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# NAWE News

March 8, 2024

## The Latest with NAWE

**NAWE Welcomes First Coast Terminals as New Member** – We are thrilled to welcome [First Coast Terminals](#) as NAWE's newest member. First Coast Terminals provides safe, reliable, and efficient stevedoring; terminal management; and cargo operations services. Operating in Jacksonville, Florida on the 49.5-acre Blount Island Marine terminal, First Coast Terminals manages a fleet of 11 container handlers and a variety of other equipment, as well as the active use of port cranes. NAWE welcomes First Coast Terminals to our organization and is looking forward to working together on advancing our industry's priorities.

**NAWE Hosts Successful West Coast Roundtable & Reception** – We are pleased to share that last week's roundtable in Long Beach, CA was a great success. This forum provided an excellent opportunity for NAWE to discuss important matters affecting our industry, including the Federal Maritime Commission's (FMC's) final rule on detention and demurrage billing practices, which was issued on February 23. During the roundtable, NAWE's counsel, Jeff Vogel, led a thorough breakdown of the FMC's final rule and discussed next steps for NAWE's MTO members to consider before it goes into effect. NAWE President Rob Murray also provided a recap of NAWE's federal advocacy efforts outlined in our 2023 annual report, and updated members on federal issues that NAWE is tackling in 2024. Other topics of discussion included the need for strengthening the maritime supply chain and the state of the industry heading into the remainder of 2024. We are grateful that so many members took the time to participate in this event, and we look forward to providing future opportunities to address topics at the forefront of our members' businesses. We would like to also extend our sincere appreciation to all who made it out to NAWE's rooftop reception and helped make it a great success!

## **NAWE President Participates in Bipartisan Congressional Roundtable on Port Cybersecurity —**

Yesterday, Congressman Carlos Gimenez (R-FL-28) who chairs the Homeland Security Committee Transportation and Maritime Security Subcommittee, hosted a bipartisan roundtable on Capitol Hill for key industry stakeholders in the maritime industry to convene and discuss the impacts of the Biden-Harris Administration's recent Executive Order as well as the subcommittee's February 29 hearing on port security. NAWE President Robert Murray was invited to participate in the discussion and provide the perspective of MTOs to members and professional staff of the committee.

The conversation covered cybersecurity concerns regarding Chinese manufactured cranes and touched on potential threats to hard infrastructure at ports. Murray made a point to share that NAWE members have extensive systems and processes in place to disarm potential threats and avoid unwanted intrusions from bad actors. He also emphasized that "rip and replace" is not a viable option until there is an established replacement product that meets the needs and expectations of MTO's, which Congressman Gimenez acknowledged and agreed. Murray also brought up the importance of Congress passing [H.R. 4993](#) which would bolster maritime cybersecurity by incentivizing private capital investment in domestic manufacturing and technologies that will in turn strengthen our maritime cybersecurity.

NAWE's team will continue working with Congress, the Administration, and the U.S. Coast Guard during the implementation of this executive order to provide expert technical assistance on the cybersecurity needs at ports and terminals.

## **NAWE Signs Letter in Support of COMP Act, Legislation to Provide Consistent Standards for Workers' Compensation –**

This week, NAWE signed a letter to House Ways and Means Committee Chair Jason Smith (R-MO-08) and Ranking Member Richard Neal (D-MA-01), as well as House Energy and Commerce Committee Chair Cathy McMorris Rodgers (R-WA-05) and Ranking Member Frank Pallone (D-NJ-06), in support of [H.R. 7368, the COMP Act](#). The letter would provide clear and consistent standards for protection of injured workers, workers' compensation plans, employers, and Medicare. There is a need for clarification of the law, under which the determination of funds to be set aside to cover items and services under workers' compensation settlements and Medicare is made.

## **Legislative Updates**

**Congress Makes Progress for Partial Government Funding as March 8 Deadline Looms –** On March 6, the House approved a "minibus" spending package comprised of six of the 12 FY 2024 appropriations bills, which would keep large parts of the federal government operating through the remainder of the fiscal year (September 30) and prevent a partial government shutdown from taking place on Friday, March 8. The House vote (339 yeas-89 nays) follows congressional approval of the fourth continuing resolution (CR) of the fiscal year which extends funding for some agencies through March 8, and others through March 22.

