Agriculture Transportation Coalition

"The principal voice of agriculture exporters in transportation policy

January 27, 2022

The Honorable Charles Schumer, Majority Leader The Honorable Mitch McConnell, Minority Leader United States Senate Washington, DC

Re: US Agriculture Urges Senate Ocean Shipping Legislation

Dear Senators Schumer and McConnell,

The US agriculture industry is encouraged that the Senate may consider a bill being drafted by Senators Klobuchar and Thune, with input from the Committee on Commerce, Science and Transportation, to address unreasonable ocean carrier practices that are undermining U.S. export competitiveness. The bipartisan Ocean Shipping Reform Act of 2021 (H.R. 4996) recently and overwhelmingly passed the House of Representatives 364 – 60; it is essential the Senate also pass legislation to allow US agriculture to remain viable in global markets.

The transportation crisis for US agriculture products has become increasingly dire. Many agriculture products produced in the U.S. experience significant competition from other countries. If we cannot deliver our products dependably, our foreign customers will find alternatives to our exports. A survey recently conducted by the Agriculture Transportation Coalition (AgTC) found that, on average, 22% of US agriculture foreign sales could not be completed due to ocean carrier practices including: exorbitant freight rates; declined booking requests; unreasonable freight and demurrage/detention charges; and failure to communicate schedules in a timely manner. The damage to our farmers and processors is getting worse; we are losing customers in foreign markets.

Over the past year, intensive media reporting, House and Senate hearings, White House and other Executive Branch Roundtables, and AgTC Workshops, which have included hundreds of agriculture companies, have made clear that current law and regulation are insufficient to protect the ocean shipping interests of US exporters and importers.

We strongly support legislative initiatives 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. We ask that the Senate bill, like the House bill, establish an obligation for carriers to self-police compliance with that Rule. In addition, the bill should address the ocean carriers' responsibility to carry U.S. export cargo to the extent they can do so safely. We also ask that legislation provide the FMC with additional enforcement tools to address injurious ocean carrier practices.

We request that the Senate advance this legislation, so that following a conference with the House, a final bill can be sent to the President's desk as soon as possible. US agriculture is depending upon it.

Sincerely, attached list of companies and trade associations

Copy: Senator Maria Cantwell, Chair, Committee on Commerce, Science & Transportation

Senator Roger Wicker, Ranking Member

Senator Amy Klobuchar Senator John Thune United States Senate

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ADM

Agricultural Council of California

Allied Potato, Inc.

Almond Alliance of California

American Cotton Shippers Association American Farm Bureau Federation

American Feed Industry Association

American Pulse Association

American Seed Trade Association

Anderson Hay and Grain Co., Inc.

Anderson Northwest

Associated Milk Producers Inc.

Bingaman and Son Lumber, Inc.

Blue Diamond Growers Border Valley Trading

California Citrus Mutual

California Cotton Ginner & Growers Association

California Dairies, Inc. California Farm Bureau

California Fresh Fruit Association

California Table Grape Commission

Campos Brothers Farms

Capay Canyon Ranch

Colorado Corn

Corn Refiners Association Dairy Farmers of America

Delta Technology Corporation

DERCO FOODS

Diamond E Transport

Diamond Foods, LLC

Distilled Spirits Council of the United States

Double River Forwarding LLC

Eckenberg Farms Inc.

EFI Logistics Inc. El Dorado Almonds

Evans Farming

Farmers International, Inc.

Geo. S. Bush & Co.

Holland Nut Company

Horizon Nut Company

Idaho Dairymen's Association

Idaho Potato Commission

Idaho-Oregon Fruit and Vegetable Association

International Dairy Foods Association

International Fresh Produce Association

JB Global Co LLC

Johnson Farms

Johnsonville

Kraemer & Co. Mfg., Inc.

Leather and Hide Council of America

Mariani Nut Company

Meat Import Council of America

Michigan Milk Producers Association

Midwest Dairy Coalition

MJL Properties Inc.

National Association of State Departments of Agriculture

National Cotton Council

National Council of Farmer Cooperatives

National Milk Producers Federation

National Oilseed Processors Association

National Pork Producers Council

National Potato Council

North American Meat Institute

North American Renderers Association

North Dakota Grain Growers Association.

Northeast Agribusiness and Feed Alliance

Northwest Dairy Association/Darigold

Northwest Horticultural Council

Ohio AgriBusiness Association

Oregon Seed Association

Orleans International, Inc.

Pandol

Peanut and Tree Nut Processors Association

Pet Food Institute

Pohl & Holmes, Inc.

Proteus Commodities Inc.

Ray-Mont Logisticts

Rivercrest Ranches

RPAC, LLC

Sierra Valley Almonds, LLC

South East Dairy Farmers Association

Specialty Soya & Grains Alliance

Sun Pacific

Texas Grain and Feed Association

The National Fisheries Institute

The National Hay Association

The Wonderful Company

Touchstone Pistachio Company

Treehouse California Almonds, LLC

Twin Commodities Inc.

Tyson Foods, Inc.

U.S. Apple Association

U.S. Dairy Export Council

U.S. Meat Export Federation

US Pea & Lentil Trade Association

USA Dry Pea & Lentil Council

USA Rice

Vann Family Orchards

Vermeulen Farms Inc.

Washington State Potato Commission

WeFARM Organics

Western Agricultural Processors Association

Western Growers Association

Western States Trucking Association

Williams Clarke Company, Inc.

Wisconsin Agri-Business Association

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