1 and March 1 of each successive year on what you did during the previous calendar year until you have filed a minimum of seven (7) Annual Reports, or until all components of your service obligation are fulfilled, whichever is latest.<sup>7</sup>

Continuing with the above scenario, for graduates from the Class of 2009, this upcoming 2015 Annual Report (due to be filed between January 1, 2016 – March 1, 2016), should be your seventh and final report. Please be aware that depending on your particular circumstances (such as an approved graduate school deferment or some sort of agreed-upon hardship extension, or possibly the new forbearance option), your annual reporting period may have been extended beyond this seven (7)-year minimum. If that is the case, you still must file Annual Reports until your service obligation is fulfilled.

If you feel that you need additional time to complete your service obligation, please contact the MARAD Office of Maritime Labor and Training directly via telephone at (202) 366-7618 or e-mail at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov).

Since all other portions of the service obligation should have been fulfilled in the anticipated seven (7) -year time frame, it is at the end of this seventh reporting year that MARAD reviews the entire graduating class to determine which of those graduates have successfully fulfilled their service obligation, and which are non-compliant and in danger of default.

You are encouraged to file your Annual Reports using the web-based "Maritime Service Compliance System" (MSCS) at <https://mcs.marad.dot.gov>.

---

<sup>6</sup> 46 C.F.R. §§ 310.58(d)(1) and 310.7(b)(6)(i)

<sup>7</sup> 46 C.F.R. §§ 310.58(d)(1) and 310.7(b)(6)(i)

## **WAIVER OR DEFERMENT OF YOUR SERVICE OBLIGATION**

If you feel that you are unable to fulfill your service obligation because of an undue hardship or impossibility of performance due to accident, illness or other justifiable reason, you may apply for a waiver of all or a portion of your service obligation. Applications for such a waiver must be submitted in writing with supporting documentary evidence of the underlying hardship or impossibility that forms the basis of your request.

Additionally, in exceptional cases, you may be allowed to defer all or a part of your service obligation for a period not to exceed two years, provided that you are a graduate who is considered to have superior academic and conduct records while at one of the maritime academies, and that you are seeking to enter a marine or maritime-related graduate course of study approved by the Maritime Administrator, or for the purpose of pursuing studies as the recipient of a scholarship or fellowship of national significance. Applications for such a deferment must be submitted in writing with supporting documentary evidence of your acceptance into and/or enrollment in the applicable marine or maritime-related graduate course of study, or of your award and acceptance of the applicable scholarship or fellowship.

You are encouraged to file your waiver or deferral using the web-based "Maritime Service Compliance System" (MSCS) at <https://mscs.marad.dot.gov>. Alternately, you may contact the MARAD Office of Maritime Labor and Training, by telephone at (202) 366-7618 or e-mail at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov), to obtain a copy of the necessary form(s) and instructions on submitting physical or electronic copies of the form(s).

## **APPENDIX B – FREQUENTLY ASKED QUESTIONS**

### ***A. How are my service years after graduation calculated?***

For the purpose of calculating a satisfactory year towards completion of a graduate's service obligation, a year is defined as the 12-month period following graduation, with consecutive 12-month periods thereafter until the completion of the incurred service obligation.

For example, if you graduated on June 17, 2009, then your service is calculated from that date. Meaning that your first year of service should have been completed between June 17, 2009, and June 17, 2010; your second year of service between June 17, 2010, and June 17, 2011; and so on until fully completed.

Calendar years are used to track compliance because of the varying graduation dates between academies and even within the same graduating classes. However, the fairest measure of annual service is to use the date of graduation.

For those graduates satisfying their service obligation through afloat service, credit for a valid year's worth of service is given if the graduate has sailed for at least 150 days in a given service year.

For those graduates satisfying their service obligation through MARAD-approved shoreside service, credit for a valid year's worth of service is given if the graduate is continuously employed with that employer for a full service year.

### ***B. How does MARAD define service as a "Merchant Marine Officer"***

For graduates satisfying their service obligation through afloat service, the statutes and regulations governing satisfactory years of afloat service indicates that he or she must serve as a "merchant marine officer." MARAD defines service as a "merchant marine officer" as service performed by an individual holding the necessary U.S. Coast Guard (USCG) merchant mariner credential and serving in the capacity of a merchant mariner, signed onboard a vessel as a crew member (i.e., signing of shipping articles per 46 C.F.R. Part 14, or employed aboard a vessel in a crew billet required by the company or vessel's Certificate of Inspection).

### ***C. How does MARAD calculate sea service towards my service obligation?***

For those graduates satisfying their service obligation through afloat service, credit for a valid year's worth of service is given if the graduate has sailed for at least 150 days in a given service year.

