



2022 Annual Report





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2022 PRESIDENT'S REPORT:

ADAPT, EVOLVE, PROGRESS, REPEAT



“Ask yourself if what you are doing today is getting you closer to where you want to be tomorrow.” - Anonymous

Welcome to our first annual report as the Shipping Association of New York and New Jersey, a “Doing Business As” (DBA) of the New York Shipping Association. While it doesn’t roll off the tongue as easily as NYSA, SANYNJ is a representation of who we are, who we represent and what we do in 2022 and beyond. Adding “New Jersey” to our moniker was long overdue as New Jersey is where over 90% of our Port activity takes place from a volume and work hours perspective. This doesn’t diminish the importance of the business which occurs in New York but rather completes the picture as we drive the Port into the future. SANYNJ aligns the Association’s name with the Port Authority as well. When we meet with regulators in Washington D.C., Trenton, or Albany it’s now clear who we represent. When potential workers seek employment at the Port, they no longer have to question why they are approaching a New York entity for an opportunity in New Jersey.

2022 looks like it will be a major milestone in our decades long initiative to finally reform the law enforcement oversight in our Port with the State of New Jersey pushing forward to withdraw from the archaic Waterfront Commission of New York Harbor. After working closely with the New Jersey State Police for several months, we were prepared for the operational transition of New Jersey’s withdrawal when at the last moment in March, the State of New York stepped in and legally challenged New Jersey’s withdrawal. We were literally days from the transition. Since the case is between two states, the Supreme Court of the United States has jurisdiction. The complaint was filed with corresponding briefs including that of SANYNJ and several of our industry partners, who focus on economic growth and prosperity of the Port industry. In addition to the Port partners several states supported New Jersey with amicus briefs in their effort to withdraw along with scholars and, what I believe is most important, a brief submitted by the Solicitor General of the United States of America, a division of the Department of Justice, in support of New Jersey. I’m not a legal expert but when the United States Government weighs in on behalf of a defendant, on subject matter in their domain, I feel pretty confident that New Jersey will prevail, and we will finally move forward with modernizing the oversight of port workers in the Port of New York and New Jersey.

In 2022 the efforts of SANYNJ throughout the pandemic were recognized and honored by several industry partner organizations. I was named Person of the Year by the New York/New Jersey Freight Forwarders and Brokers Association, and was named a Hero of the Harbor by the Waterfront Alliance. I gladly and humbly accepted these awards on behalf of the SANYNJ team as well as all the industry partners who helped keep our heads above water to handle the tsunami of freight which was an unanticipated result of pandemic. Specifically, our partners during these trying times were SANYNJ members, the International Longshoremen’s Association, The Port Authority of NY&NJ, Metropolitan Maintenance Marine Contractors Association, and members of our Council on Port Performance.

Accepting these awards on behalf of all of these key stakeholders recognizes that not one of us would have been successful without the collaboration of all.

While the recognition of the previously mentioned awards was very much appreciated, the award I am most proud of receiving is the Bernard Dudley Humanitarian Award, presented by the ILA Civil, Human and Women’s Rights Committee. This was the first time this award was delivered in memory and in honor of Bernard Dudley who passed away in 2021. Bernard was a long time President of ILA Local 1233, a true industry leader, civil rights leader and visionary who was able to balance the needs of his members with the needs of the industry.

From a cargo perspective, 2022 was a tumultuous year to say the least. Congestion at all major U.S. ports reached its peak at one time or another. The inability of the supply chain to absorb record freight



volumes came to a head. In New York and New Jersey 8.6% volume growth on top of a 20.4% volume growth the previous year resulted in month after month record volumes.

Long dwelling import containers at the marine terminals pushed utilization levels up to maximum levels. There was little room for empty containers to be returned to the Port. Empties needed to be stored off-dock and tied up valuable chassis inventories creating chassis shortages. Truckers bore the brunt of this scenario as they were often the ones left with empty containers and no place to deliver them.

