

October 2, 2024

Bill Long Statement on the East and Gulf Coast Ports Strike

Immediately upon the commencement of the East Coast port strike, MEMA has been in close communication with the White House and other key policy makers to receive high-level updates and provide feedback on the impact of the strike on the supplier industry. Included below is a summary of the key developments. We will continue to keep MEMA members updated through regular communications.

Please note that the Administration is seeking information on real-world impacts and challenges to provide to the White House team each day. If possible, they have asked for these reports by noon daily. If you have input on these or the other requests listed below, please contact Ana Meuwissen (ameuwissen@mema.org) or Bill Frymoyer (bfrymoyer@mema.org).

DAILY WHITE HOUSE AND ADMINISTRATION CALLS

On Tuesday afternoon, MEMA D.C. staff participated in a small group for a daily, invitation—only, high-level briefing and question/answer session. Lael Brainard, Director of the National Economic Council, and Monica Gorman, Special Assistant to the President for Manufacturing and Industrial Policy serve as the chairs for these calls. MEMA also joined an auto industry call with the U.S. Department of Commerce. The officials on these calls shared the following insights and issued a request for more information and suggestions from the industry:

- The White House is very engaged and is seeking to get the parties to the table.
- The White House is also seeking to spot problems and address issues in real time.
- While the White House does not expect substantial immediate negative impacts, officials are aware that there will be a significant impact on industry and the supply base the longer the strike continues.
- The White House is concerned about any attempts to price-gouge by shippers or storage facilities and desires any updates on this situation.
- The Administration is cognizant that the situation is further exacerbated by the effects of the hurricane and welcomes any input on this topic from industry.
- The Administration understands that air freight is not a viable option for the auto sector and that there are challenges associated with diverting existing shipments to other ports.
- The White House is closely watching the impact of the strike on Puerto Rico.



MEMA and other participants raised the following concerns:

- Upon the conclusion of the strike, the administration needs to waive Hours of Service requirements for truck drivers to provide the necessary level of freight logistics to move incoming shipments. Note: The Administration is actively seeking specific recommendations for actions that would help assist with the backlog that will result from the strike.
- Currently, Customs and Border Protection (CBP) need to provide sufficient staff at open ports and then shift staff to meet needs at the conclusion of the strike.
- The Administration was asked to provide clarity on how shipments and vessels will be prioritized for unloading once the strike is resolved.

Also, thank you to the organizations who signed onto the <u>coalition letter</u>, signed by over 270 local, state, and federal trade associations urging President Biden and his administration to compel both sides to the negotiating table. This communication emphasizes the significant economic disruption that will occur if the two sides do not begin to resolve this impasse.

Thank you for your trust, confidence, and support as we work to advance your business interests.