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TIA ON THE HILL

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



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President Biden Delivers State of the Union

On March 1, 2022, President Joe Biden delivered his State of the Union address and infrastructure was a talking point throughout the speech and a major emphasis on committing to start repairs on roads and bridges. The President mentioned the word "infrastructure" five times throughout the speech, including the line, "We're done talking about infrastructure weeks, we're going to have infrastructure for decades." President Biden also announced that this year we would begin repairs over 65,000 miles of highways and 1,500 bridges in much needed repair.

The President also touched on the supply chain and retaliatory practices by ocean carriers who, "During the pandemic, these foreign-owned companies raised prices by as much as 1,000% and made record profits. Tonight, I'm announcing a crackdown on these companies overcharging American businesses and consumers.

Not everything the President said was well received by TIA Members, especially when the President stated, "Let's pass the PRO Act when a majority of workers want to form a union-they shouldn't be stopped." The problem here as we know, is the PRO Act would essentially eliminate independent contractors and hinder our members' businesses who rely heavily on them.

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C-TPAT Pilot Program Bill Clears House Committee

The Transportation Intermediaries Association (TIA), the voice of the third-party logistics (3PL) industry, released the following statement following the House Homeland Security Committee's bipartisan approval of H.R. 6826, the "C-TPAT Pilot Program Act of 2022." TIA fully supports this legislation and applauds the Committee for its passage.

On behalf of the TIA and our almost 2,000 member companies, we are excited to have movement on a piece of legislation that is crucial to our membership base. This policy is common sense, long overdue, and should be quickly put on President Biden's desk for signature.

"In the aftermath of 9/11, the Federal government, specifically the U.S. Customs and Border Protection (CBP) rightfully moved to harden our supply chain," said TIA President & CEO Anne Reinke. "Unfortunately, during the implementation, TIA's core membership was wrongly excluded from this program; H.R. 6826 will finally allow some of our members to be included."

The problem is that non-asset-based 3PLs have been dealing with a competitive disadvantage for almost 20 years because of a willful decision by the Federal government excluding DOT-licensed property brokers. The legislation, which now has passed committee and is before the entire House of Representatives, creates a pilot program for 10 DOT-licensed property brokers and 10 warehouse entities to be C-TPAT certified to add value to the larger program.

TIA Vice President of Government Affairs Chris Burroughs further noted, "TIA is grateful for Representatives Slotkin, Miller-Meeks, Luria, and Womack for their leadership to address the issue that CBP created and start to change the status quo which has hurt 3PLs in their respective states." TIA members are ready to get off the sideline and support C-TPAT with their enrollment. This legislation will increase jobs, increase business, and improve national security. H.R. 6826 is the companion bill to S. 2322, which passed unanimously in the Senate Committee on Homeland Security and Governmental Affairs and awaits a vote on the Senate floor.



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Senate Commerce Committee Holds Hearing on OSRA

Last week, the Senate Commerce Committee held a legislative hearing on the Senate version of the Ocean Shipping Reform Act or OSRA. The legislation is sponsored by Senators Klobuchar (D-MN) and Thune (R-SD). The COVID-19 pandemic has created an unprecedented volume of imports as consumers shifted their spending from services to goods. Ports, while operating at record volumes, could not offload ships fast enough to prevent queues offshore. Truck and warehouse capacity have been strained due to congestion. As goods became stalled in the supply chain, importers incurred increasing charges for the use of containers while exporters struggled to find containers available. These events have brought renewed attention to the Federal Maritime Commission's (FMC) authorizing statute. The hearing examined opportunities to update the Federal Maritime Commission's authority to increase oversight of international ocean carriers.

The legislation provides the Federal Maritime Commission (FMC) with greater authority to regulate harmful and discriminatory practices by international shipping companies; require carriers to certify that the fees they charge for delays are in compliance with federal regulations or face penalties; increase transparency on how many empty containers carriers are transporting; and prohibit ocean carriers from unreasonably declining U.S. exports that have been stranded at the docks.

The witnesses for the hearing included FMC Chairman Daniel Maffei and Commissioner Rebecca Dye. TIA supports the House and Senate versions of the Ocean Shipping Reform Act, and looks forward to its passage in the 117th Congress.

TIA Staff Attends TPM 22

Last week TIA had a presence at the Journal of Commerce's trade show, the Trans-Pacific Maritime Conference (TPM22), an in-person conference focused on international shipping held in Long Beach California. TIA Government Affairs Manager represented the organization at the conference which was well attended and very well executed. The conference welcomed hundreds of companies, individuals, and representatives from all aspects of the supply chain. The Chairman of the Federal Maritime Commission (FMC) was present and presented a key note address to the group, where he answered questions and garnered industry feedback on a variety of issues including detention and demurrage and retaliatory practices by foreign ocean carriers.

The final day yielded a tour of the Port of Long Beach, the port authority was a great host to a couple of hundred individuals who signed up for the tour. The host was quick to point out that while the ports are often lumped together as a single organization, they are indeed two different ports that are in constant communication and act as competing partners. The port tour got us a hands on view to some of the cargo ships that circulate the globe moving the freight and part of the backup during this supply chain disruption. The guide pointed noted all the automation that was installed at the port and it was truly amazing to see.

It was an honor for TIA to represent our almost 2,000 members at this important event, as we look to increase of ocean shipping and logistics portfolio.