

Vessel Fees for Seafarer Welfare in United States Ports (2025): Status, Opportunity, and Guidance



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ABSTRACT

Committed to its mission to “provide a framework to support and assist port chaplains and others in their ministry to the spiritual, moral, human rights, and physical concerns of mariners and all others in the maritime community,” the North American Maritime Ministry Association (NAMMA) has conducted a research project into resources available to and used by entities providing seafarer welfare in United States ports. This report on the collection vessel fees for seafarer welfare is a result of that project.

While fees, tariffs, and levies paid and collected based on a vessel's use of a port are commonplace and universally accepted by most parties in United States ports, the collection of monies by parties engaged in seafarer welfare is relatively rare. This is in spite of the fact that parties attending to the personal welfare of seafarers contribute directly to the success of the port by focusing on those at the heart of the maritime economy—seafarers.

Drawing from data collected from the 16 entities currently collecting revenue, the report first considers factors related to vessel fees: publication and communication of vessel fees; mandatory or voluntary nature of vessel fees; additional support from the maritime community; ship agent impact on vessel fees. Since the majority of entities providing seafarer welfare in U.S. ports are not supported with vessel fees, insight from leaders at several of these entities provide insight into plans and perceptions about vessel fees.

The report then provides an overview of the opportunities both to establish vessel fees in ports where they are not being collected and to increase the revenue generated in those ports where fees are established. The report concludes by providing guidance in areas that impact the success of vessel fees: port economy posture; professional and personal relationships; processor and process.

Appendices provide redacted sections from tariffs related to seafarer welfare vessel fees; redacted invoices currently in use at six ports; and full descriptions of the 16 entities collecting revenue.

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INTRODUCTION

Maritime ports are defined most clearly by their geographical location and commercial purpose. A complex and unique economy exists within a port arising from its situation at the interface of sea and land to support its purpose as an embarkation/disembarkation point for passengers and a transfer point for cargo. The exchange of money in the form of fees, tariffs, or levies based on a vessel's use of the port is commonplace.

At the forefront of a port's economy are the parties directly involved with its commercial purpose such as shipowners,¹ transportation companies, and their associated agents, as well as parties involved with the infrastructure and operations of the port itself, such as port owners and authorities, terminal and dock operators. Moreover, as maritime ports are intertwined with broader regional and national socio-economic interests, governmental parties also play a significant role in a port's economy.

Whereas the processing of vessel fees is a universally accepted practice by these parties, it is rare among those parties providing seafarer welfare in U.S. ports. Of the 63 U.S. ports with an entity actively providing seafarer welfare, vessel fees are collected for seafarer welfare in only 17 ports: 9 Gulf Coast, 8 East Coast.² This is in spite of the fact that parties attending to the personal welfare of seafarers are as much a part of the port's economic community as parties attending to commercial, operational, and governmental interests.

This report first provides the status of vessel fee collection, drawing attention to significant factors related to vessel fees that became apparent during the collection of information, including from interviews with leaders of entities in which no vessel fees are currently being collected. The second section begins with an overview of the opportunities available through the collection of vessel fees—both the establishment in ports where there are none and the improvement of collection in ports where there are currently fees. It then provides guidance both to entities exploring the establishment of vessel fees in their port and to entities wishing to increase the effectiveness and efficiency of existing fee collection.

Appendices provide redacted sections from tariffs related to vessel fees for seafarer welfare, redacted invoices currently in use at 6 ports, and descriptions for each of the 16 entities that receive revenue from vessel fees referred to in the report.

¹ "Shipowner" is used in this report as a broad term that refers to the owner of the ship or the person or organization who has assumed responsibility for the operation of the ship. This is consistent with the definition found in the International Labour Conference, *Maritime Labour Convention, 2006, as amended*, (MLC, 2006), available at https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:91:0::NO::P91_ILO_CODE:C186 [accessed 18 July 2025].

² "Entity" refers to an individual or organization acting as a distinct unit attending to the welfare of maritime workers as its primary charitable, faith-based enterprise.

STATUS

As seen in Chart 1, of the 63 U.S. ports with an entity actively providing seafarer welfare, vessel fees benefit 16 seafarer welfare entities in 17 ports.³ While over 35% of Gulf Coast and East Coast ports providing seafarer welfare currently collect fees, no West Coast or Great Lakes ports collect fees to support seafarer welfare.

Table 1 provides basic information for all 16 entities collecting vessel fees. Since the effectiveness of vessel fees as a source of support is a result of multiple variables, full descriptions for each entity can be found in Appendix C.

