Dear Majority Leader Schumer and Minority Leader McConnell:

The fresh produce industry strongly supports immediate passage of the Ocean Shipping Reform Act (S. 3580) sponsored by Senators Amy Klobuchar (D-MN) and Senator John Thune (R-SD). This legislation compliments bipartisan legislation (H.R. 4996) already passed by the House of Representatives by a resounding 364-40 votes earlier this Congress.

In summation, this legislation would accomplish a number of reforms vital to our industry including:

- requiring ocean carriers to certify that late fees, “detention and demurrage” charges—comply with federal regulations or face penalties;
- shifting burden of proof regarding the reasonableness of “detention or demurrage” charges from the invoiced party to the ocean carrier;
- prohibiting ocean carriers from unreasonably declining shipping opportunities for U.S. exports, as determined by the FMC in new required rulemaking;
- requiring ocean common carriers to report to the FMC each calendar quarter on total import/export tonnage and 20-foot equivalent units (loaded/empty) per vessel that makes port in the United States;
- authorizing the Federal Maritime Commission (FMC) to self-initiate investigations of ocean common carrier’s business practices and apply enforcement measures, as appropriate;
- establishing new authority for the FMC to register shipping exchanges;
- allowing for third parties to participate in legal cases brought by the FMC against ocean carriers for anticompetitive harm; and
- letting successful third parties in those legal cases receive money damages, with additional financial penalties designed to deter anticompetitive conduct.

As representatives of the diverse fresh produce industry, it is imperative that we have certainty with regards to our export markets and the supply chain that ensures these products are delivered safely and timely. U.S. exporters have worked over many decades to develop these markets. In fact, according to the U.S. Department of Commerce, U.S. fresh fruit and vegetable producers exported more than $7 billion worth of product, relying heavily on the ports that are integral to our industry.

The fresh produce industry relies heavily on the export market, particularly during recent years. The growth in these markets has enabled many fresh produce products to expand their operations to meet growing international demand for American grown produce. Failure to address these issues will impede current and future growth of the U.S. fresh produce industry and enable foreign marketers to compete on a different playing field than U.S. producers seeking to export product.

Given the recent challenges of the COVID-19 pandemic, previously existing challenges for our industry have only been exacerbated. Perhaps most troubling of all has been the failure to prioritize perishable
goods in exports, particularly when it comes to exporting goods to Asia. Most troubling is the glut of produce loads that await export while empty containers capable of carrying such goods are sent back to Asia.

For these reasons and others, we strongly urge the Senate to act immediately on this bipartisan, bicameral legislation to give further certainty to our industries and others.

Sincerely,

International Fresh Produce Association
American Mushroom Institute
California Apple Commission
California Avocado Commission
California Blueberry Commission
California Citrus Mutual Association
California Farm Bureau Federation
California Fig Advisory Board
California Fresh Fig Growers Association
California Fresh Fruit Association
Colorado Potato Administrative Committee
Empire State Produce Growers
Florida Citrus Mutual
Florida Citrus Packers
Florida Fruit & Vegetable Association
Georgia Fruit and Vegetable Growers Association
Idaho Grower Shippers Association
Idaho Potato Commission
Maine Potato Board
Michigan Blueberry Advisory Committee
Minnesota Area II Potato Growers Council
National Onion Association
National Potato Council
National Watermelon Association
New York Apple Association
Northern Plains Potato Growers Association
Olive Growers Council of California
Oregon Potato Commission
Pennsylvania Cooperative Potato Growers
Potato Growers of Michigan
South Carolina Peach Council
South Carolina Specialty Crop Growers Association
South Carolina Watermelon Association
Texas Citrus Mutual
Texas International Produce Association
United Potato Growers of America
U.S. Apple Association
Washington State Potato Commission
Western Growers
Wisconsin Potato & Vegetable Growers Association