The Consolidated Appropriations Act of 2024, which congressional leaders unveiled last weekend, represents about a quarter of federal agency spending (totaling \$460 billion), and includes funding for programs and agencies under the Transportation-HUD (T-HUD), Energy and Water, Agriculture, and Military Construction-VA appropriations bills that are set to expire on March 8. The measure also includes funding for agencies under the Commerce-Justice-Science and Interior and Environment appropriations bills.

Of interest to NAWA, the measure provides \$106.4 billion for T-HUD (a \$15.5 million increase from FY 2023) with \$940.7 million for the Maritime Administration (MARAD)—\$450 million above FY 2023 levels—and \$120 million for the Port Infrastructure Development Program (PIDP). Additionally, the bill provides \$58.2 billion for the Energy and Water appropriations bill, including \$8.7 billion for the Army Corps of Engineers—a \$1.3 billion increase above the president's request.

The six-bill package, which did not include the controversial policy riders or cuts to non-defense spending sought by the right-wing House Freedom Caucus, marks the first real progress Congress has made toward resolving the ideological battles behind a series of shutdown threats and stopgap funding patches the U.S. has operated under since October.

However, the measure leaves unresolved ongoing disputes over funding for the Department of Defense, Homeland Security and social programs under the Department of Health and Human Services. Those programs are set to expire on March 23 and there is no agreement on their funding.

The Senate has scheduled a debate and vote on the minibuss appropriations bill for tomorrow, March 8. The Senate is expected to approve the measure and send it to President Biden to be signed into law by the end of the day just ahead of a partial federal government shutdown.

We will continue to closely monitor and report further on any significant developments on FY 2024 appropriations measures.

**In Follow-up to Biden Administration Directives, House Subcommittee Holds Hearing on Port Cybersecurity** – Last Friday, the House Homeland Security Committee's Subcommittee on Transportation and Maritime Security held a [hearing](#) titled "Port Cybersecurity: The Insidious Threat to U.S. Maritime Ports" to discuss the threats to U.S. port infrastructure. The committee held the hearing in follow-up to the Biden Administration's new directives aimed at bolstering cybersecurity at U.S. ports, and it featured several witnesses, including Rear Admiral Wayne R. Arguin Jr., Assistant Commandant for Prevention Policy, United States Coast Guard (USCG); Rear Admiral John Vann, Coast Guard Cyber Command, USCG; Rear Admiral Derek Trinquen, Director of Strategic Plan, Policy and Logistics, U.S. Transportation Command (TRANSCOM); and Christa Brzozowski, Assistant Secretary for Trade and Economic Security, Department of Homeland Security (DHS).

When asked by Chairman Carlos Gimenez (R-FL-28) whether it is possible for the Chinese

Communist Party (CCP) to install malware in the software of critical infrastructure that is sold to the U.S., Rear Admiral Vann said the USCG had found instances of vulnerabilities that were placed in the software by design but had not found any malware. In response to Ranking Member Shri Thanedar (D-MI-13) on what DHS is doing to help small- and medium-sized ports to not be left behind, Secretary Brzozowski responded that DHS is committed to helping all organizations raise their level of cybersecurity by providing training, experts, and funds to help ensure they are prepared. Additionally, Rear Admiral Arguin responded to Rep. Laurel Lee (R-FL-15) that the USCG is implementing the Biden Administration's directives regarding Chinese-manufactured cranes by contacting crane operators and owners to inform them that the order applies to them, and that both parties are beginning to close vulnerabilities in their systems. Finally, when asked how TRANSCOM plans to reduce risks to U.S. infrastructure from CCP interference, Rear Admiral Trinque responded that they had made sure that no U.S. strategic port is dependent on Chinese-manufactured goods, and that the main cranes used at those ports are not Chinese made. He continued that in the cases where some cranes are Chinese made, that they have backups that do not have any parts from China.

