

US draft legislation seeks to update OSRA-22, boost China scrutiny

[Teri Griffis, Associate Editor](#) | Mar 16, 2023, 5:19 PM EDT

A congressman who helped spearhead passage of the Ocean Shipping Reform Act of 2022 (OSRA-22) is helping to draft new legislation that would update some aspects of the law, including publicizing more broadly penalties imposed on marine terminals and ocean carriers as a result of shipper complaints.

The legislation, authored in part by California Republican Rep. John Garamendi, also aims to draw a sharp line on the involvement of China-based entities in US shipping.

Once the bill's text is finalized and introduced in the House of Representatives, Rep. Dusty Johnson, a Republican from South Dakota, will be the sponsor, with Garamendi as the original co-sponsor. Reached for comment on the legislation, Jazmine Kemp, deputy chief of staff and communications director for Johnson, told the [Journal of Commerce](#) the draft was not yet "final."

Dubbed the Ocean Shipping Reform Technical Act of 2023, the draft bill, seen by the [Journal of Commerce](#), would heighten transparency into regulatory penalties levied against ocean carriers and marine terminal operators (MTO) by ordering all sanctions be publicly posted online. Under OSRA-22's [interim charge complaint process](#), the Federal Maritime Commission (FMC) only publicizes certain cases, and many are settled confidentially. The bill would call more attention to all complaints made against carriers and terminals by shippers, drayage providers, and consignees and the course of action taken by regulators.

Establishing a more permanent and transparent complaint process has been pushed by groups like the Agriculture Transportation Coalition (AgTC), which has been pressing for more clarity around a permanent charge process and certainty that when a complaint is brought to the FMC, it will be investigated.

"We are helping AgTC members submit complaints, but the solution we seek is for carriers to comply with the law," the AgTC said in a letter to its members Feb. 28. "OSRA sponsors aren't happy."

[OSRA-22 was signed into law last June](#) by President Joe Biden.

The draft bill also calls for the creation of a National Seaport Advisory Committee appointed by the FMC that would consist of 16 port authority representatives and eight marine terminal operators. The recommendation echoes FMC Commissioner Rebecca Dye's Fact Finding 29 report, published last May, which also suggested formation of a National Seaport, Marine Terminal, and Ocean Carrier Advisory Committee to help the agency monitor with ongoing industry issues.

The legislation calls for the seaport advisory committee to be created within 120 days of the bill's passage.

The legislation also recommends including freight forwarders on the existing National Shipper Advisory Committee (NSAC), a group of 24 importers and exporters that provides expertise to the FMC about conditions within freight markets.

Discouraging ties with China

The draft bill would also heavily limit China-based entities and their ties with US shipping. The legislation seeks to ban all US port authorities from receiving federal funding if they use the China-sponsored National Transportation Logistics Public Information Platform (LOGINK). The bill also reiterates the need to add ocean common carriers that are owned by the Chinese government to the FMC's list of "controlled" carriers, which are held to a higher standard for rate reviews. Currently, the FMC has Cosco Shipping and its OOCL subsidiary on the "controlled" list.

The heightened scrutiny of China comes amid US government concerns over Beijing spying on the US, including fears that cranes manufactured by market leader and Shanghai-based ZPMC — which are used in 120 ports worldwide — [could be tracking container moves at US terminals](#).