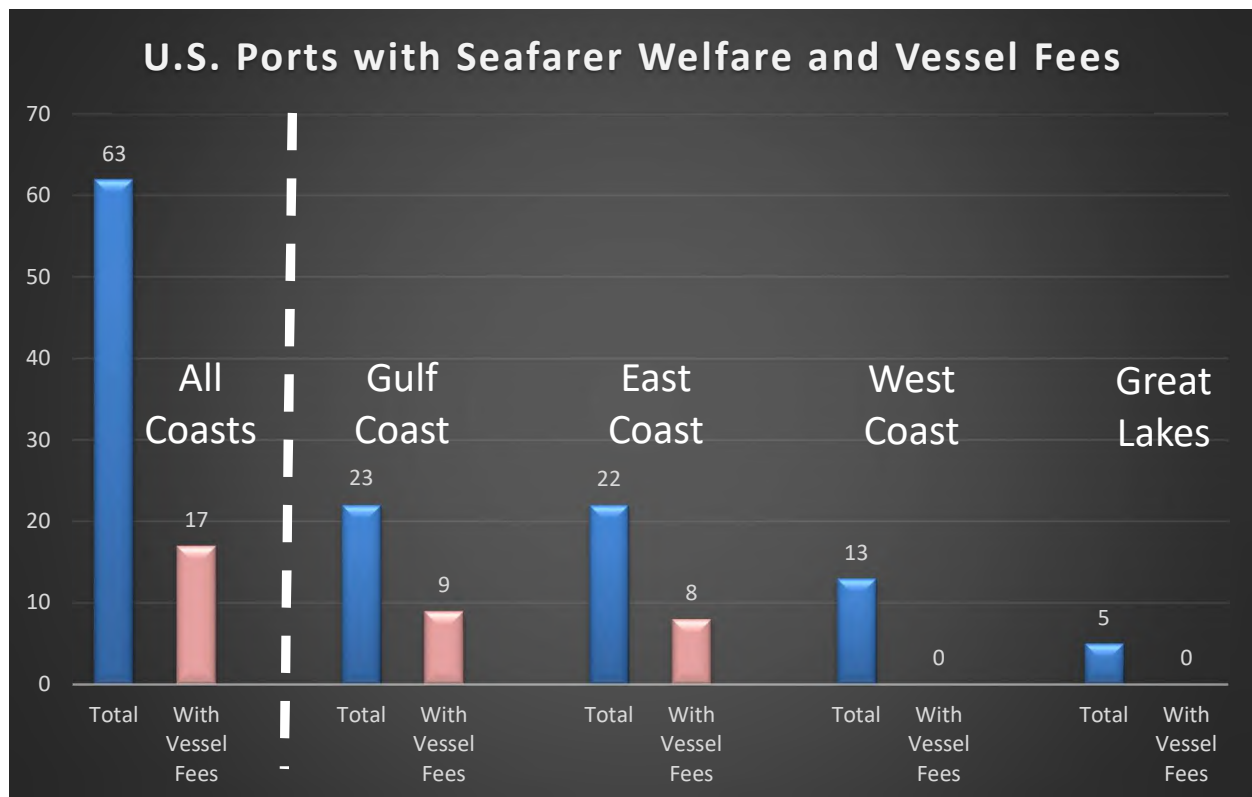


Chart 1: U.S. ports that have an entity providing seafarer welfare. The left column of each pair is the total number of ports with an entity providing seafarer welfare. The right column of each pair is the number of these ports in which vessel fees are collected for seafarer welfare.

³ There is one entity serving two U.S. ports; therefore, 16 entities are benefitting from vessel fees in 17 ports.

Table 1: Basic Information for the 16 Entities Collecting Vessel Fees (arranged by appearance in Appendix C).

Payment Rate	Entity	Fee (\$/Call)	Location	Fee Processor	Criteria	Published in Tariff
> 50%	Fees Processed by Port Authority					
	A	\$100	Gulf Coast	Port	-In Port District: All vessels* -Outside Port District: vessels for which entity has provided services	Yes
	B	\$80	Gulf Coast	Port	All vessels*	Yes
	C	\$85	Gulf Coast	Port	All vessels*	Yes
	Fees Processed by Entity					
	D	\$125	East Coast	Entity	Vessels for which entity provided services	
	E	\$75	East Coast	Entity	Vessels for which entity provided services	
	F	\$150	East Coast	Entity	- In center's terminal: all vessels = ships that entity provides services**; - Other terminals: vessels for which entity has provided services	
	G	\$30	East Coast	Entity	One company	
	H	\$200	Gulf Coast	Entity	One company	
	I	\$100	Gulf Coast	Entity	One company	
	Fees Processed by both Port Authority and Entity					
	J	\$125	Gulf Coast	Entity/Port	Vessels for which transportation provided	Yes
≤50%	Fees Processed by Port Authority					
	K	\$98	Gulf Coast	Port	All vessels	
	Fees Processed by Entity					
	L	\$75	Gulf Coast	Entity	All vessels	
	M	\$200	East Coast	Entity	All vessels	
	N	\$125	East Coast	Entity	All vessels	Yes
	O	\$100	Gulf Coast	Entity	Vessels visited by entity	
	P	\$150	East Coast	Entity	Vessels visited by entity	

* "All vessels": every vessel that calls on the port is invoiced for the fee regardless of whether it uses the services of the seafarer welfare entity.

** "All vessels=ships that entity serves": every vessel that calls on the port is invoiced to pay, and the entity can provide services to all vessels that use the port.

Factors Related to Vessel Fees

From the information gathered, it became apparent that certain factors are especially pertinent to the establishment and processing of vessel fees for seafarer welfare in U.S. ports.

Publication and Communication of Vessel Fees for Seafarer Welfare

A seafarer welfare vessel fee is published in 5 port tariffs (see Appendix A). In 3 cases where the fee is published, the port authority processes the fee. In 1 case, the entity processes the fee. And in 1 case, the port authority processes the fee for vessels within its jurisdiction while the entity processes fees for vessels at terminals outside that jurisdiction.

In those cases where the port authority collects the fee, there is a strong correlation between the payment rate and the publishing of the fee in the port tariff. In each of the 4 cases in which the vessel fee is referenced in the tariff and the port authority collects the fee, the payment rate is greater than 50% (Entity A, Entity B, Entity C, Entity J). The payment rate is approximately 30% in the one case in which the port authority collects the fee but does not reference it in the port tariff (Entity K).⁴

Most entities that process the fee themselves, however, rely on direct communication with the owners and operators of private terminals and shipowners. Of the 10 entities that collect fees without a reference to that fee in the port's tariff, 3 collect fees based on an agreement with specific shipowners, all of which report a 100% payment rate. Of the remaining 7 entities that collect fees without reference in the port's tariff report, 3 have payment rates above 50% and 4 have payment rates below 50%.

Voluntary or Mandatory Nature of Vessel Fees

There is a great deal of ambiguity regarding whether vessel fees are voluntary or mandatory because there is variation between the descriptions provided by entity leaders in conversation and the formal verbiage found in tariffs and invoices. (See appendices for terminology used in tariffs and invoices.)

