

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



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CARB Collects \$15.8 million in fine in 2021

The California Air Resources Board or CARB published a list of violations and settlements for a variety of CARB regulations that have been levied against an assortment of different entities, including shippers, trucking companies, etc. In 2021, CARB collected over \$15.8 million in violations that were settled in lieu of litigation. These monies are deposited in CARB's Air Pollution Control Fund, which provides funding for projects and research to improve California's air quality.

For over 10 years, TIA has been tracking and advocating on behalf of our members before CARB and trying to mitigate the risks and penalties that could be levied against our members. There are three specific regulations that have a direct broker component that TIA members should be aware of. These include Truck and Bus Rule, the Transportation Refrigerated Unti Airborne Toxic Control Measure (TRU ATCM) and the Green House Gas Tractor Trailer rule.

These regulations are harmful to not only California based companies, but anyone that is arranging transportation in the State. To date, the fines levied against freight brokers has been a select few, because in large part to a lack of enforcement resource from CARB. CARB is notorious for sending out questionnaires to companies to try and find a violation. **TIA recommends not completing these forms unless required.**

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In 2022, CARB has a usual busy regulatory schedule planned to include developing a new rule that will require freight brokers to utilize complaint trucking companies, as the State looks to be zero emissions by 2035.

If you have any questions, please contact advocacy@tianet.org.

Senate Introduces Companion Legislation to Ocean Shipping Reform Act

Senator Klobuchar (D-MN) and Senator Thune (R-SD) have introduced a bipartisan Senate version of the House Ocean Shipping Reform Act which has passed the House chamber and sits in the Senate for a possible vote. The Senators have now introduced their version of the bill, S.3580, which if passed would require a Conference Committee comprised of Members of the House and Senate to reconcile the differences of the two bills.

The legislation is like the House version, in which it has the same anti-retaliatory language, a call for rulemaking regarding unreasonable demurrage and detention. These are the two main reasons TIA does support the House version of the legislation. Additionally, the measures take a broader look at the practices of returning empty. A trend that has been exposed of bringing full loads of freight from Asia to the United States but leaving exporters high and dry but not taking U.S. product back to Asia.

The Senate legislation does not address the National Shippers Advisory Committee which advises the Federal Maritime Commission to report on important matters. The House version would make the committee more well-rounded with the inclusion of customers brokers and freight forwarders.

TIA will continue to track both versions of the Ocean Shipping Reform Act and advocate on behalf of our members.



Federal Gas Tax Pause Coming?

There is a partisan piece of legislation that has been introduced in the U.S. Senate that would suspend the federal gas for the rest of 2022. Senators Hassan (D-NH) and Kelly (D-AZ) have introduced the legislation, they state in large part because of concerns from Americans on inflation, the federal energy situation, and rising prices at the pump. The problem with this plan is the gas tax generates a large sum of money for the federal highway trust fund that pays for highway, tunnels, bridges, and infrastructure projects throughout the U.S.

The new bipartisan infrastructure package that Congress approved last year relies on \$43 billion in gas tax revenues for this year alone, and losing that money could hamstring one of the Biden administration's signature achievements so far. Based on Congressional Budget Office estimates, the feds could forfeit more than \$20 billion in tax receipts, assuming a holiday of about 10 months.

House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-4th/OR) who is retiring at the end of the year, stated that this would, "blow a \$26 billion hole in the Highway Trust Fund."

Republicans are not supporting this measure and will likely not, as they are using increasing prices and inflation as a major talking point as we approach the 2022 mid-term elections. It is worth noting that Senators Hassan and Kelly are both up for reelection in 2022 as well.

TIA Airfreight & International Logistics Committee Focus on Detention & Demmurage

TIA will be having our quarterly meeting at the beginning of March focusing on Airfreight and International issues, specifically Demurrage and Detention billing issues. One of the side effects of the pandemic was the revealing of problems facing the industry. Of the many issues facing our members and stakeholders in the supply chain, demurrage and detention has risen to the top as a priotrity issue for the Association. The Federal Maritime Commission has asked industry stakeholders to answer a series of questions regarding this issue.

We are asking all members of TIA who are involved in the international and shipping space to join us for the call on March 10th at 2:30 PM EST. This will not only give you a chance to weigh in on some very important industry questions and answer questions from the Federal Government but join in the process of getting involved with the Association. We would love to hear from you!

If you have questions about TIA committees or specifically the Airfreight and International call focusing on demurrage and detention, please reach out and let us know.