## \*\*\*\* JEDE AMENDMENTS \*\*\*\*

AJR 29 (Mathis): As Amended May 18, 2022 Prepared By: Toni Symonds

## **Summary of the Proposed Amendments**

- 1. Add findings to the resolution relative to the work of the Federal Maritime Commission and the Federal Supply Chain Disruptions Task Force
- 2. Modify the resolved clause to be more inclusive of all legislative actions that are needed to alleviate the disruptions along the US and global supply chain.

## **Mock-up of the Proposed Amendments**

WHEREAS, Shipping is a backbone of the United States economy; and

WHEREAS, In 2019, more than \$2,520,000,000 of goods were to imported and approximately \$1,650,000,000 of goods were exported from the United States; and

WHEREAS, California is a coastal state, where ports are an important and necessary part of the economy; and

WHEREAS, In 2019, over \$174,000,000 of goods were exported from California's ports; and

WHEREAS, Due to the impact of the COVID-19 pandemic on the shipping industry, California's ports are congested and overwhelmed with goods that cannot be timely received or shipped; and

WHEREAS, The congestion in California's ports is triggering delays in product removal and distribution from affected ships, causing imported goods to be destroyed and perishable items to expire; and

WHEREAS, In conjunction with the backlog of imported goods, there is a severe bottleneck in the export process for goods to be exported from California's ports, including items that are perishable or otherwise have a limited time frame to be shipped, causing these items to rot or deteriorate; and

WHEREAS, The Ocean Shipping Reform Act of 2021 H.R. 4996 and Ocean Shipping Reform Act of 2022, S. 3580, of the 117th Congress (collectively "Ocean Shipping Reform Act") would help to alleviate California's congested ports by allowing for the efficient export, import, and distribution of goods; and

WHEREAS, The Ocean Shipping Reform Act would ensure an efficient and competitive transportation system for the common carriage of imported goods by water in the foreign commerce of the United States that, as far as possible, is in harmony with fair and equitable international shipping practices; and

WHEREAS, The Ocean Shipping Reform Act would support the growth and development of United States exports through a competitive and efficient system for the common carriage of goods by water in the foreign commerce of the United States and place a greater reliance on the marketplace;

WHEREAS, The Federal Maritime Commission and the Federal Supply Chain Disruptions Task Force have investigated, held public hearings, and made recommendations that require legislative actions to address bottlenecks and inequities to in the US supply chain; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature strongly encourages the Congress of the United States to enact <u>legislation</u> the Ocean Shipping Reform Act to alleviate and remedy the congestion of California's ports and to ensure that the state's importing and exporting capabilities are returned to prepandemic levels; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to each Senator and Representative of California in the Congress of the United States, and to the author for distribution.