On one hand, 4 of the leaders used the language of "mandatory" or "not voluntary" when speaking about vessel fees in their port (Entity A, Entity G, Entity H, Entity J). This is in spite of the fact that none of the tariffs or invoices reviewed had such explicit language. The leadership for Entity A said that the fee, which is referenced in the port tariff and collected by the port authority, is considered mandatory by the port leadership. Entity J collects fees only when transportation has been provided to vessels and the invoices indicate that it is a "ship billing" for "Seafarers Transportation/ Transportation Worker Identification Credential (TWIC) Escort" on a specified date. Given this, the leadership sees this invoice as comparable to the invoices from any other service provider and has been willing to pursue legal action in small claims court when the payment is withheld. Leadership from the 2 entities that collect fees from a single company considered these fees as a term of the agreement and, therefore, involuntary (Entity G, Entity H).

⁴ In the 1 case where the entity alone collects the fee and that fee is listed in the port's tariff, the payment rate is less than 50% (Entity N).

On the other hand, 7 of the leaders interviewed used language such as “voluntary,” “donation,” or “nothing more than a request for support” to describe the fees collected in their ports (Entity F, Entity I, Entity K, Entity L, Entity N, Entity O, Entity P). Of the 6 invoices reviewed, 2 explicitly state that the fee is a donation (Entity E, Entity I).

It is noteworthy that no entity leader referenced the fact that the posture it takes and communicates about the nature of these fees is influenced to some extent by how the entity has chosen to designate these fees in light of its organization and operation as (or affiliated with) a tax-exempt public charity under the federal Internal Revenue Code Section 501(c)(3). Of the tax documentation reviewed from these entities, all designated vessel fees as “contributions” or “program service revenue” rather than “unrelated business revenue.” It is possible that a lack of clarity about the rules surrounding these designations has created a hesitancy about whether such fees can be communicated and processed as “mandatory.”

Additional Support from Maritime Community

Vessel fees are only one source of support available from the maritime community for entities providing seafarer welfare. Two of these sources deserve comment here because of their impact on vessel fees—port authorities and shipowners.

The processing of seafarer welfare vessel fees by port authorities is itself a form of support since it saves the entity the expense of processing the fee. ***In at least 9 ports where vessel fees are processed by the port authority, the port authorities support the entities in additional ways*** such as charitable contributions; direct payment for program service; sponsorship of fundraising events, assistance with occupancy (e.g., land or facilities for free or discounted rent, payment of utilities, maintenance, repair, and renovation of facilities); payment of sundry fees (e.g., TWIC cards for staff and volunteers).

In one case, the port not only processes the vessel fees, but it also provides the land and facilities for the seafarers’ center and pays the entity an annual amount out of its operating budget for the entity’s provision of humanitarian services to the port community. In 2022, the service payment and provision of facilities amounted to an additional 14% in revenue for that entity.

Even though shipowners have the greatest vested interest in the health of seafarers, their contributions to entities providing seafarer welfare are not as strong as may be expected. Not only do some shipowners avoid paying the port-based vessel fee, only 5 of the entities in ports with vessel fees report additional support from shipowners through donations or contributions.

Entity leaders in ports that collect vessel fees have differing views about the proper way to garner support from shipowners. On one end of the spectrum are entities that have been unable to garner support directly from shipowners. These entities consider vessel fees as the primary means for receiving funding from shipowners and, therefore, are working to increase this as a primary source of revenue. On the other end of the spectrum are entities that have found ways to receive direct contributions from shipowners and are shifting the focus away from vessel fees and toward recurring lump-sum contributions. Between these ends are the entities that have agreements with shipowners serving their port. In these cases, there is a direct agreement between the shipowner and the entity for contributions based on vessel traffic.

Ship Agent Impact on Vessel Fees

Given that the ship agent is responsible for, among other things, “all relevant port and husbandry services” and “tending to the requirements of the Master and crew,” there is frequent interaction at the operational level between the volunteers, staff, and leadership of the seafarer welfare entity and the employees of the ship agent directly serving the vessels.⁵ Many leaders noted that individuals at this operational level see their work as complementary and work well together in supporting the needs of the crew. ***But while the ship agent’s employees who serve the vessels may appreciate, support, and even advocate for the support of seafarer welfare, those who have the greatest impact on the success of vessel fees are the leaders setting the agency’s policies, overseeing its financial operations, and interacting with the shipowners they represent. Both the professional judgement and personal character of the individuals who set, lead, and execute organizational policies and procedures in the agencies have a significant impact on the establishment and processing of vessel fees.***

Most immediately, of course, the procedures of a ship agent’s accounting department and the employees responsible for processing the payment of invoices have a direct and consistent impact on processing fees.

Those having a more far-reaching effect on the effectiveness of vessel fees are the individuals in the agency working with their principals, the shipowners they represent. These individuals are in a position to recommend and advocate for the payment of fees. The leadership of 3 entities with payment rates over 50% attribute their payment rates, in part, to the role of ship agents (Entity D, Entity E, Entity I). Two of these actually began issuing invoices for their services at the behest of a ship agent (Entity E, Entity I).

Two leaders reported that some ship agents go for extended periods of not paying. Sometimes this fluctuation is a result of operational matters in the local office (e.g., short staffing). At other times, the agent withholds and releases payment to regulate its cash flow or to maximize investment revenue. The entity leadership also reports that some shipowners use a processing/billing service that audits the bills and automatically strips out anything that is not mandatory.

Conversely, these individuals can negatively impact the effectiveness of vessel fees. If, for example, the ship agency’s employees working with shipowners are not convinced of the value of the entity’s service to seafarers, they may take a passive stance toward their principal’s refusal to pay. Some pre-emptively determine that the shipowner should not pay and therefore do not attempt payment from the shipowner. Because some entity leaders have witnessed situations in which agency employees took advantage of their control over vessels and the opacity of their work, they question the agency’s honesty with regard to vessel fees. Many leaders have been told by the ship agent simply that the shipowner is refusing to pay. But one leader being told this knows that the ship agent is processing the invoice and receiving money from the shipowner, but is not passing that payment to the entity.

⁵ The Federation of National Association of Ship Brokers and Agents, “Ship Agents and Brokers,” available at <https://www.fonasba.com/ship-agents-and-brokers> [accessed 24 July 2025].