At great expense, terminal operators and depot operators stayed open later during the week and opened on Saturdays and holidays when the trucking community could utilize the gate operations. Gates were not just opened on an ad hoc basis hoping the truckers would use them, discussions were had with the trucking associations who polled their members to see if off-hour gates would be utilized if opened maximizing utilization.

How did we handle these challenges? Again, our Stakeholders COMMUNICATE. Through the Council on Port Performance (CPP), which SANYNJ continues to co-chair with the Port Authority of NY&NJ (PANYNJ), and stakeholder conference calls hosted by the Port Authority we identified any current hurdles, and communicated what measures could be taken to keep the Port fluid. Everyone did their part.



“If You Are Going Through Hell, Keep Going” – Winston Churchill

In 2022, SANYNJ continued to hire and train workers to safely embark on their new careers in the Port. There were 386 longshore workers, 81 checkers and 32 maintenance professionals hired this year to meet the demands of growing cargo volume.

Since 2014, SANYNJ has proudly co-chaired the CPP with the PANYNJ. To me, this forum continues to be vitally important, and the resulting collaboration and cooperation is what separates NY&NJ from other major ports through the exchange of ideas regarding steps that need to be taken to improve the Port’s performance short-term and long-term. I’ll say it again, the ongoing efforts of the CPP is the key reason why the Port has been able to handle record volumes through the pandemic.

The CPP understood many years ago that the greatest challenge our industry faces is a shortage of skilled labor throughout the supply chain. With this vision the Council and their Workforce Development Implementation Team has worked with academia to develop curriculum, bring the awareness of opportunities in the supply chain to high school students and host regular job fairs throughout the local communities. This ongoing effort is vital to the long-term success of the Port. The CPP needs to continue with our efforts to prepare workers for careers in the supply chain for the good of the local communities and the industry alike.

As we move into 2023, it looks like the volumes in the Port industry are going to take a breather while the economy absorbs the freight which has clogged supply chains the past two years. This will provide a great opportunity to assess the past two years and prepare for the next wave of freight through our port that will certainly return. Regardless of when this will be, and no matter to what extent it will be, the Port of New York and New Jersey will continue to Adapt, Evolve, Progress, - Repeat.

A handwritten signature in black ink, reading "John J. Nardi".

John J. Nardi
President





SAFETY FIRST • 2022

Safety continues to be a primary focus in our port. SANYNJ and each of our member Marine Terminal Operators (MTOs) work together to ensure our workforce remains safe throughout a successful career in this industry. The SANYNJ Safety Team continued their commitment to ensuring that each employee working on the waterfront understands the importance of safety. To maintain a safe workplace, it is the responsibility of each individual working to follow all safety protocols.

The SANYNJ 2021 Safety Awards were presented in the summer of 2022 to the terminals with the best safety records. The awards are based on the Lowest Lost Time Incident Frequency Rate and the Greatest Reduction of Lost Time Incident Frequency Rates over the previous year. Lost Time Incidents are also reported directly to OSHA by each of the MTOs.

The terminal presented with the 2021 SANYNJ Safety Award and recognized for the Lowest Lost Time Incident Frequency Rate with over 1,000,000 labor hours was Maher Terminals. The terminal recognized for the lowest rate with under 1,000,000 hours but above 200,000 hours was Red Hook Container Terminal/Brooklyn. Maher Terminals and Red Hook Container Terminal/Brooklyn were also acknowledged for the Greatest Reduction in Lost Time Accident Frequency Rate over the previous year. Congratulations to each of these terminals for their continued commitment to safety!



TRAINING ▸ 2022

Safety, Productivity and Professionalism continues to be the focus of the SANYNJ-ILA-PPGU Training Center. The state-of-the-art Training Center is the foundation that provides training to meet the requirements of federal agencies such as OSHA and USCG, and the employers. The Training Center plays an important role by providing various types of training to the ILA and PPGU workforce. This ensures that employers can rely on competent, safety conscious labor.