## Executive Branch Updates

**FMC Updates Controlled Carrier List** – On February 27, 2024, Hede (HONGKONG) International Shipping Limited was classified by the Federal Maritime Commission as a controlled carrier of the Government of the People's Republic of China and added to the agency's Controlled Carrier List. The Controlled Carrier List was further revised by removing COSCO Shipping Lines (Europe) GmbH, which has ceased serving the U.S. trades and has cancelled its tariff. Other COSCO entities remain on the list. The Controlled Carrier List is not a comprehensive list of all foreign-owned, foreign-controlled, or government linked companies and assets. It is a list of companies meeting statutory requirements found at [46 U.S.C. Chapter 407](#). Commission regulations related to Controlled Carriers are found at [46 C.F.R. 565](#). For more information, [click here](#).

**FMC Publishes Final Rule on Detention and Demurrage Billing Practices** – On February 23, the FMC issued a [Final Rule](#) establishing new requirements for how common carriers and marine terminal operators (MTOs) must bill for demurrage and detention charges, providing clarity on who can be billed, within what timeframe, and the process for disputing bills. A key provision of this rule determines that demurrage or detention invoices can only be issued to either: (1) the person for whose account the billing party provide ocean transportation or storage of cargo and who contracted with the billing party for the ocean transportation or storage of cargo; or (2) the "consignee," defined as "the ultimate recipient of the cargo; the person to whom final delivery of the cargo is to be made." Demurrage and detention bills cannot be issued to multiple parties simultaneously.

The rule also requires vessel-operating-common carriers (VOCCs) and MTOs to issue detention and demurrage invoices within 30 calendar days from when charges were last incurred. Non-vessel-operating common carriers must issue demurrage and detention invoices within 30

calendar days from the issuance date of the invoice they received. Most of the rule takes effect on May 28, 2024. The "Contents of Invoice" section 541.6 involves information collection and must be approved by the Office of Management and Budget. The Commission will announce the effective date of section 541.6 once approved. For more information, [click here](#).

### **Statement of Commissioner Carl W. Bentzel on Demurrage and Detention Billing Requirements**

**Final Rule** – On February 23, the FMC posted Commissioner Carl W. Bentzel's statement on his vote to approve the Final Rule on demurrage and detention billing requirements. On the inclusion of MTO's in the rulemaking, he states, "One of the more contentious issues faced in this rulemaking was whether to include both ocean carriers and marine terminal operators (MTOs). The decision to make the rule applicable to both common carriers and MTOs was correct. To waive MTO participation would create such a large-scale exemption, it would eviscerate the protective intent of the rule. That would not be good precedent. Further to the point, shippers and now the FMC expect common carriers and MTOs to cooperatively work together on D&D invoicing issues in practice, so to do so under the auspices of this rule is no different. In addressing an MTO's ability to properly invoice, the final rule states, 'the Commission is confident that the strong commercial relationships between the parties is enough to ensure that the proper information is shared and that the party who ultimately receives the invoice is receiving accurate information.' I am not as confident in the existence of such a strong commercial bond, but I encourage both common carriers and MTOs to quickly work toward those ends. This rule does not regulate the billing practices between MTOs and VOCCs. This may need to be looked at further. Specifically, MTO tariff schedules and practices imposing those obligations, and the ocean carriers underlying service contracts or tariff, will need to be reconciled to avoid D&D invoicing conflicts. I have additional concerns that ongoing MTO practices will also have to be adjusted where trucker/consignees are willing to be responsible for D&D invoices, and where there could be invoicing conflicts. I will be watching the development of these practices." To read the full statement, [click here](#).

**FMC Posts Notice to Passengers Regarding American Queen Voyages** - On February 22, the FMC announced that it has received notification that American Queen Voyages has shut down, cancelled all future voyages, and filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code. Consumers who have purchased travel on American Queen Voyages should visit the "[Customer Claims Portal](#)" webpage established by the company for information and instructions on how to file a refund claim. Pursuant to FMC regulations, American Queen Voyages was required to maintain a surety bond to refund passengers for nonperformance of transportation. Although the Commission is not a party to the bankruptcy and has no role in its proceedings, individuals with questions may contact the [FMC Office of Passenger Vessel Operators \(PVO\)](#).