Insight from Entities Not Currently Receiving Vessel Fee Revenue

The majority of entities providing seafarer welfare in U.S. ports are not supported with vessel fees. Leaders at several of these entities are at various stages in planning for the establishment of fees. In other cases, the entity has sources of revenue that make it unnecessary to establish fees and maintain a system to process those fees.

In yet other cases, an entity's leadership has determined not to establish fees for ideological reasons. Information provided by these leaders gives insight into perceptions about vessel fees. Several, for example, expressed the concern that vessel fees would establish requirements that their entity is not in a position to handle. One, for example, expressed the concern that accepting fees would establish an expectation of service, which they could not meet given the present shortage of staff and volunteers. Others expressed concern about maintaining resources to process the fees. One entity has, in fact, suspended the collection of fees because it does not have the means to accept fees electronically, which is what ship agents expect in that port. The leadership of one entity that operates as a ministry of a church believes that the formation of an independent entity would have to be formed to receive money from shipowners. This leader also questions whether the potential revenue generated would be substantial enough to justify the resources to create and maintain such an entity.

For several leaders, pursuing vessel fees does not fit with their strategy of engagement with port community partners, especially the port authority itself. The leaders at these entities perceive that the value of current support in terms of in-kind contributions and other assistance, as well as the good working relationship with the port authority leadership, outweighs the value of potential revenue from vessel fees. Furthermore, some leaders expressed concern that pursuing vessel fees could be seen as a threat by the port authority and endanger these benefits altogether.

Several leaders expressed ideological or philosophical concerns that keep them from pursuing vessel fees. Two leaders expressed concern about the ability of the port authority to unilaterally stop funding. As one leader expressed: "I don't want the government's money or the port's money [as a quasi-government entity] because they can as easily stop providing the money." The other leader's concern extended to the receipt of funds from ecclesial bodies (such as associations, dioceses, and conventions) and, therefore, will only accept contributions from individuals and congregations. Several leaders expressed concerns that accepting vessel fees could compromise their ability to carry out their faith-based services.

Three leaders do not want to be complicit in the negative effect that vessel fees create in the maritime community generally and among seafarers specifically. For example, seafarers have told one leader that in some ports they are told that services are free, but then the shipowner will pass any invoices it receives to the vessel's seafarers for payment. This leader fears that this has engendered scepticism among seafarers about receiving services from any entity, even those that offer services without any fees at all.

OPPORTUNITY AND GUIDANCE

There are great opportunities both to implement vessel fees in U.S. ports where they are not being collected and to increase the revenue generated in those ports where fees are already established.

Leaders of entities that are not receiving revenue from vessel fees may want to consider whether this revenue stream would provide increased stability to present operations and even allow for an expansion of the services offered. But for leaders concerned about whether they could support service expectations or the billing process, vessel fee revenue would likely cover the cost of either, with additional revenue for other aspects of the service. In the 44 U.S. ports with a seafarer welfare entity but no established vessel fees, 35,000 vessel calls were made in 2023. At a rate of \$125 for each vessel call, this represents potential revenue of \$4,375,000 cumulatively. Nearly 90% of these ports had at least 100 vessel calls that year, which represents \$12,500 in potential revenue at the port/entity level. And a third of these ports had at least 1,000 vessel calls, with potential revenue of \$125,000.

A common reason given for not pursuing vessel fees was the belief that other benefits provided by the port outweigh the benefits that would be realized through vessel fees. For example, one leader would prefer to seek the port's underwriting of the center's lease of \$20,000 a year rather than approach the port about establishing vessel fees. This entity is in a port that has just over 1,100 vessel calls per year. In order to generate enough revenue to cover this lease, it would need to collect a \$125 vessel fee on just 15%, or 160 vessels. Actually, though, the entity visited over 500 ships in 2023. A \$125 vessel fee from each would have generated \$62,500 in revenue, which would have accounted for 19% of the entity's total revenue in 2023.

Using the actual figures for total vessel calls and the vessels served by the entity, then, should be considered when determining whether the potential income generated could outweigh the value of other benefits offered by the port. Of course, this consideration is based on a concern that a port authority would curtail or even suspend other support if vessel fees were established. The current situation in many ports with vessel fees demonstrates, however, that port authorities do not typically restrict other support in the presence of vessel fees. In one case, the port authority not only processes the vessel fees but also pays the entity an annual amount out of its operating budget for the entity's provision of humanitarian services to the port community and provides the land and facilities for the seafarers' center. In another case where the entity processes the vessel fees, the entity processes vessel fees, and the port authority provides significant support by coordinating three fundraising events each year on behalf of the entity.

Great opportunities also exist for entities in ports where fees are currently established. Only 5 of these 17 ports realize a payment rate of at least 70%, and 7 ports have a payment rate less than 50%. Leaders of entities that are currently receiving revenue from vessel fees, then, have the opportunity to increase revenue by increasing the payment rate. Entity P, for example, reports a payment rate of less than 15% of the \$150 invoices. The revenue from vessel fees accounted for .08% of Entity P's expenses in 2024. If, however, the approximately 2,000 ships visited If those ships visited paid the \$150 fee, revenue from vessel fees would have covered 18% of the entity's expenses.

Leaders of entities that are currently receiving revenue from vessel fees should also consider whether the current fee is appropriate in light of the prevailing amount at other ports and

whether it is commensurate with the value that the entity provides to the port community. The 6 ports with rates below \$100 would certainly be warranted in raising rates to at least the prevailing rates of \$100 or \$125. Every entity, including those with a fee at or above \$100, should consider whether the current fee adequately reflects the value being provided, since the current fee was likely set when there was less vessel traffic and the entity was offering fewer services. As the example of Entity F demonstrates, an increase in the fee amount does not necessarily result in a lower payment rate. For more than eight years, it sent out invoices requesting a voluntary contribution of \$110 for every ship that called on its port. In early 2025, it raised the fee to \$150. Not only did the regularly paying companies continue to pay at the new amount, but a company that had typically refused to pay began to pay at the new rate.