The Training Center was a hub of activity in 2022. Newly hired employees attended classroom training that included New Employee Orientation, Powered Industrial Truck (PIT) Safety Training for forklift and hustler, as well as Gang/Hold Training. Newly hired checkers attended Introduction to Navis N4 Training sessions. Initial and Refresher Hazardous Materials Training and Respect and Dignity in the Workplace sessions were also conducted. The PPGU workforce attended Bomb Awareness classes.

The SANYNJ-ILA-PPGU Training Center's auditorium, classrooms and conference rooms continued to be used by many different groups in the maritime industry, port community and government agencies. Training, presentations, meetings, and discussions are being hosted at the training center daily.



Equipment Training Skill Certifications - Contract Year 2022

	New Certifications	Recertifications
Hustler Driver	260	406
Straddle Carrier	41	211
Crane Operator	35	100
Top Loader	88	120
Stacker (DS, RS, HC)	54	245
Noell Carrier	31	89
Yard Carrier	47	3
Empty Handler	78	182
Forklift	403	412
RTG/Transtainer	102	120
Shuttle Sprinter	19	15
Rail Mounted Gantry	2	16
TOTAL	1,160	1,919

*Equipment training is accomplished by an independent training company using certified ILA Trainers, as well as, at all employer terminals throughout the Port of New York and New Jersey.

Classroom Training Contract Year 2022

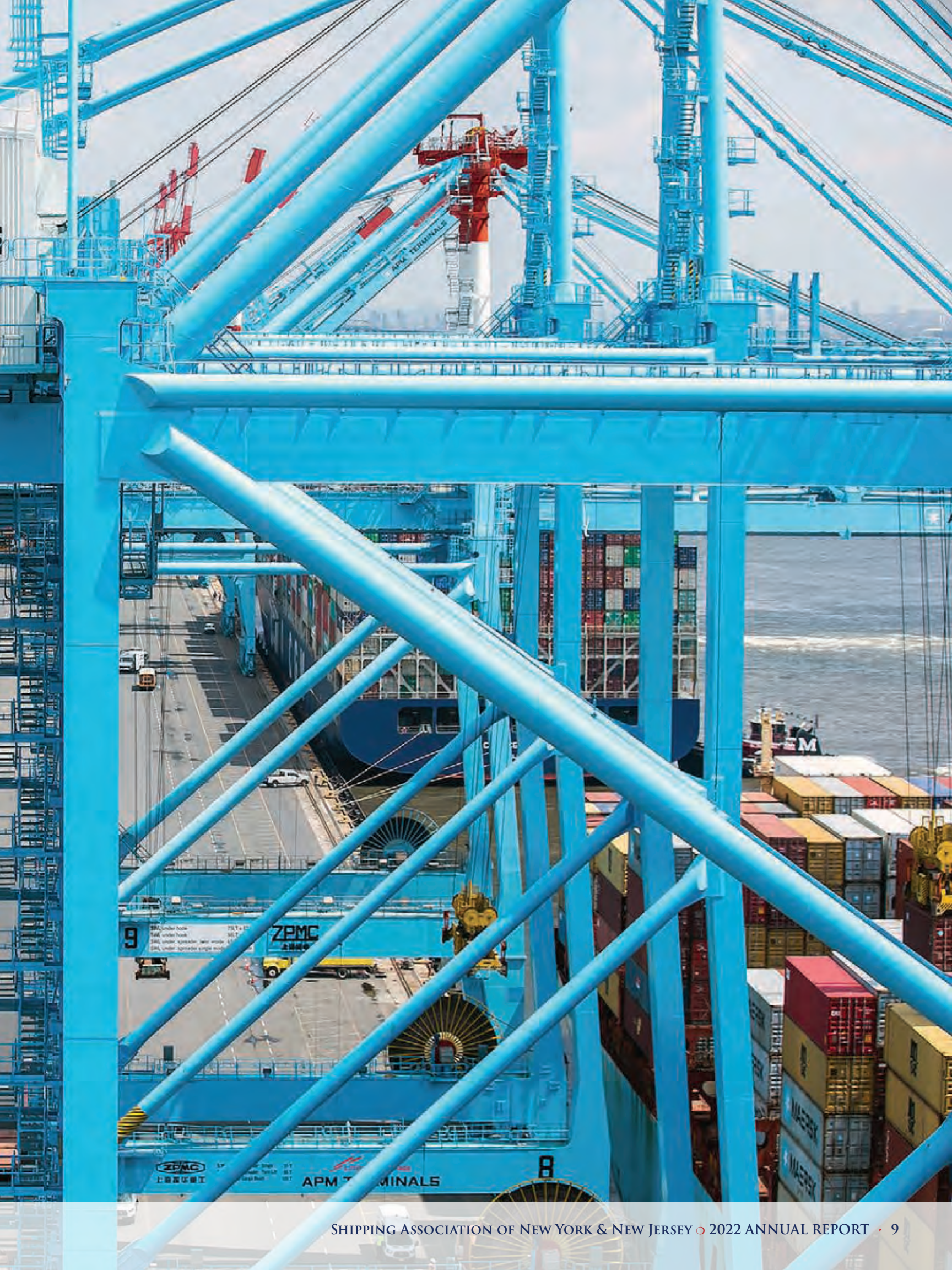
Initial/Refresher Hazardous Materials Training	851
PIT Safety/Equip Fundamentals/Gang Training	412
New Employee Orientation	450
Respect & Dignity Training	466

