



Press Release

The Benefits of a Jones Act Waiver for Liquefied Natural Gas

ANDREW EVANS | MAY 1, 2019

The Trump Administration is considering waiving the requirements of a 1920 law that is forcing American natural gas consumers without pipeline access to buy from foreign suppliers. The Jones Act requires that all goods traded between domestic ports be shipped on American-built, American-flagged, and American-crewed vessels, but there are no American-built liquefied natural gas tankers. AAF's Director of Energy Policy Philip Rossetti examines the arguments for the Jones Act and concludes that they do not justify rejecting a waiver.

His primary points:

- The Jones Act is forcing Americans in New England and Puerto Rico to purchase more expensive foreign natural gas, undermining the national security intentions of the Jones Act;
- The Jones Act raises the costs of domestically shipped products, as American vessels are more expensive to use, but even with government protections the industry is in marked decline; and
- The Jones Act is not an effective policy for supporting the shipbuilding industry, and the national security objectives of naval procurement and sealift capacity would be better served by alternative policies.

[Read the insight.](#)