

International Trade Alert

January 2013

New FMC Commissioner Could Lead to Continuing Reforms of U.S. International Ocean Transportation System

On Tuesday, the United States Senate confirmed William P. Doyle, of Pennsylvania, to be a Federal Maritime Commissioner for the term expiring June 30, 2013. Commissioner Doyle joins Chairman Richard A. Lidinsky, Jr., Michael A. Khouri, Rebecca F. Dye, and Mario Cordero as a member of the Federal Maritime Commission (FMC). Doyle, a Democrat, will replace Joseph E. Brennan. Once Doyle's term ends in June, he could then be reconfirmed for a five-year term, or, alternatively, would retain the seat until a replacement is confirmed.

Commissioner Doyle previously served as the Director of Permits, Scheduling and Compliance in the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects. While appearing before the U.S. Senate Committee on Commerce, Science and Transportation last May, Doyle identified his priorities once his tenure begins:

- Promote a fair, efficient, and reliable international ocean transportation system, and protect the public from unfair and deceptive practices;
- Protect the U.S. maritime industry against harmful foreign shipping practices;
- Help to increase the export of goods through cooperation between the government and private sector;
- Provide regulatory relief to support job growth and the economic recovery; and
- Reduce court litigation.

These priorities seem to fall in line with the FMC's current **Strategic Plan** for the coming years. In late 2011, the FMC unveiled a **plan** designed to create a defined schedule for identifying and reconsidering certain significant rules that are obsolete, unnecessary, unjustified, excessively burdensome, or counterproductive. The FMC has already begun implementing rule changes in accordance with their Strategic Plan. For example, in June 2012, the FMC amended its regulations governing negotiated rate arrangements.

Next up could be licensing, financial responsibility requirements, and general duties for Ocean Transportation Intermediaries (OTIs). These requirements have not been amended since 1998. Discussion of this topic topped the agenda for the most recent Commission meeting on December 12, 2012. Moreover, the FMC has stated it will be reviewing these requirements because of the "potential for savings from improvements and updates that could reduce the time required to complete license applications and streamline the review process."

Companies currently holding FMC OTI licenses (or those contemplating seeking OTI authorities) are encouraged to carefully follow—and engage—the agency during the rulemaking process that may ultimately result in a rewrite of the OTI regulations. A notice and comment period will provide the opportunity for interested parties to voice concerns and propose revisions to the proposed rewrite of the rules. We anticipate additional details on how the FMC may approach the OTI rules revamp in the coming weeks.

Venable is able to assist in all issues involving the FMC and its regulations. Please contact **Ashley Craig** at 202.344.4351 (awcraig@Venable.com), **David Dickman** at 202.344.8026 (dgddickman@Venable.com), or **Elizabeth Lowe** at 202.344.4213 (eklowe@Venable.com) for further information and assistance.

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