### **Statement of FMC Commissioner Carl W. Bentzel on his IAMPE "Port Perspectives" Podcast**

**Interview** – On February 20, the FMC posted the following statement of Commissioner Carl W. Bentzel on his IAMPE "Port Perspectives" podcast interview, "I would like to thank Captain Jeff Monroe for the invitation to speak with him as the guest on his [Port Perspectives Podcast on February 12, 2024](#). The International Association of Maritime & Port Executives (IAMPE) provides

educational programs to the maritime industry. As this industry continues to grow, and a new generation considers a career in the maritime industry, it is critical to continue to foster public understanding of what the maritime industry provides to our daily lives." For more information, [click here](#).

**Commissioner Vekich to Address Transportation Go! on March 14** – On March 14, FMC Commissioner Max Vekich will participate on a panel discussion entitled "Finding Solutions from Rail to Sea" at the 2024 "Transportation Go" Conference in Toledo, OH. The conference is organized by the Specialty Soya and Grains Alliance. The full agenda and information on how to register can be found on the [Transportation Go! Website](#).

**FMC Chairman Maffei to Address New England Trade Group on April 10** – FMC Chairman Daniel Maffei will provide the Luncheon Keynote address at the Coalition of New England Companies for Trade's (CONNECT) 28th Annual Trade & Transportation Conference on April 10. The conference takes place April 9-11, and more information about the agenda and cost to attend can be found on the [CONNECT website](#).

**FMC Posts January 2024 Activity Report** – On February 29, the FMC posted its January 2024 Activity Report. Among the statements and releases included in the report are: 1) [FMC Announces Hearing on Shipping Conditions in the Red Sea](#); 2) [Maximum Penalty Fees Adjusted](#); 3) [Industry Advisory—Requiring No Cost Access to Tariff Publication Systems](#); 4) [Commission Announces New Secretary](#); and 4) [December 2023 Activity Report](#).



## Grants Corner

Welcome to Grants Corner! This section of our newsletter will feature available grant funding opportunities that are of interest to NAWE members. Please do not hesitate to reach out to any of the NAWE staff if you have questions about the specific grant programs included below.

Please remain on the lookout for upcoming grant webinars and training sessions hosted by NAWE.

**Biden Administration Posts Open and Upcoming Infrastructure Funding Opportunities** – On November 2, 2023, the Biden Administration posted an updated list of open and upcoming infrastructure funding opportunities under the Bipartisan Infrastructure Law (BIL). The document highlights funding opportunities that communities can apply for today, as well as a calendar of key upcoming funding opportunities for the remainder of 2023 and 2024. To view the full list of programs, their descriptions, and deadlines, please click [here](#).

**FY 2024 Open Grant Opportunities** – The U.S. Department of Transportation (DOT) has announced

that they are now accepting FY 2024 applications for the following programs:

1. **EPA's Clean Ports Program** – The Clean Ports Program funds zero-emission port equipment and infrastructure, as well as climate and air quality planning at U.S. ports. The program includes two separate funding opportunities: the Zero-Emission Technology Deployment Competition and the Climate and Air Quality Planning Competition. There is \$2.8 billion available to be awarded for zero-emission technology deployment at ports, and \$150 million available to be awarded for climate and air quality planning. Applications must be submitted no later than May 28, 2024. For more information on the application process, [click here](#).
2. **DOT Maritime Administration's Port Infrastructure Development Program (PIDP)** – PIDP assists in funding eligible projects for the purpose of improving the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports. There is \$450 million available to be awarded. Applications must be submitted no later than April 30, 2024. For more information on the application process, [click here](#).
3. **DOT's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program** – The RAISE program allows project sponsors at the state and local levels to obtain funding for multi-modal, multi-jurisdictional projects that are more difficult to support through traditional DOT programs. There is \$1.5 billion available to be awarded. Applications were due February 28, 2024. Selections will be announced no later than June 27, 2024. For more information on the application process, [click here](#). To view recordings of the FY 2024 RAISE Webinar Series, [click here](#).

