

February 25, 2022

The Honorable Amy Klobuchar
United States Senate
425 Dirksen Senate Office Building
Washington, DC 20510

The Honorable John Thune
United States Senate
511 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Klobuchar and Thune,

On behalf of the undersigned companies and trade associations representing U.S. importers, exporters, transportation providers and other supply chain stakeholders, we are writing to express our strong support for the Ocean Shipping Reform Act of 2022 (OSRA22) (S. 3580) which you have introduced. We believe the reforms included in OSRA22 will help address longstanding, systemic supply chain and port disruption issues which have been further exacerbated by the COVID-19 pandemic. The bill enjoys strong bipartisan support. We encourage the Senate to act quickly to pass the bill and reconcile the differences with the House version.

Many experts agree that the supply chain disruptions that the nation's exporters and importers have been facing will continue throughout 2022. This continues to have a significant effect on inflation and the ongoing economic recovery. While the supply chain has been stretched from end-to-end with disruptions at every stage, there are systemic issues that need to be addressed in the maritime cargo environment. OSRA22 as introduced will address several of these issues.

One of the biggest issues facing cargo owners and other supply chain stakeholders has been the issue of detention and demurrage. The ongoing port congestion has led to a significant increase in these fees for cargo owners and truckers, many times due to issues beyond their control. We certainly welcomed the Interpretive Rule on Detention and Demurrage as published by the Federal Maritime Commission, but we need more than just "guidance" that is not being followed by ocean carriers or marine terminals. This has led to hundreds of millions of dollars in unfair penalties against US shippers and their transportation partners throughout the pandemic. The legislation seeks to formalize this rule and truly define the parameters for these charges.

The legislation also seeks to update key provisions of the Shipping Act, which hasn't been updated in over two decades. The maritime transportation system has changed significantly during those decades. While some changes have been a positive for the industry overall, we need to ensure the regulations remain applicable to today's market reality. With the creation of the carrier alliances, contraction of the number of carriers in the market, changes to chassis management and others, we believe the time is right for these important reforms. It is especially important for Congress to strengthen the role of the FMC to regulate perceived unfair business practices.

We thank you for your strong leadership on this issue to ensure that the ongoing supply chain disruption and port congestion issues are addressed. We applaud the bipartisan support of the bill and encourage Senators to sign on as original co-sponsors and support the bill when it comes to the Senate floor. Passage of OSRA22 will help ensure U.S. competitiveness and

continued economic recovery. We look forward to working with you to ensure passage of this important legislation.

Sincerely

1. Accessories Council
2. Agricultural and Food Transporters Conference
3. Agricultural Retailers Association
4. Agriculture Transportation Coalition – AgTC
5. Air-Conditioning, Heating, and Refrigeration Institute
6. American Apparel & Footwear Association (AAFA)
7. Alliance for Automotive Innovation
8. American Association of Exporters and Importers
9. American Automotive Policy Council (AAPC)
10. American Bakers Association
11. American Bridal and Prom Industry Association (ABPIA)
12. American Down and Feather Council
13. American Forest & Paper Association
14. American Home Furnishings Alliance
15. American Lighting Association
16. American Pyrotechnics Association
17. American Seed Trade Association
18. American Spice Trade Association
19. American Trucking Associations
20. Association of Bi-State Motor Carriers
21. Association of Food Industries
22. Association of Home Appliance Manufacturers (AHAM)
23. Auto Care Association
24. Autos Drive America
25. Can Manufacturers Institute
26. CAWA – Representing the Automotive Parts Industry
27. Color Pigments Manufacturers Association
28. Consumer Technology Association
29. Council of Fashion Designers of America (CFDA)
30. Distilled Spirits Council of the United States
31. Experiential Designers and Producers Association (EDPA)
32. Footwear Distributors & Retailers of America (FDRA)
33. Foreign Trade Association
34. Fragrance Creators Association
35. Global Cold Chain Alliance
36. Green Coffee Association
37. Greeting Card Association
38. Harbor Trucking Association
39. Hardwood Federation
40. Home Fashion Products Association
41. Institute of Scrap Recycling Industries, Inc.
42. Intermodal Motor Carriers Conference
43. International Association of Movers (IAM)

44. International Bottled Water Association
45. International Casual Furnishings Association
46. International Housewares Association
47. International Warehouse Logistics Association
48. ISSA – The Worldwide Cleaning Industry Association
49. Juvenile Products Manufacturers Association ~ JPMA
50. Leather and Hide Council of America
51. Los Angeles Area Chamber of Commerce
52. Meat Import Council of America
53. Motor & Equipment Manufacturers Association (MEMA)
54. Motorcycle Industry Council (MIC)
55. National Association of Chemical Distributors (NACD)
56. National Association of Home Builders
57. National Association of Manufacturers
58. National Association of Music Merchants
59. National Fisheries Institute
60. National Industrial Transportation League (NITLeague)
61. National Marine Manufacturers Association
62. National Milk Producers Federation
63. National Pork Producers Council
64. National Restaurant Association
65. National Retail Federation
66. National Ski & Snowboard Retailers Association (NSSRA)
67. National Sporting Goods Association (NSGA)
68. New Jersey Motor Truck Association
69. North American Association of Food Equipment Manufacturers (NAFEM)
70. North American Home Furnishings Association
71. North American Meat Institute
72. Outdoor Industry Association
73. Pet Industry Joint Advisory Council
74. Plumbing Manufacturers International
75. Promotional Products Association International (PPAI)
76. Recreational Off-Highway Vehicle Association (ROHVA)
77. Retail Industry Leaders Association
78. Snowsports Industries America
79. Society of Chemical Manufacturers & Affiliates (SOCMA)
80. Specialty Equipment Market Association
81. Specialty Vehicle Institute of America (SVIA)
82. Sports & Fitness Industry Association (SFIA)
83. Tea Association of the U.S.A., Inc.
84. The Airforwarders Association
85. The Fashion, Jewelry and Accessories Trade Association (FJATA)
86. Travel Goods Association (TGA)
87. US-China Business Council
88. U.S. Dairy Export Council
89. Vinyl Institute

CC: Members of the Senate