For the purposes of calculating sea service to meet a graduate's service obligation to MARAD, a "day" is defined as a calendar day. If a graduate is assigned to a vessel as a crewmember for any portion of a day, that day counts as one day towards his or her service obligation. Service physically aboard a vessel when NOT assigned as a crew member does not count.

***D. Does afloat employment aboard a foreign flag vessel count towards the fulfillment of my service obligation?***

A graduate's first priority is to sail as a merchant marine officer aboard a U.S. flag vessel<sup>8</sup>.

Afloat employment as an officer aboard a foreign flag vessel is not expressly allowed by law, but has instead been made a potential employment option by MARAD policy. The criteria for approval of afloat employment aboard a foreign flag vessel is listed below:

- (5) U.S. flag vessels – A graduate's first responsibility is service on U.S. flag vessels.
- (6) Foreign flag vessels through the U.S. maritime labor unions – Criteria for approval includes:
  - Employment sought is on a foreign flag vessel; and
  - Graduate is an applicant or member of one of the U.S. maritime labor unions; and
  - The U.S. maritime labor union has an agreement in place to provide union members for employment on the foreign flag vessel.
- (7) Foreign flag vessels required to employ U.S. citizens – Criteria for approval includes:
  - Employment sought is on a foreign flag vessel that is required by U.S. regulations to employ U.S. citizens or resident aliens; and
  - Graduate has demonstrated that they have conscientiously sought employment aboard U.S. flag vessels (ability to find employment aboard foreign flag vessels through the U.S. maritime labor unions will also be taken into consideration); and
  - MARAD makes a determination that afloat employment on U.S. flag vessels is not available to the graduate.
- (8) Foreign flag vessels not required to employ U.S. citizens – Criteria for approval includes:
  - Employment sought is on a foreign flag vessels; and
  - Graduate has demonstrated that they have conscientiously sought employment aboard U.S. flag vessels (ability to find employment aboard foreign flag vessels through the U.S. maritime labor unions or foreign flag vessels that are required to employ U.S. citizens will also be taken into consideration); and
  - MARAD makes a determination that afloat employment on U.S. flag vessels is not available to the graduate.

---

<sup>8</sup> 46 U.S.C. §§ 51306(a)(5)(A) and 51509(d)(5)(A); and 46 C.F.R. §§ 310.58(a)(5)(i) and 310.7(b)(3)(vi)(A).

**E. How do I obtain MARAD approval of my alternative employment?**

Unless you sail as an officer aboard a U.S. flag vessel, or serve as a commissioned officer on active duty in the U.S. Armed Forces or with NOAA or USPHS, your employment does not count towards your service obligation unless MARAD has approved your alternative employment. ***All other alternative categories of employment must be approved by MARAD before any time spent in such employment will count towards the service you owe under your service obligation.***

To obtain MARAD approval for any alternative service options you must complete and submit an Employment Determination Request (EDR) form and provide the required information and documentation required by your particular category of employment. The most recent version of the EDR form can be found on the MSCS website (<http://mscs.marad.dot.gov>) and includes a set of instructions outlining what information and documentation is required. Should you require assistance in preparing and submitting an EDR or would like to request an EDR form by mail please contact MARAD at:

Maritime Administration  
Office of Maritime Labor and Training  
1200 New Jersey Avenue, SE  
MAR-650, W23-458  
Washington DC 20590  
(202) 366-7618  
[maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov)

Note that any MARAD approval of an EDR will be strictly limited to the specific employment for which approval was sought. This means that your approval will remain in effect only as long as you maintain the exact same employment as specified on your EDR. If you change positions with your existing employer, or if you change employers, you will need to submit a new EDR and obtain prior MARAD approval for each new position to meet the service portion of your obligation. These additional “follow-up” EDRs are necessary to allow MARAD to ensure that your new position still satisfies the legal requirements for permissible alternative employment.

The approval of an EDR does not exempt you from the other elements of your service obligation. You still must comply with the USCG credentialing, reserve, and reporting elements of your obligation.

**F. What standard does MARAD use to determine whether I “conscientiously sought afloat employment”?**

When MARAD evaluates a graduate’s request to pursue foreign-flag or shoreside employment, or non-Federal employment, the thoroughness of your job search is the primary consideration given to determining whether or not you conscientiously sought afloat employment aboard a U.S.-flag vessel. Among the things that MARAD reviews when making this determination is the list of employers to which you applied; whether you attended the USMMA career fairs and how many of those employers who were present received applications from you; whether you sought employment through the maritime labor unions, Military Sealift Command and the National Oceanic and

Atmospheric Administration; and the nature of and number of times you sought the assistance of your academy's career services department for help in finding a qualified job aboard a U.S.-flag vessel. In considering whether a job search was conscientious, MARAD looks beyond the number of applications to the quality of the job application effort. In this connection, it is important that you keep and provide MARAD with records of your efforts, including when and who you contacted at each employer. These materials are reviewed to evaluate whether you made a sincere effort to find qualifying employment. Merely mailing your resume is not sufficient.

