



TIA ON THE HILL

The Latest News and Updates from TIA's Government Affairs Department



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Marty Walsh Nomination Advances Senate HELP Committee

The Senate Committee on Health, Education, Labor and Pensions (HELP), voted 18-14 to advance President Biden's nomination Boston Mayor Marty Walsh as the Secretary of Labor to the full Senate for a confirmation vote. TIA and several other business organizations are monitoring multiple rule-makings and regulatory items coming out from the Department of Labor. These issues would range from how to determine an independent contractor, wage and hour provisions, reopening procedures and workplace safety.

TIA will work with the Department of Labor and Secretary Walsh and his team to implement regulatory provisions that are balanced and have a positive impact on workers without hampering the business.

Prior to being named the nominee for the Secretary of Labor served as the 54th Mayor of Boston, Massachusetts, and was a member of the Massachusetts House of Representatives serving from 1997-2014.

What Is the Budget Reconciliation Process?



The buzz word on Capitol Hill right now is Budget Reconciliation. What does this mean and how does it work? Democrats are using this reconciliation process in their efforts to pass parts of President Biden's proposed COVID-19 relief bill.

As a product of the 1974 Congressional Budget Act, the process of reconciliation is relatively new compared to other elements of American democracy. The most recent example of the reconciliation process being used was the 2017 Tax Cuts and Jobs Act (TCJA).

The first step in the reconciliation process is the passage of a budget. It is not necessary to use this process to pass a budget, but for some circumstances it could be an advantageous process. The process includes reconciliation instructions to Congressional Committees. These instructions will direct the Committees named to develop legislation that meets certain budgetary procedures. It does not spell out how the Committee is expected to meet these targets, but structured with the understanding as to the end goal of the bill.

The primary advantage of the reconciliation process is that once the bills are passed, they are considered the same manner as other legislation - with the one caveat: that it requires a simple majority in the Senate and not subject to the filibuster and 60-vote threshold.

There are a few limitations to the reconciliation process, including: the provisions must directly impact federal spending, revenues or the debt limit. This is known as the "Byrd Rule." If a provision has only an indirect impact, any Senator can raise a parliamentary point of order to have the provision removed. Additionally, under the Byrd Rule, the process cannot increase the deficit outside the budget window (typically ten years). This means that the reconciliation bill must include sufficient revenue raisers to offset any cuts over the long-term. Finally, the reconciliation process is tied to the underlying budget and must be passed within the fiscal year.

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Winner to Be Announced May 17

TIA Meets with FMCSA on Priorities

On Friday, February 12, 2021, TIA's Government team met with the new Acting Administrator Meera Joshi and several other key officials under the Biden Administration. Several key topics of interest were discussed including the "Rate Transparency" issue and the pending petitions for rule-making filed by TIA, OOIDA and SBTC. Additionally, there was a long discussion on the Obama-era Safety Fitness Determination (SFD) rule-making that TIA would like the Agency to resurrect, which would drastically improve the safety rating process and eliminate confusion in the motor carrier selection process.

Acting Administrator Joshi was eager to learn more about the 3PL industry, the important role our members play and our top regulatory priorities. We look forward to working with the entire team at the FMCSA.



C-TPAT Discussion Continues

Last week, we met with the C-TPAT Director Manuel Garza and two other key Agency officials at the U.S. Customs and Border Protection (CBP) on why the Agency continues to not allow non-asset based DOT licensed 3PLs in the Customs Trade Partnership Against Terrorism (C-TPAT) program. It was a very productive meeting and hopefully paves the way for our members to eventually become part of the program.

By way of background, in 2006 Congress passed the SAFE Ports Act, which created the C-TPAT program that works with the trade community to protect the supply-chain, identify security gaps, and implement security measures and best practices. Unfortunately, CBP interpreted the SAFE Ports Act in such a way that, non-asset based logistics companies are not permitted to formally participate in the program. However, CBP does allow Customs Brokers, NVOCCs and Indirect Air carriers in the program. TIA has been working on this issue for over 10 years to address this competitive disadvantage to our members.

The conversation last week was fruitful in the fact that the current leadership of the C-TPAT program does not have a bias against DOT licensed brokers, but rather a lack of resources to get them involved in the program. Additionally, CBP has asked TIA to look at the minimum security requirements of the C-TPAT program and tailor those to our member's business profile. TIA will undertake this task through our International Logistics Conference Committee, continue to work with Congress on helping CBP with more resources, and fight for, at a minimum, the development of a pilot program to demonstrate the value you all bring to the supply-chain.