To take advantage of these opportunities, entities should consider their posture, partnerships, and processes.

Port Economy Posture

Entities that provide care to seafarers contribute to the port's overall success and to every party active within that port. ***The most fundamental step a seafarer welfare entity must take to ensure that vessel fees are a successful source of revenue is to recognize, embrace, and act within the fact that it is in the interests of all port stakeholders to support those providing seafarer welfare. That is, to adopt a posture in which it recognizes that precisely because of its unique focus on seafarer welfare, it is a valuable partner and participant in the port economy.***

For faith-based entities, this may not be a natural or easy step, especially with leadership whose primary experience has been that of congregational ministry. Within a congregational economy, leaders' oversight of funds and parishioners' contributions are rooted in a sense of God's calling on that congregation. In a congregational economy, accepting support from those whose interests are not aligned with the doctrine and practice of the congregation may be considered an unacceptable compromise to the congregation's purpose and calling. It is understandable why a seafarer entity associated with a faith community and its convictions would see itself in contrast to (if not at odds with) most parties in a port economy, which are focused on the effectiveness of port infrastructure and operations in light of its commercial purpose.

It is, however, precisely because of their focus on and service to the people within the port economy that those offering seafarer welfare are invaluable partners. It is only proper, then, that as a partner contributing to a port's economic value through its service, a seafarer welfare entity also engage in the fiscal aspects of the port economy. As for other parties serving the port, this would include the use of revenue from fees, tariffs, or levies to sustain and improve its ability to add value to the port.

From this posture, an entity can explore precisely how it adds value to the port through fulfilling its spiritual calling to care for each person in the maritime community as an image bearer of God with inherent dignity and therefore deserving of love and respect. The entity can identify and articulate the ways it provides value in its specific port by drawing on the insight of port community stakeholders, by seeking the wisdom gained through the faith community, and by following the conventional guidance offered to any non-profit, charitable organization. A welfare board or welfare committee comprised of these stakeholders would certainly provide an opportunity for such guidance. In the United States, however, it is most often an entity's board of

trustees that serves this role, making it incumbent upon the entity's leadership to give careful consideration to the selection of individuals to serve as trustees.

This posture also shapes the way in which an entity's leadership forges professional and personal relationships as partners with others in the port community and how it approaches the processing of vessel fees.

Professional and Personal Partnerships

Entity leaders in ports where vessel fees are established report that the most significant partners for the success of vessel fees are ship agents, port authorities, and shipowners. Although each party plays a different role in the implementation and processing of vessel fees, several common characteristics mark a successful relationship between the entity leaders and these partners. First, the entity's leaders engage with leaders in the other parties to develop a mutual recognition of and respect for the others' contributions. Second, the entity's leaders and their staff have learned about their partner's organizational structure and personnel dynamics. Knowledge about these parties' policies, procedures, and organizational hierarchy facilitates the entity's work of establishing and processing vessel fees. Entity J, for example, attributes its high payment rate, in part, to the process it created because of knowledge gained from an employee who was a retired ship agent. This knowledge included identifying the proper agency (i.e., cargo agent or crew agent) and the proper individual within that agency to handle the processing of invoices.

By personally engaging with individuals in these organizations, the entity's leadership develops an awareness of who makes strategic decisions and who makes operational decisions. The leadership of Entity B, for example, attributes its high payment rate of vessel fees (which is processed by the port authority on all vessels) to the long and close relationship developed over decades of personal and professional interaction between key individuals within the entity and the port.

Ship agents, port authorities, and shipowners are key partners in establishing and processing vessel fees in every port. In the 20 U.S. ports where multiple entities provide seafarer welfare, the entities themselves would also be partners in the matter of vessel fees. Entities in these ports would need to work together to ensure that opportunities to benefit from vessel fees were available to all.

Processor and Process

There is no unanimity among entity leaders about whether it is better for the port authority or the entity to process the vessel fees, nor does the data suggest that either arrangement is a better predictor of success. When establishing fees, each entity should determine which arrangement best fits their port situation. Entities in ports where fees are established can make strategic and operational decisions to capitalize on the advantages and to mitigate the disadvantages of their particular arrangement.

If the port authority processes the fees, the burden is taken off the entity to allocate resources to process the fees; however, the entity becomes dependent on both the port authority's posture toward these fees and its effectiveness in both routine invoicing, collection, and distribution, as well as appropriate action when payment is refused. Of the 4 ports in which the port authority processes the fees, 3 report payment rates greater than 50%. Entity A attributes

its payment rate to the fact that the Port Director values the entity's work, does not consider the fee voluntary, and, therefore, processes and enforces the collection of this fee as it does for all other fees. Entity B also attributes its payment rate to support from the port authority and a result of strong relationships.

Only in the case of Entity K does the port authority collect vessel fees, and the payment rate is below 50%. It is also the only instance in which the port authority processes the fee but does not reference the fee in its tariff. Given the amount of vessel traffic at this port, the entity leadership believes that it would be infeasible to process vessel fees itself. Rather than increase the revenue through vessel fees, then, the entity's leadership, in collaboration with its board, has determined to approach shipowners directly to solicit contributions rather than expend effort on increasing the payment rates of vessel fees.

Entities that process the fees themselves bear the costs associated with that; however, they also control the posture and process. The effective processing of vessel fees depends on the effectiveness of internal processes, taking into account how those processes align with the processes of the other parties involved. This may help explain why none of the entities that process fees on all vessels calling on the port have payment rates over 50% and why all entities that process the fees on a limited number of vessels report payment rates greater than 50%. These entities have the advantage of being able to work directly with the company to specify the terms of the vessel fees, to align processes, and to work through any problems that may arise. Indeed, the 3 entities that have agreements with single shipowners have likely established those as a result of a relationship with decision makers in the shipowner's organization who support the work of the entity, and the entity only has to create a process to align with a single company.

