

March 2, 2021

The Honorable Michael Khouri Chairman Federal Maritime Commission 800 North Capitol Street, N.W. Washington, D.C. 20573

Dear Chairman Khouri,

We write to express concern with the reported practices of certain vessel-operating common carriers (VOCCs) related to the denial of carriage for agricultural commodities. If the reports are true, such practices would be unreasonable and would hurt millions of producers across the nation by preventing them from competing in overseas markets. We support the Federal Maritime Commission's current efforts to investigate these reports, and call on the Commission to quickly resolve this critical issue.

As you know, ports across the United States are experiencing unprecedented congestion and record container volumes, which alone pose significant challenges for agricultural exporters seeking to deliver their products affordably and dependably to foreign markets. In the midst of this challenge, reports that certain VOCCs are returning to their origin with empty containers rather than accepting U.S. agriculture and forestry exports not only greatly exacerbates the problem, but potentially violates the Shipping Act as an unjust and unreasonable practice.<sup>1</sup>

We understand that the Commission in March 2020 initiated Fact Finding No. 29 – led by Commissioner Rebecca Dye – which was expanded in November 2020 to investigate reports of potentially unjust and unreasonable practices by certain VOCCs discussed above. We support this investigative effort, and – in the event that unjust or unreasonable practices by certain VOCCs are discovered – urge the Commission to take appropriate enforcement actions under the Shipping Act to put an end to such practices.

The need is urgent, especially with record container volumes at the nation's major ports. These volumes, and the resulting congestion, will only grow as the global economy recovers from the coronavirus pandemic. Producers rely on competitive access to foreign markets, and the reported actions by certain VOCCs to undermine this access pose significant ramifications for agricultural exporters and the industry at large.

We look forward to reviewing the findings of Fact Finding No. 29 and other related FMC proceedings, and to working with the Commission to address this growing problem.

<sup>&</sup>lt;sup>1</sup> 46 USC § 41102(c)

Sincerely,

JOHN THUNE

United States Senator

JAMES M. INHOFE United States Senator

United States Senator

CHUCK GRASSLEY

**United States Senator** 

JOHN CORNYN

United States Senator

JOHN BARRASSO, M.D.

United States Senator

JERRY MORAN

United States Senator

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**United States Senator** 

AMY KLORUCHAR United States Senator

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THOM TILLIS
United States Senator

MARSHA BLACKBURN United States Senator

ROGER MARSHALL, M.D.

United States Senator

cc: The Honorable Rebecca F. Dye, Commissioner, Federal Maritime Commission The Honorable Daniel B. Maffei, Commissioner, Federal Maritime Commission The Honorable Louis E. Sola, Commissioner, Federal Maritime Commission The Honorable Carl W. Bentzel, Commissioner, Federal Maritime Commission