*With the exception of New Employee Orientation, all training is provided by an independent training vendor and member companies. Bomb Awareness Training for the PPGU workforce was provided by the Port Authority of NY & NJ.



APM TERMINALS



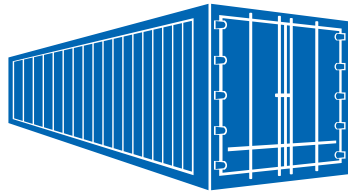


HIGHLIGHTS for contract year ended September 30, 2022



EMPLOYMENT:

- Approximately 4,400 active SANYNJ registered longshore, checker and maintenance workers employed in the Port during the contract year 2022.
- 15.6 million Million Hours Worked (8.6% increase from 2021)
- Wages Paid: Increase by \$71.2 million from 2021
- Fringe Benefit Costs: \$15.7 million increase from 2021



CARGO:

Containers that fit directly on a chassis

- 5.4 Million, an 8.6% increase over 2021



VEHICLES:

- 413,000 Roll-on / Roll-off cargo, which is driven off the ship
- 23.3% decrease from 2021



WORK HOURS & RATES CONTRACT YEAR 2022

CRAFTS	Rate	ST Hours	OT Hours	Total Work Hours	Average Age	# Ind.
Longshore	20.00	437,027.9	877,417.1	1,314,445.0	35.2	655
	24.25	302,953.0	596,848.5	899,801.5	39.1	270
	30.60	41,430.5	74,322.5	115,753.0	38.9	42
	37.00	2,457,461.7	5,050,775.8	7,508,237.5	50.8	2,044
	Total	3,238,873.1	6,599,363.9	9,838,237.0	46.2	3,011
Checkers	20.00	78,497.0	150,259.5	228,756.5	33.6	90
	24.25	133,649.0	273,682.5	407,331.5	37.0	82
	30.60	4,562.0	10,733.0	15,295.0	39.0	3
	37.00	944,934.0	2,121,879.0	3,066,813.0	51.6	625
	Total	1,161,642.0	2,556,554.0	3,718,196.0	47.9	800
Maintenance	20.00	33,610.0	77,825.5	111,435.5	34.9	54
	24.25	49,068.0	122,208.5	171,276.5	38.8	43
	30.60	5,431.0	3,508.0	8,939.0	36.6	5
	37.00	579,960.5	1,179,044.0	1,759,004.5	51.4	465
	Total	668,069.5	1,382,586.0	2,050,655.5	48.7	567
ALL CRAFTS		5,068,584.6	10,538,503.9	15,607,088.5	46.8	4,378