Criteria and Announcement of Vessel Fees

Clear communication of the fees and the terms of those fees is a hallmark of effective processing. As noted above, there is a strong correlation between the payment rate and the publication of the fee in the port tariff in cases where the port authority processes the fee. Those entities processing the fee themselves experience a high payment rate when they have direct communication with at least one of the following: ship agents, owner-operators of the private terminals, shipowners. Effective communication of vessel fees also entails aligning informal language with the language found in documentation with regard to the nature of the fee as mandatory or voluntary.

If an entity chooses to collect fees from select vessels, it must determine the criteria for that selection before communicating the fees. For 3 entities, fees are collected only based on an agreement between a shipowner and the entity. These entities report great success and could serve as a model for ports that have vessels with a limited number of shipowners or as the first step for entities in larger ports to begin establishing port-wide fees.

It is noteworthy that no entity leader referenced the fact that the posture it takes and communicates about the nature of these fees is influenced to some extent by how the entity has chosen to designate these fees in light of its organization and operation as (or affiliation with) a tax-exempt public charity under the federal Internal Revenue Code Section 501(c)(3). Based on tax documentation reviewed from these entities, the entities designated vessel fees as "contributions" or "program service revenue" rather than "unrelated business revenue." Given that an entity's decision on this matter and its subsequent practices have implications for the entity's

tax-exempt status, it is wise for an entity to consult with a tax advisor. Having clarity on the rules surrounding this matter, for example, could help entity leadership confidently communicate that payment is not optional and then take appropriate steps in the cases of nonpayment.

Invoicing and Collection

If vessel fees are collected only for services provided to specific vessels, the entity must have internal processes in place to capture accurate and complete information about those services to include on the invoice. That information could include the vessel served, the name and position of the crewmember who requested the service (or at least served as the liaison), the time and type of communication regarding the service, the name of the entity's personnel who were involved with the communication, and the nature of the service.

At least as important as the reliability of the information regarding the services is the rapid communication of this information to the appropriate individual in the ship agent's accounting department. Learning that many agents close their books at the end of a vessel's call in the port, Entity J has developed an internal process from the time service is provided to the sending of the invoice of a single day.

Comparable attention should be given to the collection process, making it as convenient as possible for the various accounting departments to remit payment. One entity has, in fact, suspended the collection of fees because it does not have the means to accept fees electronically.

Finally, if the entity has determined that fees are not voluntary, it must determine what action it is willing to take when payment is refused. Of the entities that collect fees, only Entity J indicated that it is willing to pursue legal action for nonpayment. It is willing to pursue this course of action since it invoices for transportation services provided to a vessel, and it deems its invoice as binding as that of a for-profit company providing transportation services.

CONCLUSION

Those providing seafarer welfare are vital participants in the maritime economy, generally, and the port economy, specifically. Like all parties in these economies, they depend on a variety of resources to carry out their work. Just as other parties accept fees, tariffs, and levies paid and collected based on a vessel's use of a port as a source of financial revenue, it is appropriate for entities providing seafarer welfare to accept vessel fees as a source of revenue. For entities that determine that collecting vessel fee revenue is aligned with their organization's core values and mission, careful consideration should be given to the establishment, implementation, and processing of these fees in order to ensure they are an effective and reliable source of revenue.

Appendix A: Redacted sections from tariffs related to vessel fees for seafarer welfare

1. "Dues and assessments levied by [ENTITY NAME], a schedule of which is on file with the Port Authority, represent the charges of that non-profit organization for recreational, cultural, etc., services and facilities available without discrimination to seamen of vessels of all countries visiting the Port of [X]."
2. "Dues and assessments levied by the [ENTITY NAME], a schedule of which is on file with the Navigation District, are collected by the ocean carrier's local ship agent, not the Authority. These dues and assessments represent the non-profit organization's charges for cultural and recreational services and facilities that are available to all vessel seaman visiting the Authority's Ports."
3. "Assessments levied by the [ENTITY NAME] represent the charges of that non-profit organization for cultural and recreational services, and facilities without discrimination to seamen of all countries. The owner, operator or charterer of ships utilizing Port facilities will be assessed a fee of \$[AMOUNT] per vessel call."
4. "Fees and assessments levied by the [ENTITY NAME], a schedule of which is on file with the Port Authority, represent the charges of that non-profit organization for recreational, cultural, etc., services and facilities available without discrimination to seamen of vessels of all countries visiting the Port of [X]."
5. Assisting with Collection of Charges of the [ENTITY NAME]: Dues and assessments of the [ENTITY NAME], located at the [Port District of X's] facility, represent the charges of that non-profit organization for humanitarian services and facilities available, without discrimination, to seafarers of all vessels calling on terminals within the navigable waterway system operated by the District. Dues and assessments of \$[AMOUNT] payable by operators of all crewed ships per port call will be invoiced by the [District X] for the direct pass-through to the [ENTITY NAME].

Appendix B: Redacted invoices currently in use at 6 ports

INVOICE

[Entity Name]

[Entity Address]

[Entity phone number]

VESSEL [Name]	DATE 02/14/2025
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INVOICE 289368

[Shipping Agency Name]
[Shipping Agency Address]
[Shipping Agency Address]

PLEASE SHOW INVOICE
NUMBER ON CHECK

ARRIVAL DATE: 02/12/2025 15:05:00

DEPARTURE DATE: 02/13/2025 15:55:00

accounting@[shipping agency.com];
[personal name]@ [shipping agency.com]

A Charge per vessel per visit is assessed to help defray expenses of the [Entity]'s operations. This charge is assessed in accordance with Item #[reference] of Tariff NO.[reference] issued by the [Port Authority Name, Jurisdictional Region, State].

