

Bill aims to strip foreign shipowners' liability protections

[John Gallagher](#)

Wednesday, August 14, 2024



Dali at Baltimore's Seagirt terminal on May 20, 2024, after it was refloated. (Photo: Thomas Deaton/U.S. Army Corps of Engineers)

WASHINGTON — New legislation in the U.S. House would prevent the owners of the Singapore-flagged container ship that crashed into Baltimore's Francis Scott Key Bridge from evading liability costs related to the accident.

The Justice for Victims of Foreign Vessel Accidents Act, introduced Tuesday by Rep. John Garamendi, D-Calif., and Hank Johnson, D-Ga., seeks to increase maritime liability limits for foreign shipowners to up to 10 times the dollar value of the vessel and its cargo, versus the current limit of the dollar value of the vessel and its cargo, minus salvage costs.

The legislation is aimed squarely at Grace Ocean Private Ltd. and Synergy Marine Group, the owner and crew manager, respectively, of the Singapore-flagged container ship Dali. If signed into law, the owner would be required to pay up to \$854 million in damages. U.S.-flagged vessels would not be subject to the higher liability limit.

"Our bill would apply the higher liability level for damages by foreign-flagged vessels to March 25, 2024, the night before the Francis Scott Key Bridge's collapse," said Garamendi in introducing the bill.

On the morning of March 26, the Dali lost power shortly after leaving its berth at the Port of Baltimore, causing it to ram and collapse the bridge, killing six bridge construction workers.

Less than a week after the accident, Grace Ocean Private Ltd. and Synergy Marine Group filed [a petition](#) in Maryland federal court attempting to limit their liability to \$43.7 million by invoking the Limitation of Liability Act of 1851.

Originally created to prevent American shipowners from going bankrupt after large losses, the law was used by the makers of the Titanic to limit their losses, [according to the U.K.-based newspaper The Independent](#).

The law is meant to limit personal injury and cargo losses if unseaworthy conditions of the vessel caused the losses without the knowledge of the owner.

But the ship's owner and manager "saw fit to put a clearly unseaworthy vessel into the water," the city of Baltimore argues in a lawsuit filed in the case. "Petitioners' actions were grossly and potentially criminally negligent. In no way should their liability be limited."

A [preliminary NTSB report](#) has documented events leading up to the accident but the agency has yet to determine a probable cause.

The cost to replace the bridge has been estimated at \$1.7 billion. The Biden administration is pushing for [100% of the replacement cost paid upfront](#) through federal funds, which will require legislation approved by Congress.

"If the foreign owners of the cargo vessel that took down the Francis Scott Key Bridge in Baltimore think they can leave American taxpayers holding the bag, I have a message for them: you broke it, you bought it," Garamendi stated in a press release.

"Access to America's ports and our consumers is a privilege, not a right. If the foreign owners of the [Dali] want to keep that privilege, they can break out their checkbooks, call their insurance company, and pay their fair share of the bridge replacement costs and compensation to the families of the six workers who died tragically that day.

"In the meantime, I support the Maryland Delegation and President Biden's ongoing work to rebuild the bridge with federal funding as quickly and safely as possible."