EQUIPMENT OPERATOR WORK HOURS

Contract Year 2022

Skill	Base Rate	Work Hours	% of Total
Crane Operator Transtainer Operator RTG Operator	20.00	17,714.5	1.5%
	24.25	68,551.5	5.8%
	30.60	66.5	0.0%
	37.00	1,102,975.5	92.7%
	Total	1,189,308.0	
Straddle Carrier Noell Carrier Operator	20.00	408,430.0	16.3%
	24.25	316,855.0	12.6%
	30.60	0.0	0.0%
	37.00	1,784,013.0	71.1%
	Total	2,509,298.0	
Hustler Operator	20.00	310,426.5	16.0%
	24.25	156,233.5	8.1%
	30.60	62,394.0	3.2%
	37.00	1,407,076.0	72.7%
	Total	1,936,130.0	
Other Container Handling Equipment	20.00	44,141.5	4.2%
	24.25	118,463.0	11.1%
	30.60	22,323.5	2.1%
	37.00	875,941.5	82.6%
	Total	1,060,869.5	

ASSESSMENT RATE TABLE

Description	Rate
House Containers within 260 miles	\$89.00 Per Container
House Containers within 260 miles-Bermuda Trade	25.00 Per Container
House Containers over 260 miles	21.00 Per Container
House Containers cargo laden - Railed	10.00 Per Container
Loaded Barge Containers	10.00 Per Container
Mafis with 43 tons or less cargo weight	150.00 Per Mafi
Transshipped	25.00 Per Container
Inland Transfers	55.00 Per Container
Loaded Waste Containers-Barge to Rail	17.20 Per Container
Empty Containers	40.00 Per Container
Empty Mafis	40.00 Per Mafi
Empty Waste Containers-Rail to Barge	17.20 Per Container
Empty Containers-Bermuda Trade	25.00 Per Container
Uncontainerized or unboxed Autos-Trucks-Buses	8.15 Per Unit
Breakbulk	6.00 Per Ton
Mafis with greater than 43 tons cargo weight	6.00 Per Ton
Bananas	0.09 Per Box
Excepted Cargo	14.00 Per Hour
Passenger Assessment	14.00 Per Hour
PPGU Assessment	17.00 Per Hour

UNITED STATES COAST GUARD SECTOR NEW YORK 2022 HIGHLIGHTS



Anchorage Grounds Environmental Review

Sector New York is collaborating with Port of New York/New Jersey and Hudson River Executive Steering committees to assist First Coast Guard District's risk assessment of anchorage grounds codified in 33 CFR Part 110, Subpart B, Anchorage Grounds. SECNY jurisdiction has over 35 of these anchorages. This risk assessment is evaluating the proximity to subsea pipelines, cables, tunnels, and other infrastructure to address such factors as navigational safety, protection of the marine environment, safe and efficient use of the Marine Transportation System and U.S. national security.

Maximize Efficient Use of Marine Transportation System

The Port of New York/New Jersey handled a record number of containerized cargo to achieve the nation's top port status for container throughput during the second half of 2022. Port congestion and MTS disruptions impact cargo flow with dire consequence on regional and U.S. economy and overall welfare. Sector New York served as a liaison between terminal and vessel operators to help facilitate ship movements and assist in minimizing port congestion. In addition, Sector New York led a Global Positioning System outage and Kill Van Kull grounding exercises to assess potential impacts, response, and recovery, and used lessons learned from these exercises to update contingency plans to help minimize potential MTS disruption.