\$80.00

Payable To: [Entity Name, Entity Address]

INVOICE

[Entity Name]

[Entity Address]

[Entity Address]

[Entity Contact email]

[Entity Contact phone]

Bill to

[Ship Agency Name]

[Ship Agency Address]

[Ship Agency Address]

Ship to

[Ship Agency Name]

[Ship Agency Address]

[Ship Agency Address]

Invoice details

Invoice no.: 13670

Terms: NET 30 {1}

Invoice date: 03/20/2025

Due date: 04/19/2025

#	Date	Product or service	Description	Qty	Rate	Amount
1.		1	m/v & Owners	1	\$125.00	\$125.00
2.		2	Vessel service date	1	\$0.00	\$0.00
3.		B	Extended or multiple ship visits by [entity's] ship visitors. Services include friendly conversation, free magazines and offer of other available services.	1	\$0.00	\$0.00
4.		D	Transportation provided for crew	1	\$0.00	\$0.00
5.		N	Officer or crew member phoned to request service.	1	\$0.00	\$0.00
Total						\$125.00

Entity
Logo

Entity Name

[Entity President's Name]

[Entity Address

[Entity Address]

[Entity Phone]

INVOICE

AGENT

ID# 25008

Invoice Date

SHIP:

	Service Description	Amount
	Total Due	

Entity
Logo

We appreciate your support of the [Entity Name].
Please return this invoice with your remittance. A tax acknowl-
edgement letter will be mailed to you for your donation. Once
again we thank you!

Check enclosed

Please make checks payable to [Entity Name]
[Entity Address]
[Entity Address]

\$

[Entity Name]
[Address]
[Phone] number
[E-mail]
[Website]

INVOICE

BILL TO

[Shipping Agent Name]
[Address]

INVOICE # 7

DATE 02/03/2025

DUE DATE 03/02/2025

TERMS Net 30

ACTIVITY	QTY	RATE	AMOUNT
SHIP BILLING SEAFARERS TRANSPORTATION / TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC)ESCORT DATE(S) OF SERVICE: 2/28/2025 SHIP NAME: [NAME]	1	125.00	125.00

Please reference the invoice number with your prompt payment.
Should you have any questions please contact us [CONTACT
INFORMATION].

BALANCE DUE

\$125.00

Pay invoice

Entity
Logo

[Entity Name]
[Entity Address]
[Entity Address]

Invoice

Date	Invoice #
6/30/2025	2506-0093

Terms

Bill To

[Ship Agent Name]
[Ship Agent Address]
[Ship Agent Address]
[Shp Agent Address]

Vessel Name

[Vessel Name]

[Entity]
Record Number

Charge	Date Visited	Terminal	Amount
Crew Service Fee	6/30/2025	[Terminal Name]	200.00
			\$200.00

Serving International Seafarers in [Port Name] since [Year]

Phone #	E-mail	Web Site
[Entity Phone #]	[Entity email address]	[Entity web url]

[Entity Logo]

INVOICE #363.2025

[Entity Name]

Date of Invoice: MAY 12, 2025

[Entity Address]

Phone: 000-000-0000 Fax: 000-000000

Email: [Entity email address]

TO:

[Shipping Agency Name]

[Shipping Agency Address]

[Shipping Agency Address]

Please include the invoice numbers
on your check stubs and in your email
remittance for ACH payment

Description	Amount
For services available through [Entity Name, State] including the following: Van transportation Telephone Access Internet/email access Books & Magazines Recreation Refreshments Phone Cards Wireless-Prepaid Cards SHIP: [Vessel Name] DATE: MAY 2, 2023	\$75.00
TOTAL	\$75.00

This payment is a voluntary donation to [Entity Name, State] for services made available to this ship.

Make checks payable to **[Entity Name]**.

If you have any questions regarding this invoice, please contact [Entity Leadership Name] at [000-000-0000] or [Entity Leadership Email Address with hyperlink]

Thank you for your donations!

Appendix C: Descriptions of Entities Receiving Vessel Fee Revenue

The full descriptions of the 16 entities receiving revenue from vessel fees are divided into two groups based on payment rates. They are then further divided according to the party that processes the fees. The information for these descriptions was gathered from publicly available sources as well as interviews with and records provided by entity leadership.⁶

Descriptions of 10 entities with payment rates of greater than 50%

Fees Processed by Port Authority (Entities A–C)

Of the 10 entities reporting a payment rate greater than 50%, in 3 cases the fee is processed by the port authority. In all 3 cases, the fee is assessed on all vessels that call on the port, and in every case the fee is referenced in the port authority's tariff.

- Entity A reports a payment rate of 50% to 60% of the \$100 invoices. The port authority sends invoices for all vessels calling within the port district and for vessels outside that Port District for which Entity A provides service. The entity's leadership attributes the payment rate to the role of the Port Director, who values the entity's work, does not consider the fee voluntary, and processes and enforces the collection of this fee as it does for all other fees listed in the tariff.
- Entity B reports a payment rate greater than 80% of the \$80 invoices. The leadership attributes the payment rate to the long and close relationship among key individuals within the entity and the port that has developed over decades of personal and professional interaction. For Entity B, vessel fees generated 34% of its total revenue in 2022 and 37% of its total revenue in 2023. A redacted copy of the invoice used by Entity B is found in Appendix B.
- Entity C reports that "most" of the \$85 invoices assessed on all vessels calling on the port are paid. For Entity C, vessel fees generated 35% of its total revenue in 2022 and 27% of its total revenue in 2023.

Fees Processed by Entity (Entities D–I)

Of the 10 entities reporting a payment rate greater than 50%, 6 entities process the fee themselves. In all 6 cases, the fee is assessed on a limited number of vessels, and in none of these cases is the fee referenced in the port's tariff.

- 3 entities send invoices only for vessels for which they have provided some service.
 - The leadership of Entity D indicates that the payment rate of the \$125 invoices is a result of good relationships with the ship agents (some of whom are on the entity's board). The payment rate is also a result of Entity D's decision to send invoices only

⁶ "Leadership" refers to leaders from the entities authorized to provide information. In all cases, an Executive Director or Director supplied information for this report.

to companies that have a good record of payment. For Entity D, vessel fees generated 8.5% of its total revenue in 2022 and 11.6% of its total revenue in 2023. A redacted copy of Entity D's invoice is found in Appendix B.