**G. *What if others have told me that my job meets my service obligation?***

MARAD is the only entity authorized to approve your alternative employment. It does not matter whether you were told that your job was acceptable by a co-worker, or classmate, or even by your employer or a career services representative from your respective maritime academy. It does not matter that you know someone who was approved for similar employment in the past or that MARAD has approved similar employment of other individuals. Only MARAD can approve your alternate employment.

We are aware that despite our best efforts at educating our Midshipmen/Cadets and graduates, misinformation is still being passed along by classmates, fellow crewmembers or co-workers, employers, hiring representatives and recruiters, and other alumni. Please know that whatever advice you have been given by any such individuals about whether a certain job is obligation-fulfilling may be – and likely is – incorrect. MARAD officials determine whether your past, present or future employment fulfills your service obligation. If something in this letter contradicts what you have been told by others, please understand that the information in this letter takes precedence.

If you are now, or have ever been employed in a category that cannot be described as “sailing as an officer aboard a U.S. flag vessel” or “serving on active duty in the U.S. Armed Forces,” and you have never received a letter from MARAD specifically informing you that your job has been approved as meeting your service obligation, then your job has not been approved and any time spent in that job will not count towards your service obligation.

**H. *What about co-workers or classmates who I know do not have MARAD approval to be in their alternative employment?***

As previously noted, MARAD is redoubling its compliance tracking and enforcement efforts. We are anecdotally aware that there are a number of graduates in each class who have taken no action to comply with their service obligation and are willfully ignoring their obligation to the Federal Government. Rest assured that the compliance of USMMA and SIP graduates has become an area of increasing focus by MARAD, and that significant additional resources and manpower are being devoted to tracking and enforcing that compliance.

Those non-compliant graduates are being identified by MARAD personnel. New contact information and employment data for those individuals is being obtained using industry connections, legal registries and other State and Federal information databases, and any other legal means at our disposal. Once MARAD determines that reasonable efforts have been made to contact

those non-compliant individuals, MARAD will proceed with default determinations as appropriate. Those graduates held in default will be referred to the Department of Defense for activation, and if not activated, they will be referred to the Department of Justice for civil prosecution to recover the entire cost of the education or SIP funding provided to them.

***I. What if I have trouble accessing MSCS or submitting my annual service obligation compliance reports electronically?***

We recognize that many graduates have experienced technical difficulties with MSCS over the last three years as a result of recent system upgrades and functionality changes.

Several of the most commonly reported issues were the result of web browser incompatibilities. To help avoid these issues, we recommend that you use Microsoft's Internet Explorer to access MSCS.

Other than the persistent browser incompatibility issues, we believe that the most commonly reported issues have been resolved, so the 2015 reporting period will remain January 1, 2016 to March 1, 2016.

In the event you are unable to access the website, please contact the MARAD Help Desk at (202) 385-4357.

If you have difficulty using MSCS, you should contact the MARAD Office of Maritime Labor and Training by telephone at (202) 366-7618 or e-mail at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov). If you have historically had issues submitting your Annual Reports via MSCS, or you notice that you are missing any Annual Reports, please log into MSCS and submit any missing Annual Reports as soon as possible.

MARAD is continuing to conduct an annual review of all graduating classes with time remaining on their service obligation to determine their compliance, and those graduates who are not in compliance are being contacted and notified of their non-compliance and potential default status.

***J. If I am employed afloat, what information must I provide with my Annual Report?***

If you are sailing to satisfy your service obligation, then you must sail a minimum of 150 days in a given year to earn credit for a satisfactory year of afloat employment. Unless you submit proof of your sea service to verify your sea time, MARAD has no way of verifying you have actually sailed the requisite number of days, and without this information MARAD cannot determine whether you are fulfilling your service obligation. If you have not already submitted this information for past years, you will be required to submit proof of your sea service for all of your employment years to verify that you have met the mandatory minimum number of days.

If you are unable to upload proof of your sea service when filing your Annual Report via MSCS, or if you have questions about what exactly it is that you need to submit, please contact the MARAD Office of Maritime Labor and Training by telephone at (202) 366-7618 or e-mail at

[maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov) to discuss appropriate sea service documentation and/or alternate options for submitting proof of your sea service.

MARAD requirements for acceptable sea service documentation are the same as the U.S. Coast Guard's, and your sea service letter must therefore conform with the requirements of 46 C.F.R. § 10.232(a).

