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NITL Supports FMC Oversight Over Rail Storage Fees Assessed as Part of International Ocean Through Transportation

Washington, DC, May 17, 2023. The National Industrial Transportation League (NITL or League), one of the nation's oldest trade associations, represents US businesses that rely on freight transportation systems to ship their industrial materials domestically and internationally. Many League members are importers and exporters that use the services of VOCCs, NVOCCs, 3PLs, freight forwarders, and motor carriers. The League was at the forefront of the efforts resulting in passage of the Ocean Shipping Reform Act of 2022 (OSRA22), as well as the OSRA 1998 reforms to the Shipping Act of 1984.

NITL attended the May 11, 2023 meeting of the FMC's National Shipper Advisory Committee (NSAC) where public participation and comment was requested, among other matters, on the NCAS proposed resolution regarding rail storage charges assessed on containers moving in international commerce. NITL supports the NCAS proposal which asks the FMC to address rail storage charges in its pending rulemaking in Docket No. FMC-2022-0066-0090, *Demurrage and Detention Billing Requirements*. Specifically, NITL supports expanding the definition of *demurrage* to include railroad storage charges that are assessed as part of through transportation under ocean bills of lading and requiring ocean carriers to be the billing party for such charges. This proposal would ensure that rail storage charges assessed on intermodal shipments moving in international commerce are subject to FMC oversight and the OSRA22 requirements.

Implementing OSRA22's requirements regarding demurrage and detention billing practices continues to be front and center at the Federal Maritime Commission (FMC). In December 2022, NITL submitted comments in response to the FMC's rulemaking stressing that the billings for demurrage and detention charges should be consistent with their purpose to incentivize freight fluidity and be billed to parties who are most able to affect the incurrence of the charges. Specifically, NITL asked the Commission to: (1) more properly align demurrage and detention billings and payment liability to rest with those "responsible" parties who are in the better position to affect the efficient retrieval, delivery, and return of containers; (2) modestly revise the minimum information required to be included in demurrage and detention invoices; and (3) remove the 30-day timeframe for invoiced parties to raise requests for fee mitigation, waivers and refunds to provide adequate time for the auditing and potential challenge of demurrage and detention charges. NITL's complete submission can be read [here](#)

About NITL:

Established in 1907, the National Industrial Transportation League ([NITL](#)) is a trade association whose mission is to advance the views of shippers on industrial freight transportation issues and advance their professional development. NITL membership is comprised of companies engaged in the rail, maritime, and highway industrial freight transportation sectors who are committed to the competitive, efficient, and safe movement of goods across the United States and beyond. Its members – encompassing consumer goods, manufacturers, agriculture, chemicals, steel, forest and paper products, fuels, foods, and more – spend billions of dollars annually in freight shipments and employ millions of people.

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