

US Agriculture Endorses Senate Draft Ocean Shipping Legislation

The US agriculture and forest products industry strongly endorses the 11:28 Eastern, 12/6/2021 draft bill to be entitled the Ocean Shipping Reform Act of 2021 "Senate OSRA21". We understand this will be a bill to be introduced this week, and will be the subject of a hearing on 12/7/2021 in the Committee on Commerce, Science and Transportation.

The undersigned companies and associations believe provisions of this draft bill, addressing unreasonable ocean carrier practices which are styming US export competitiveness, including detention and demurrage charges, refusal to US export cargo, are essential to allow US agriculture to remain competitive in global markets.

The transportation crisis for US agriculture and forest products has become increasingly dire each month. There is nothing we produce in agriculture and forest products in this country, that cannot be sourced in some other country. If we cannot deliver, affordably and dependably, our foreign customers will find alternatives to our exports. Our survey suggests that on average 22% of US agriculture foreign sales cannot be completed due to ocean carrier rates, declining to carry export cargo, unreasonable freight and demurrage/detention charges, and other practices.

Hearings in the House, tomorrow in the Senate, Executive Branch Roundtables, AgTC Workshops which have included hundreds of agriculture and forest products companies, and intensive media coverage, all confirm that current law and regulation are insufficient to protect the ocean shipping interests of US exporters and importers.

We strongly support provisions of the Draft Senate legislation to gain reasonable and fair ocean carrier practices consistent with the Federal Maritime Commission's excellent, but still unenforced Interpretive Rule on Demurrage and Detention. It imposes upon carriers the obligation to self-police compliance with that Rule. In addition, the bill obligates ocean carriers to carry export cargo, to the extent they can do so safely. It addresses the FMC's stated need for additional enforcement tools to address injurious ocean carrier practices.

We request the Senate Commerce Committee to advance this Draft, into an introduced bill, and then through the Senate, so that in combination with HR 4996 the House version of OSRA2021, a final bill can be sent to the President's desk as soon as possible. US agriculture is depending upon it.

Sincerely,

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