



Maritime Jobs for Texas

Maritime Jobs for Texas is a coalition of public and private employers united in seeking a reasonable solution to the litigation explosion confronting the maritime community.

WE SUPPORT CSHB 1602

PORTS, NAVIGATION DISTRICTS & CITIES

- Port of Beaumont ■ Port of Brownsville ■ Port of Harlingen ■ Port of Houston Authority
- Jackson County Navigation District ■ Port Mansfield / Willacy County Navigation District
- Port of Orange ■ Port of Palacios ■ Port of Port Arthur ■ Port of Port Isabel / San Benito Navigation District ■ Port of Port Lavaca / Point Comfort ■ Port of Victoria / Victoria Navigation District ■ Port of West Calhoun ■ City of Port Aransas
- City of South Padre Island

ASSOCIATIONS

- Texas Ports Association (TPA) ■ Texas Waterways Operators Association (TWOA)
- Gulf Intracoastal Canal Association (GICA) ■ Dredging Contractors of America (DCA)
- Texans for Lawsuit Reform (TLR) ■ Association of Chemical Industry of Texas
- Greater Houston Partnership ■ Lumberman's Association of Texas
- National Federation of Independent Business ■ Property Casualty Insurers Association
- Rio Grande Valley Sugar Growers Association ■ Texas Apartment Association
- Texas Association of Builders ■ Texas Chapter - American Shore & Beach Preservation Association
- Texas Association of Business ■ Texas Association of Manufacturers ■ Texas Chemical Council
- Texas Civil Justice League ■ Texas Hotel & Lodging Association ■ Texas Medical Association
- Texas Oil & Gas Association ■ Texas Retailers Association
- Texas Society of Professional Engineers

COMPANIES

- Affolter Contracting ■ Alafab, Inc. ■ Anadarko Petroleum ■ **Bollinger Shipyards**
- Buffalo Marine Service ■ Central Gulf Towing ■ CF Bean Corporation ■ Chevron Corporation
- CITGO Petroleum Corporation ■ Delta Towing ■ Dow Chemical Company
- Exxon Mobil Corporation ■ Gahagan Bryant Associates ■ Goodloe Marine
- **Great Lakes Dredge & Dock Company** ■ Hagler Systems ■ Inland Marine Management
- Kiewit Corporation ■ **Kingfisher Marine** ■ Kirby Corporation ■ Martin Gas Marine
- Megafleet Towing ■ **Mike Hooks Dredging** ■ Occidental Petroleum Corporation
- Oil Patch Petroleum ■ **Pine Bluff Sand & Gravel** ■ RLB Contracting, Inc.
- Shell Oil Company ■ Sherwin Alumina ■ Steel Processors, Inc. ■ T&T Marine
- Temple-Inland Inc. ■ Trinity Industries, Inc. ■ **T.W. LaQuay Dredging**
- United Tugs ■ Valero Energy Corporation ■ **Weeks Marine Company**
- Williamson Boat Works ■ Zachry Group, Inc.

STATUS OF LEGISLATIVE EFFORTS IN AUSTIN
WAYMON BOYD
KING FISHER MARINE SERVICE, LP

Last year on September 14, 2006 at the dredging conference, we heard one of the most important presentations we have heard in a long time.

After Great Lakes talked about the impact a spike in Jones Act personal injury lawsuits was having on them, the maritime industry represented by those of you in the audience responded in an unprecedented way. I am here today to talk about what happened after that meeting and to say thank you for the many of you who supported us and also participated in helping to try and correct the situation.

LET ME GIVE YOU A LITTLE BACKGROUND.....

Dredging companies who work in Texas or employed Texans were hit with a surge of Jones Act personal injury lawsuits to the tune of some 120 suits over a 3-year period. As an indicator of how dramatic the problem was, one company KING FISHER MARINE SERVICE, had only had one such lawsuit in the previous 10 years, while being hit with 17 lawsuits during the 3-year period. KFMS accidents none were lost time & none had spent anytime in a hospital. Of the 17 accidents 5 were not reported. Another company, GREAT LAKES DREDGE & DOCK, had never had a lawsuit filed in Texas, yet had received 35 lawsuits during that period.

Every dredging company who works in this region was impacted in very noticeable ways. Without getting into the legal discussion of the specifics of each incident, suffice it to say that the frequency of the lawsuits was very

alarming particularly given the fact that the dredging industry had statistics showing an impressive improvement in its safety over the previous 9 or 10 years.

