

MONTHLY REPORT for ICS

November 2024

NOTE TO THE READER: Reference to the Federal Register may be found at <http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=FR>.

References to legislation may be found at <https://www.congress.gov> at the center of the page.

The US Elections – Impact on Maritime Issues

As most are aware, the US held its elections in early November with Republican Donald Trump defeating Democrat Kamala Harris in both the popular vote and the electoral college and winning the majority of “swing” states that were the key contested states. Also of note is the fact that the Republican majority in the House of Representatives was retained and the previous Democrat majority in the Senate shifted to a Republican majority. These results mean the Republicans control the White House, the Senate and the House of Representatives which suggests that the Republican legislative agenda is likely to see success on any legislation introduced in the new Congress.

As is historically the case, legislation already introduced in the old Congress will likely see no additional action until the new Congress adjourns, although some action on select bills is possible. Likewise, proposals currently in the regulatory process are likely to be frozen until the new Administration takes over and decides which current proposals will move forward.

Of note is the plan to create a Department of Government Efficiency (DOGE) which will actually be a presidential advisory commission led by billionaire businessmen Elon Musk and Vivek Ramaswamy which will focus on providing recommendations on streamlining the US federal government and reducing inefficiencies. One Republican Senator has already announced she will be introducing a legislative package (the DOGE Acts) which is “aimed at holding the federal government more accountable for managing taxpayer dollars.” The legislation would cut discretionary spending, move some federal agencies out of Washington DC, freeze federal hiring and salaries for one year at a minimum, initiate a process of merit-based compensation for all federal employees and mandate that federal agencies require federal employees to return to full in-office work. Currently, it is estimated that following the COVID work from home allowances, only 6% of federal employees are actually working full time in their offices.

So what does this mean for maritime issues on both the legislative and

regulatory front taking into account President-Elect Trump's stated positions on a variety of issues not the least of which are his positions on global trade, pro-business (particularly US based business), reduced regulatory programs, energy development, and foreign relations? Maritime focused legislative and regulatory proposals are not expected to be adversely impacted at this time although the executive branch agencies with which we most often work (USCG, EPA, NOAA, etc.) will certainly be subject to the DOGE commission evaluations and recommendations. It is uncertain how the DOGE commission work will impact the authorization and appropriations process especially regarding recognized needs to increase the budget for maritime related agencies. As regards specific legislation which may be proposed including the SHIPS for America Act which Senator Mark Kelly is expected to propose shortly, any legislation which is seen as pro-US business (in this case rebuilding the US flag international fleet), will likely be supported by the new Administration. New legislation relative to energy development in the US and with our trading partners is also expected to be supported by the Administration. CSA will monitor future developments and proposals relative to the maritime industry and will advise accordingly when more information is available.

California Air Resources Board (CARB) Ocean Going Vessel (OGV) At Berth Regulations

It may be recalled that CARB implemented its 2020 at berth regulations 4 years ago. This regulation requires all oceangoing vessels (and terminals) to report each visit to a California terminal and implements emission control requirements over a four year period. Emission control requirements applied to container, refrigerated cargo and cruise vessels on 1 January 2023. Emission control requirements will apply to ro-ro vessels calling in all California ports and tankers calling in the ports of Los Angeles and Long Beach on 1 January 2025. Tankers calling in all other California ports will require compliance with the emission control requirements on 1 January 2027. A link is provided below to the CARB website for further information.

<https://ww2.arb.ca.gov/our-work/programs/ocean-going-vessels-berth-regulation>