The sea service document does not have to be in any specific format, but the document should be on official company letterhead and contain the following information:

- (i) Vessel name(s) and official numbers listed on the registration, certificate, or document issued.
- (ii) Gross tonnage of the vessel.
- (iii) Propulsion power and mode of propulsion of the vessel.
- (iv) The amount and nature (e.g. chief mate, assistant engineer, etc.) of the applicant's experience.
- (iv) Applicable dates of service for each vessel, and the ports or terminals if applicable.
- (v) The routes upon which the experience was acquired.
- (vi) For those seeking service credit on towing vessels in accordance with §11.211(e) of this subchapter, the aggregate tonnage of the tug and barges during the mariner's service.
- (vii) Any other information necessary to determine the applicability of STCW to the vessel

***K. What happens if I fail to meet my service obligation?***

You signed a legal agreement to meet your post-graduation service obligation as a condition of enrollment in USMMA or in the SIP program. Failure to comply with your service obligation may cause you to be entered into default status pursuant to 46 U.S.C. §§ 51306(b), 51306(c), 51509(e), or 51509(f). If a midshipman/SIP cadet or graduate is deemed to be in default, MARAD will first refer all such defaulted individuals to the Department of Defense for induction into the U.S. Armed Forces, whereby the Secretary of Defense may order the defaulted individual to serve on active duty as allowed by law. If the Secretary of Defense chooses not to order the defaulted individual to serve on active duty, then MARAD will pursue the defaulted individual in conjunction with the Department of Justice to recover from the defaulted individual the entire cost of education or SIP funding provided to the defaulted individual, plus interest and attorneys' fees as legally permissible.

## **APPENDIX C: STCW Gap Closing Notice**

The Standards of Training, Certification and Watchkeeping (STCW) Convention and STCW Code sets forth standards for training and certification for merchant mariners. The International Maritime Organization (IMO) amended the STCW Convention and STCW Code on June 25, 2010. These amendments entered into force for all ratifying countries on January 1, 2012.

The U.S. Coast Guard (USCG) published a final rule on December 24, 2013, that implements STCW, including the 2010 amendments. The rule provides for a transition period for the new requirements, to facilitate full compliance with the requirements by January 1, 2017. Requirements for existing endorsements were amended to include training to comply with the 2010 amendments to the STCW Convention. Mariners must provide proof of completion of the required training to USCG by December 31, 2016 or their STCW endorsement will no longer be valid.

The additional requirements to renew vary for deck or engine and level, operational or management. To maintain a valid STCW endorsement you must complete (if you have not already done so):

### **DECK**

#### **Deck Management Level (Master, Chief Mate)**

- Leadership and Managerial Skills (~5 days)
- Electronic Chart Display and Information System (ECDIS) (5 days)

#### **Deck Operational level (OICNW)**

- Leadership and Teamwork Skills (~1 day)
- ECDIS (if not earlier completed) (~5 days)

### **ENGINE**

#### **Engine Management Level (Chief Engineer, 2<sup>nd</sup> Engineer Officer)**

- Engine Resource Management (ERM) (if not completed at the operational level) (~5 days)
- Leadership and Managerial Skills (~5 days)
- Management of Electrical and Electronic Control Equipment (MEEC) (~5 days)

#### **Engine Operational Level (OICEW)**

- ERM (~5 days)
- Leadership and Teamwork Skills (~1 day)

Additional information on these new training requirements is available on the USCG National Maritime Center (NMC) website [www.uscg.mil/nmc/stcw](http://www.uscg.mil/nmc/stcw), and question can be submitted to USCG by email at [IaskNMC@uscg.mil](mailto:IaskNMC@uscg.mil), or by phone at 1-888-427-5662.

If you are **NOT** on active duty in the U.S. Armed Forces for the requisite five (5)-year period following graduation, you must maintain a valid USCG Merchant Mariner Credential (MMC) with an officer endorsement and a STCW endorsement for six (6) years following graduation. Failure to maintain a valid STCW endorsement constitutes a failure to maintain your MMC and failure to comply with your service obligation.

You must also maintain a valid USCG Medical Certificate. The medical certificate is a new document that serves as proof that a mariner meets the required medical and physical standards. After March 24, 2017, a person may not employ or engage an individual on a vessel subject to STCW unless that individual maintains a current medical certificate. Pay close attention to the three different expiration dates listed on the certificate. The expiration date applicable to a mariner serving onboard vessels to which STCW applies will be for up to two (2) years past the date of examination. You must maintain a medical certificate that does not have an expired STCW expiration date.

Failure to comply with your service obligation may lead to induction into the U.S. Armed Forces or repayment of (a) the cost of the education you received while enrolled at USMMA or (b) the amount of SIP funding you received from MARAD. If you have questions regarding your service obligation please contact the MARAD Office of Maritime Labor and Training by telephone at (202) 366-7618 or e-mail at [maritime.graduate@dot.gov](mailto:maritime.graduate@dot.gov).