One of the plaintiff attorneys who was filing a majority of the cases provided a clue to what was attracting the spike in remarks at a conference with other lawyers. He boldly claimed that he could win disproportionately large claims and win them handily if they were filed in the Valley area of Texas. There is a lot of legal background to the issue (and in fact Great Lakes is being sued for taping his speech), but for tonight suffice it to say that Texas has (or I can proudly say had) a special exception (otherwise known as a loophole) in its venue law that no other state has that seemed to be catalyst to attract these suits.

This spike in lawsuits began effecting dredging costs and in some cases even caused dredgers to not work in Texas or consider whether or not they could afford to continue to hire Texans. We made a presentation describing the situation at the annual Galveston District Dredging Conference just last year on September 14, 2006. Alerting the Corps and our other clients to the gravity of the situation opened up a lot of eyes. At the time, it was our hope and intent that we would cause such a stir that our clients (the Corps and the ports) would be called to action and we could support them in their battle to fix the problem. What happened was quite different. In fact, what happened is that Scott Aspelin of the Port of Houston and Bob Corneliuson of Port Isabel challenged us as industry to lead the battle and offered their support to us.

Not exactly what we were thinking since this type not typically the type of work you ask a dredger to do...but...what was borne out of that discussion was coalition of 8 dredging companies, GREAT LAKES DREDGE & DOCK; WEEKS MARINE; MIKE HOOKS; KING FISHER MARINE SERVICE; T.W. LAQUAY DREDGING;GOODLOW DREDGING; BEAN DREDGING & PINE BLUFF SAND & GRAVEL who settled on the name Maritime Jobs for Texas for our group since the root of our efforts was to keep our Texas based employees on the payroll. Our goal was to find a legislative fix to close the loophole. We had the good fortune to be adopted by a veteran group called Texans for Lawsuit Reform who had led successful battles for the Tort Reform in Texas for over 10 years. TLR is a group of important businessmen who volunteer their time, talents and own funds against lawsuit abuse in Texas. Led by Dick Weekley and Dick Trabulsi, TLR is a high energy, successful organization that quite frankly just makes things happen.

They helped us assemble a top notch team of lobbyists who demanded much of the MJT membership in terms of personal effort and appearances. In a sense we knew we were being tested to make sure we were real, but once they saw the likes of Bill Hansen with Great Lakes Dredge & Dock, Tom Langhan with Weeks Marine, Raymond Butler, Waymon Boyd, Mike McMahon and Linda La Quay in action...TLR became as passionate about the issue as we were.

A strategy was developed to introduce and pass legislation to close the loophole. TLR told us that we would need as many friends as we could get

and boy did the maritime industry ever respond. The Texas Ports Association was our first supporter followed by the Texas Waterways Operators (Matt Woodruff), but what proved to be one of the most important additions to our coalition was GICA led by Raymond Butler. Many other organizations eventually joined our efforts, to where we ended up with more than 70 entities joining MJT to help pass a new law, HB 1602, which we believe effectively closes much of the loophole that is being used to file the vast majority of cases.

Our effort was not easy...we became introduced to and experienced what some call the Wild West of legislative bodies, that being the Texas state delegation. Since they only meet for just a few months every other year there are plenty of issues to tackle and a lot of history to overcome.

There were press conferences, radio interviews, one-on-one legislative visits, foyer meetings, late and early morning house hearings (one that lasted from 7 pm to 3 am the next morning), and senate hearings. There are many stories to be told about those late nights and house hearings and senate hearings that we all will be talking about for a long long time.

HB 1602 may not be the ultimate answer to the loophole. What started out as a simple one page fix to eliminate the loophole turned into a four page discourse that we think solves most of the problem, but leaves some wiggle room for the plaintiff attorneys to continue their abuse. We can talk more about where the problems still lie some other time, but the real lesson of HB 1602 is that the maritime community can come together when it has to in a

very effective way to protect itself from abuse. The bill was signed into law by Governor Perry at 2:45 PM on May 24, 2007. This bill covers all of the Jones Act cases.

And for that we want to say THANK YOU for giving us the opportunity to bring the issue to your attention and also for your very strong and effective support.

CONGRATULATIONS, this is YOUR victory as well.