

Congress Takes First Step Toward FMC Advisory Committee

On May 20, 2020, the Senate Committee on Commerce, Science, and Transportation approved S. 2894, the Federal Maritime Commission National Shipper Advisory Committee Act of 2019. The purpose of the legislation is to establish an advisory committee to the Federal Maritime Commission (FMC) for policy matters relating to the competitiveness, reliability, integrity, and fairness of the international ocean freight delivery system.

The National Shipper Advisory Committee would consist of 24 volunteer members, 12 importers and 12 exporters. Under the bill, the FMC would solicit nominations through the Federal Register and select appointees based on expertise in the industry. Each member would be selected for a term of three years with the opportunity to be reappointed by the FMC. Prior to an initial term, background and security examinations would be required, and no federal employee would be eligible for appointment.

The Advisory Committee would meet no less than once per year and serve as a resource for the FMC to attain industry feedback in advance of proposed actions. Under the bill, the FMC would consult the Advisory Committee prior to taking any significant action. Additionally, the Advisory Committee would provide reports, recommendations, and advice to the FMC. Such reports and recommendations would then be made available to both the public online and delivered to the Senate Committee on Commerce, Science, and Transportation. The guidance of the advisory committee would not be binding on the FMC, but could influence decision-making by the commission.

The bill must still be voted upon by the full Senate and House and be approved by the president, but this is a step forward for the proposal, which was one of the recommendations contained in the final report of FMC Fact Finding Investigation No. 28.

Advisory committees have existed informally for hundreds of years, and the existence and operation of such committees was formalized by the Federal Advisory Committee Act of 1972. Today, over 1,000 advisory committees exist to support the executive branch in a variety of contexts, allowing industry experts and others to advise and contribute to executive decision-making processes. In operation, executive agencies must sponsor advisory committees, and advisory committees must hold meetings available to the public with few exceptions. Papers, records, and meeting minutes from advisory committees must also be made publicly available and are subject to the Freedom of Information Act.

Should you have any questions about the foregoing or if you would like additional information about U.S. economic sanctions regulations or compliance programs, please feel free to contact a member of the Cozen O'Connor Transportation and Trade Group.



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