



NAWE News

February 20, 2023

Latest with NAWE

Last week, NAWE President Robert Murray met with SSA Marine executives in Seattle to discuss how Washington, DC policies impact SSA's business operations across the country. Rob shared details of NAWE's activities to promote legislation and federal funding that benefits SSA and other MTO and stevedore industry companies. The group collectively examined ways to prevent bad policies from being enacted that would negatively impact the supply chain and slow down the movement of containers. They also discussed the impact a cargo handling equipment (CHE) tax credit would have on the industry as well as supporting the efforts to lower emissions at terminals.

Also last week, Rob Murray and the NAWE Legislative and Legal Team met with the Republican and Democratic staff of the House Transportation & Infrastructure Committee's Subcommittee on Coast Guard & Maritime Transportation. The purpose of the meetings was to discuss NAWE's 2023 priorities and other matters of interest. Among the issues discussed, the NAWE Team expressed concern with the Ocean Shipping Reform Act of 2022 Technical Corrections (OSRA 2.0) draft bill that has not been introduced and is currently being circulated among maritime industry stakeholders by Congressman John Garamendi (D-CA-8). [After reviewing the draft bill, NAWE prepared written comments requesting significant changes to the draft legislation.](#) The NAWE Team shared these comments with Congressman Garamendi's staff and with the Coast Guard & Maritime Transportation Subcommittee as well. Despite the draft's benign title, the current version of the OSRA-22 "Technical Corrections" bill, is far-reaching and seeks to apply MTO disclosure requirements included in the original House OSRA-22 bill from last Congress (H.R. 4996) that were deleted from the final version of the bill enacted into law. The draft bill also would grant the FMC authority to block agreements between MTOs that are vital to port operations. The NAWE Team is planning a series of other Capitol Hill meetings and will provide updates about them in upcoming editions of NAWE News.

NAWE Legislative Updates

On February 14, 2023, Rep. John Garamendi (D-CA) introduced H.R. 1013, [The American Port Access Privileges Act](#). This bill would require certain port authorities to provide preferential berthing to U.S.-flagged vessels and a secondary berthing preference to ocean-going commercial vessels servicing multiple ports in the United States or with significant cargo bookings of American exports. The bill has two cosponsors: Reps. Jimmy Panetta (D-CA-19) and Jim Costa (D-CA-21), and was referred to the House Committee on Transportation and Infrastructure. Congressman Garamendi introduced similar legislation last Congress late in the session but no action was taken on the measure before adjournment of the 117th Congress. The bill text is not yet available, but the NAWE Team will obtain a copy and review it when it becomes available.

On January 24, 2023, Rep. Daniel Webster (R-FL-11) introduced [H.R.490, the Federal Infrastructure Bank Act of 2023](#). The measure would establish in regions across the U.S. an infrastructure bank whose purpose would be to finance the construction of a wide variety of infrastructure projects, including approaches to marine terminal facilities or inland port facilities, and port or marine equipment such as fixed equipment to serve approaches to marine terminals or inland ports. Upon introduction, H.R. 490 was referred to the House Transportation & Infrastructure, Financial Services, and Ways and Means Committees. To date, no further action has occurred on this measure. Bill text [here](#).

NAWE Regulatory Updates

[White House Launches Infrastructure Funding Opportunity Website](#). The White House announced a new website that lists an open and upcoming funding opportunity calendar for federal grant funding for infrastructure projects available through the Bipartisan Infrastructure Law (BIL). This website includes all grant programs administered by the U.S. Department of Transportation (DOT), including programs of great interest to NAWE members such as the Port Infrastructure Development Program (PIDP), RAISE, MEGA, America's Marine Highways, and others. Click the link [here](#).

[U.S. Department of Transportation \(DOT\) Announces \\$380 Million in Grants to Modernize Ferry Services, Reduce Emissions, and Connect Rural Communities](#). On Thursday, January 26, 2023, the DOT's Federal Transit Agency (FTA) announced \$384.4 million in funding from the Bipartisan Infrastructure Law (BIL) to expand and improve ferry services. In total, FTA is awarding 23 grants across 11 U.S. States and the U.S. Virgin Islands. Grants will fund projects including replacement of old vessels, expansion of fleets, and building new terminals and docks. For the State of Alaska, the award means nearly \$286 million of investment in the Alaska Marine Highway. According to the FTA press release, nearly \$100 million of the grants will go toward low- and no-emission ferries. To view the FTA press release click this [link](#). To see the full list of grants, click [here](#).

[USCG Releases New Maritime Cybersecurity Assessment & Annex Guide](#). In January, the U.S. Coast Guard released the Maritime Cybersecurity Assessment & Annex Guide (MCAAG). This document provides guidance to facility owners and operators in the Marine Transportation System (MTS) that are regulated by the Maritime Transportation Security Act (MTSA) of 2002. MTSA regulated facilities are required to name a Facility Safety Officer (FSO), conduct a Facility Safety Assessment (FSA) to identify physical security and cybersecurity vulnerabilities, and develop a Facility Security Plan (FSP) to address those vulnerabilities. The MCAAG provides maritime industry stakeholder a recommended, yet voluntary, process for identifying and describing cybersecurity vulnerabilities in the context of an FSA. The MCAAG may be accessed at this [link](#).

[USCG Releases Update to Facility Inspector Job Aid](#). In January, the U.S. Coast Guard released the Facility Inspector Cyber Job Aid, Revision 2. This document serves as a guide to “assist USCG facility inspectors in applying cyber guidance and regulations when conducting facility inspections and reviewing cyber components of a Facility Security Assessment (FSA) and Facility Security Plan (FSP).” The guidance document “is NOT intended to be regulatory,” rather it is intended to provide updated guidance to Maritime Transportation System Act Regulated Facilities as they address cyber vulnerabilities. The Facility Inspector Job Aid may be viewed at this [link](#).

NAWE Event Updates

Reserve your hotel room at [The Capitol Hill Hotel](#) for the 2023 NAWE on the Hill in Washington, DC this May 23rd and 24th. Hotel reservations can be made by clicking [here](#).

Articles of Interest

The Wall Street Journal

[Biggest Shipping Companies Signal Global Trade Slowdown](#)

February 8, 2023

A.P. Moller-Maersk A/S, one of the world’s largest ocean freight companies, stated its earnings could plunge roughly 80% this year due to weakening demand to ship containers. During the pandemic, large importers increased demand for container shipments to move merchandise. Now that supply chain pressures have eased because of less consumer spending, container demand has decreased. Maersk said that global ocean-container demand this year could fall as much as 2.5% from 2022. Maersk also expects full-year underlying earnings of \$8 billion to \$11 billion, a sharp decline from the nearly \$37 billion total reported last year.

CNBC

[A new inflation warning for consumers coming from the supply chain](#)

February 13, 2023

Logistics professionals warn of the continued presence of inflation. Warehouses and distribution centers are experiencing higher rates, with U.S. storage prices up 1.4% month-over-month. Full warehouses and distribution centers are causing shippers to hold products in containers on chassis. Paul Brashier, vice president of drayage and intermodal for ITS Logistics, predicts that per diem charges will surge in the second and third quarters of this year.

Financial Times

[Container shipping costs plunge as consumer spending declines](#)

February 14, 2023

Due to high inflation rates, experts expect the demand for goods to stay weak for the rest of the year. This month, the cost to ship a standard 40ft steel container from eastern China to the U.S. West Coast cost \$1,444 compared to \$9,682 in March 2022, according to shipping data specialists. The number of goods shipped was down 5% from January 2022. With new vessels on order, the delivery of these ships could add to shipping capacity, lowering freight rates further.

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