The Honorable Chuck Schumer Majority Leader United States Senate Washington, DC 20510

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515 The Honorable Mitch McConnell Republican Leader United States Senate Washington, DC 20510

The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, DC 20515

RE: Support Final Passage of the Ocean Shipping Reform Act

Dear Majority Leader Schumer, Republican Leader McConnell, Speaker Pelosi, and Republican Leader McCarthy,

On behalf of the undersigned trade associations representing U.S. importers, exporters, transportation providers and other supply chain stakeholders, we are writing to urge final passage of the Ocean Shipping Reform Act (S. 3580/H.R. 4996). The bills have passed previously with overwhelming bipartisan support. It is now time to finish the job to get a final bill to the President's desk to sign.

As U.S. companies continue to face ongoing supply chain disruptions and congestion in addition to rising inflation, it is critical for Congress to address these issues. Final passage of OSRA will help address the longstanding, systemic supply chain and port disruption issues that existed prior to the pandemic as the industry has changed significantly since the last time the Shipping Act was amended over 20 years ago.

Currently, shipping alliances maintain large percentages of market share and operate with the protection of antitrust immunity. Members of these alliances fail to provide timely vessel bookings and equipment and they assess extremely high rates and increasing demurrage charges when bookings are secured. They also refuse to negotiate commercial terms and solutions with their customers. Importers and exporters continue to face unreasonable business practices which OSRA seeks to address. Key to this is strengthening the role of the Federal Maritime Commission (FMC) to address unreasonable demurrage and other charges, which have caused skyrocketed prices through the pandemic and have raised costs for everyone.

The agency recently published its <u>Final Report for Fact Finding 29</u>, "The Effects of COVID-19 on the U.S. International Ocean Transportation Supply Chain", with a number of recommendations to address the ongoing challenges. Final passage and presidential signature of OSRA will provide the FMC the additional authorities it needs to accomplish this.

Promptly reaching a final passed, and enacted OSRA bill will address current market conditions, made worse due to the pandemic, by helping to ensure U.S. competitiveness and

reduce inflation, and lead to continued economic recovery. We look forward to collaborating with you on final passage.

Sincerely

Distilled Spirits Council of the United States

Foreign Trade Association

Accessories Council Fragrance Creators Association Agricultural Retailers Association Glass Packaging Institute Agriculture Transportation Coalition – AgTC Global Cold Chain Alliance Air-Conditioning, Heating, and Refrigeration Green Coffee Association Institute **Greeting Card Association** Alliance for Automotive Innovation Halloween & Costume Association (HCA) American Apparel & Footwear Association Harbor Trucking Association American Association of Exporters and Hardwood Federation Health Industry Distributors Association **Importers** Home Fashion Products Association American Automotive Policy Council (AAPC) American Chemistry Council Information Technology Industry Council (ITI) American Coatings Association Institute of Scrap Recycling Industries, Inc. American Composites Manufacturers Intermodal Motor Carriers Conference Association International Association of Movers (IAM) American Down and Feather Council International Bottled Water Association American Forest & Paper Association International Foodservice Distributors Association American Foundry Society International Housewares Association American Home Furnishings Alliance International Warehouse Logistics Association (IWLA) American Lighting Association ISSA - The Worldwide Cleaning Industry Association American Pyrotechnics Association Juvenile Products Manufacturers Association ~ JPMA American Trucking Associations Leather and Hide Council of America Association of Bi-State Motor Carriers Meat Import Council of America Association of Equipment Manufacturers Motor & Equipment Manufacturers Association Motorcycle Industry Council (AEM) New Jersey Motor Truck Association Association of Food Industries Association of Home Appliance Manufacturers National Association of Chemical Distributors National Association of Home Builders (AHAM) **Auto Care Association** National Association of Printing Ink Manufacturers Autos Drive America National Association of Manufacturers National Association of Music Merchants Can Manufacturers Institute CAWA – Representing the Automotive Parts National Confectioners Association Industry National Council of Farmer Cooperatives Color Pigments Manufacturers Association National Electrical Manufacturers Association (NEMA) Consumer Brands Association National Fisheries Institute Consumer Technology Association National Industrial Transportation League Council of Fashion Designers of America National Marine Manufacturers Association (CFDA) National Milk Producers Federation **CTIA** National Pork Producers Council

National Restaurant Association

National Retail Federation

National Sporting Goods Association (NSGA) North American Association of Food Equipment Manufacturers (NAFEM)

North American Home Furnishings Association

North American Meat Institute Outdoor Industry Association Personal Care Products Council Pet Advocacy Network

Plumbing Manufacturers International

Power Tool Institute

Promotional Products Association International (PPAI)

Recreational Off-Highway Vehicle Association (ROHVA)

Retail Industry Leaders Association (RILA)
Snowsports Industries America
Society of Chemical Manufacturers & Affiliates
(SOCMA)

Specialty Equipment Market Association (SEMA) Specialty Vehicle Institute of America (SVIA) Sports & Fitness Industry Association (SFIA)

Toy Association

Travel Goods Association (TGA)

U.S. Dairy Export Council

U.S. Fashion Industry Association (USFIA)

Vinyl Institute

CC: Chairman Maria Cantwell, Senate Committee on Commerce, Science and Transportation Ranking Member Roger Wicker, Senate Committee on Commerce, Science and Transportation Chairman Peter DeFazio, House Committee on Transportation and Infrastructure Ranking Member Sam Graves, House Committee on Transportation and Infrastructure