**FY 2023 DOT Infrastructure Grant Applications and Award Deadlines** – The application deadlines for the majority of FY 2023 DOT infrastructure grants of interest to NAWE members are now expired. According to the White House's "Upcoming Infrastructure Funding Opportunities" webpage, remaining NOFOs and program awards that may possibly be released in early 2024 are:

4. DOT's Consolidated Rail Infrastructure & Safety Improvements (CRISI) – TBD
5. DOT's Railroad Crossing Elimination Program – TBD
6. EPA's Clean Ports Program – announced February 28, 2024

DOT Posts List of Grant Application Resources – On November 27, DOT posted an updated list of its popular "Grants Navigator Application Resources". Below are links to the DOT's resources:

7. [Understanding Non-Federal Match Requirements](#)
8. [Discretionary Grant Preparation Application Checklist](#)
9. [Checklist for a Strong Climate Change Mitigation, Adaptation and Resilience Grant Application](#)
10. [Federal Tools to Determine Disadvantaged Community Status](#)
11. [Use of DOT Funds for Public Involvement](#)

The NAWE team continues to monitor and will report any updates on the 2024 round of NOFOs for

federal grant program opportunities of interest to NAWE members.

## Upcoming Events

**NAWE on the Hill (NOTH) 2024** – We look forward to hosting the next 2024 NAWE on the Hill (NOTH) event for NAWE members from May 13-14. These fly-ins allow NAWE members the chance to directly interact with members of Congress and their staff. If you would like to join, please RSVP for the event linked below.

- [Register to participate in NAWE on the Hill](#)  
[Reserve a room at the Kimpton George Hotel for NAWE on the Hill \(\\$399 + tax/per night\)](#)

### March NAWE Committee Meetings

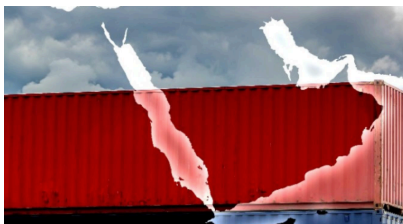
- March 12, 2024 at 4:00 pm ET - NAWE Legislative Committee Meeting
- March 21, 2024 at 12:00 pm ET - NAWE Environmental, Energy, and Equipment Committee Meeting

## NAWE Member Spotlight

As promised this year we are celebrating all the great things happening with NAWE Members! This section of our newsletter is a mix of self-reporting and collection of publicly available news stories. Please send any updates you'd like highlighted in this section of our newsletter to [ckennedy@nawe.us](mailto:ckennedy@nawe.us).

- [Port of Virginia Reaches Milestone in Project to Widen and Deepen Channel](#), Maritime Executive
- [SSA Marine and Port of San Diego Introduce Zero-Emissions Cargo Handling Equipment at the Tenth Avenue Marine Terminal](#), Business Wire

## Articles of Interest



**Journal of Commerce**  
[Modest economic hit from Red Sea disruption obscures larger shipping changes](#)  
March 1, 2024



**American Journal of Transportation**  
[US urges allies to squeeze China further on chip technology](#)  
March 6, 2024



**Marine Log**  
[EPA Launches \\$3 Billion Clean Ports Program](#)



Three months after Houthi rebels began rocking global trade by attacking commercial ships in the Red Sea, the extent to which the disruptions have affected the container shipping industry and world economy in general seems relatively modest.

The US government is pressing allies including the Netherlands, Germany, South Korea and Japan to further tighten restrictions on China's access to semiconductor technology, a controversial effort that's drawing resistance in some countries, according to people familiar with the matter.

*March 1, 2024*

The Environmental Protection Agency (EPA) has launched a \$3 billion Clean Ports Program to fund zero-emission equipment and infrastructure, tackle the climate crisis and improve air quality at both coastal and inland ports.



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