

NEWS IN BRIEF

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Ports of LA/LB Assessing New Fee to Help Relieve Congestion

In cooperation with the Biden Administration Task Force, the Ports of Los Angeles and Long Beach have announced that they will begin to assess a new fee to carriers for containers that dwell too long on marine terminals. The ports will have two categories for the new fee.

The first category will be for containers moving from the terminals by truck. Any container left at a terminal for nine days will be assessed \$100.00. Any container scheduled to move from port by rail will have three days before receiving the assessment. For both categories the assessment will be \$100.00 and it will keep increasing in increments of \$100.00 each day as they stay on the terminal. For example, the second day after the assessment is made, it will be \$200.00 and the third day it will be \$300.00.

The fee is scheduled to start on November 1, but with the short notice the process of how the assessment will be charged and collected is still to be determined. There are many questions before the start up of the new assessment by November 1. The Port of Los Angeles Harbor Commission is voting today to add the assessment to the Port Tariff. There is also a challenge made that the FMC has not been properly notified of the change.

The biggest question is, will this fee assessed to the carriers be allowed to be recouped by the carriers from the beneficial cargo owners? If so, this fee just becomes another charge assessed to BCO's on top of demurrage for containers, much of which is charged improperly, and may not be such an enticement to get containers out of the terminals. We have sent the question to both Ports. We expect more notices and information next week on the development of the protocols and we will report them.

Ports Move to Try 24 Hour Service Not Providing Expected Results

The moves by the Ports of Los Angeles and Long Beach to start the extended hours at night have not initially provided the results that were expected. In setting up the extended terminal hours, many other important participants were not warned and have not prepared for the later hours. The chassis pools have not extended their hours for truckers to pick up and drop off chassis. Importers have not had the time to reschedule their work schedules and hire extra help to keep their distribution centers open. The Port Group that developed this plan needs to bring in other parties to develop a smooth transition.

Terminals Discuss Resetting PierPass to Original Hours

The current PierPass process was put in place in correlation with the appointment system that is required for every terminal in the Ports of Los Angeles and Long Beach. This change has not produced the incentive for importers to have their containers picked up at night. The members of the West Coast Marine Terminal Operators Agreement (WCMTOA) are considering changing PierPass's process back to charging the fee for pickups only during the day and allowing pickups at night to not be assessed the fee.



By **Todd Boice**, *President*