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Congress of the United States 58

HOUSE OF REPRESENTATIVES  
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Washington, DC 20515  
September 30, 2003

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The Honorable Bryant L. Van Brakle  
Secretary  
Federal Maritime Commission  
800 North Capitol Street, N.W.  
Room 1046  
Washington, D.C. 20573

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Dear Secretary Van Brakle:

I understand that the National Customs Brokers and Forwarders Association of America has requested the Commission to exempt non-vessel operating common carriers (NVOCCs) from being required to establish, maintain, and enforce rate tariffs with their customers. I encourage you to closely investigate this request and follow the changes that were made by Congress in the Ocean Shipping Reform Act (OSRA) of 1998.

During consideration of OSRA, Congress was concerned about **the** economic regulation of the open ocean shipping industry. Congress ultimately concluded **that** the rigid system of common carrier tariffs was burdensome and inefficient and that shippers should be able to enter into **confidential** service contracts with steamship lines. Based on **the** Commission's report, these revisions to the Shipping Act have now proven to be beneficial to shippers and carriers alike and have made the ocean-shipping marketplace far more efficient and competitive. In fact, it now appears that the movement to contract carriage has been so successful that few shippers, carriers, and NVOCCs ever look at or otherwise use common carrier tariffs as a means to establish pricing for the movement of cargo.

Congress also expanded **the** Commission's exemption authority to provide a mechanism by **which** it could exempt individual companies or the industry as a whole **from** unnecessary regulatory requirements. It appears that NVOCC rate tariffs **are** unduly burdensome and no longer serve a useful purpose since the rates between those entities and their customers **normally** are individually negotiated and only later memorialized in tariff form. Please consider exempting the NVOCCs from this largely formalistic requirement.

I also **understand** that several NVOCCs have filed petitions, seeking an exemption that would permit them to enter into confidential ocean service contracts **with** their **customers**. While I believe that each petition should be judged on its own merits, I encourage you to give each of these petitions your fullest consideration.

Thank you **for your** work, **and** please contact me or have your **staff** contact my Legislative Director, **Jayda Justus**, at 202-225-1976 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Sue", with a long horizontal flourish extending to the right.

Sue Myrick  
Member of Congress

SM/jj