- Entity E began sending \$75 invoices at the recommendation of a ship agent as a means to collect money from shipowners for the entity's services. Entity E has not established criteria for determining what constitutes service that ought to be invoiced. The ambiguity created by this lack of criteria and the fact that those serving the ships do not consistently submit their service means that not all service is invoiced. For Entity E, vessel fees accounted for 10% of its total revenue in 2023. A redacted copy of Entity E's invoice is found in Appendix B.
- Entity F reports a payment rate of 90% of the \$150 invoices that request a voluntary donation from vessels that it serves. Entity F is able to provide service to (and therefore invoice) all vessels calling on the terminal in which it is located. It invoices only vessels at neighboring terminals for which it provides service.
- 3 entities have agreements with single shipowners to receive fees for that company's vessels calling in the entity's area, regardless of whether the entity provides services for those vessels. All 3 report a 100% payment rate.
 - Entity G invoices Company G \$30 for each of its vessels calling on the port. The entity leadership would prefer to receive an annual donation from Company G based on the traffic for the year; however, the current arrangement predates the current leadership and is the preference of the shipowner.
 - Company H has agreed to pay Entity H \$200 for each of its vessels calling on the port. Entity H does not invoice Company H; the company proactively sends payment to the entity for its vessels. For Entity H, vessel fees accounted for 16% of its total revenue in 2022.
 - Entity I invoices Company I \$100 for each of its vessels calling at a specific private terminal. Entity I began invoicing at the recommendation of a ship agent. The ship agent supplied Entity I with a sample invoice, and the entity's attorney added language specifying that payment was voluntary. Vessel fees accounted for 66% of Entity I's non-personnel expenses in 2022 and for 57% of Entity I's non-personnel expenses in 2023.

Fees Processed by Port Authority and Entity (Entity J)

Entity J reports a payment rate of 70% and is the only case in which both the port authority and the entity process fees—the port authority for vessels within its jurisdiction; Entity J for vessels calling on private terminals outside the port authority's jurisdiction. In all cases, a \$125 invoice is sent for each vessel for which Entity J has provided van transportation to the vessel's seafarers. The fee is referenced in the port authority's tariff. The leadership indicates that the high payment rate is a result of several factors. First, the entity has an effective internal process created as a result of knowledge gained from an employee who was a retired ship agent. Second, Entity J is

willing to pursue legal action in small claims court to collect payment for services rendered. For Entity J, vessel fees accounted for 12% of its total revenue in 2022 and 17% of its total revenue in 2023. A redacted copy of Entity J's invoice is found in Appendix B.

Description of 6 entities with payment rates of 50% or less

Fees Processed by Port Authority (Entity K)

Of the 6 entities reporting a payment rate at or below 50%, in only 1 case is the fee processed by the port authority, which invoices all ships \$98 visiting the port for the availability of services that are available through Entity K. This fee is not referenced in the port's tariff. Entity K's leadership reports a payment rate close to 30% and attributes the low rate to the fact that certain shipowners with a great deal of traffic into the port do not pay. For Entity K, vessel fees accounted for 21% of total revenue in 2022 and 19% of total revenue in 2023.

Fees Processed by Entity (Entity L–P)

Of the 6 entities reporting a payment rate of 50% or less, in 5 cases the entity itself processes the fee. In 3 cases, the entity invoices all vessels. In 2 cases, the entity invoices vessels that have been visited.

- Entity L reports payment of 50% of the \$75 invoices sent to all vessels calling on the port. The invoice lists the services available through Entity L and specifies that the payment is a “voluntary donation . . . for services made available to this ship.” This fee is not listed in the port's tariff. According to the entity's leadership, 20 of the 45 shipowners simply will not pay the invoice. For Entity L, vessel fees generated 14% of total revenue in 2022 and 15% of total revenue in 2023. A redacted copy of Entity L's invoice is found in Appendix B.
- Entity M reports payment of 40% to 50% of the \$200 invoices it sends to all vessels calling on the port. This fee is not listed in the port's tariff. Entity M's leadership attributes this rate to the fact that most container shipowners do not pay. Container ships accounted for approximately 37% of all vessel traffic in 2022 and 41% in 2023. For Entity M, vessel fees accounted for 16% of its total revenue in 2022 and 22% of its total revenue in 2023. A redacted copy of Entity M's invoice is found in Appendix B.
- Entity N reports payment of less than 50% of the \$125 invoices it sends to all vessels visiting the port. The leadership reports that the biggest denial is a result of shipowners not willing to pay.
- Entity O reports payment of 30% of the \$100 invoices that it sends to the ships that its personnel have visited.
- Entity P reports payment of less than 15% of the \$150 invoices it sends to the ships that its personnel have visited. Vessel fees accounted for .08% of Entity P's expenses in 2024. The leadership reports that invoices that are rejected for payment have one of two messages: “Our customers do not accept these charges” and “Refuse payment because the principal/customer will not pay non-compulsory invoices.”

About the Author:



Dr. Christopher A. Graham serves as the Assistant Director of the North American Maritime Ministry Association (NAMMA). Dr. Graham completed his undergraduate studies at the United States Merchant Marine Academy in Kings Point, New York. He earned a Th.M. and a Ph.D. in Theological Studies from Dallas Theological Seminary. Dr. Graham welcomes inquiries about this report or other matters related to seafarer welfare and can be reached at christopher.graham@namma.org.



The North American Maritime Ministry Association (NAMMA) is an ecumenical, Christian association of individuals and affiliated organizations involved in maritime ministry throughout the United States, Canada, Mexico, and the Caribbean. Established in 1932, NAMMA provides networking, professional development and advocacy for its members. NAMMA also serves as the North American region of the International Christian Maritime Association (ICMA). This report, as well as other resources related to seafarer welfare, can be found in the Resources section of the NAMMA website at namma.org.



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