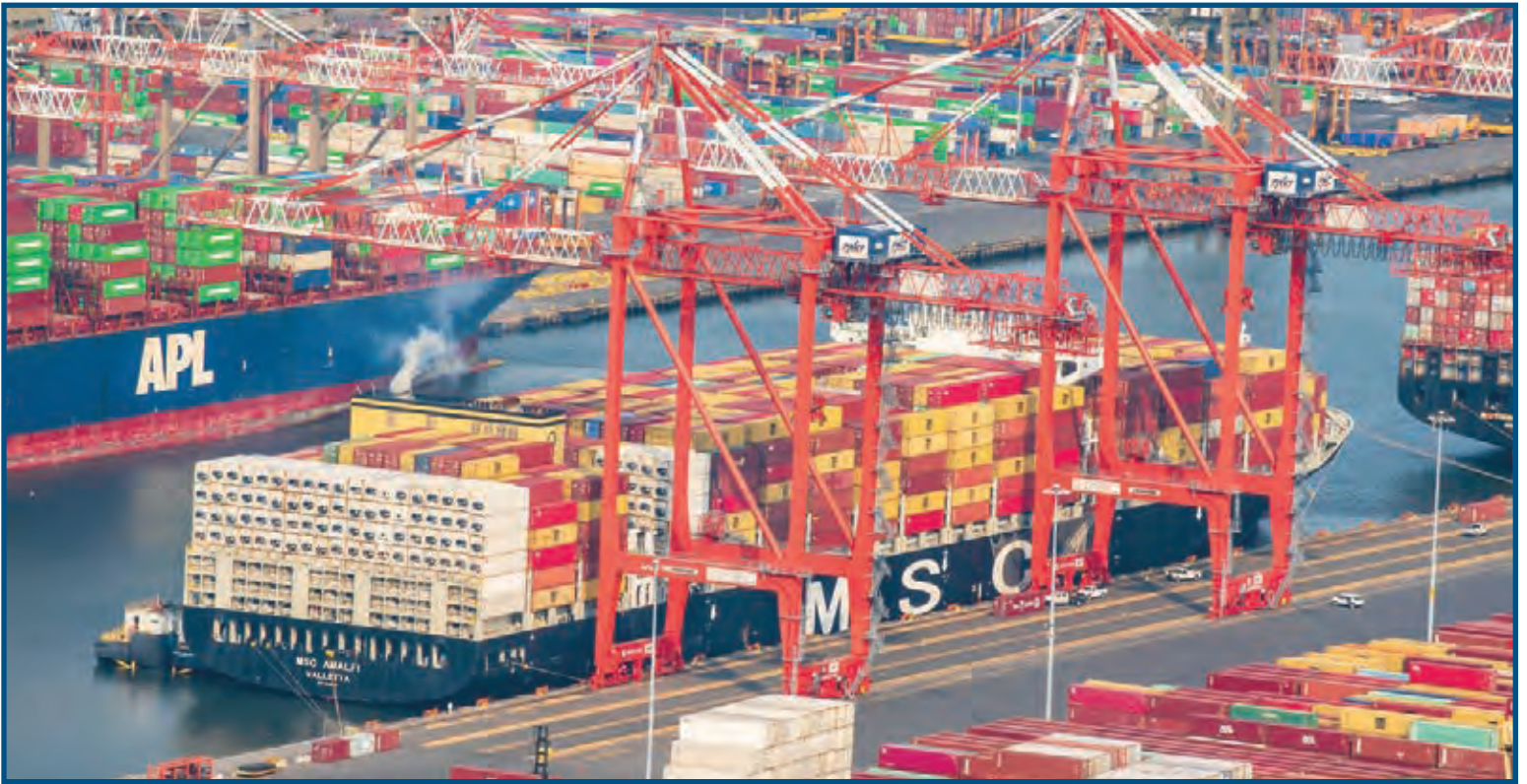
Cyber Threat to Maritime Transportation System (MTS)

In August of 2021, the Coast Guard's Cyber Strategic Outlook (CSO) was released to outline a strategic direction for facing cyber threats. One of the three primary Lines of Effort is to "Protect the Marine Transportation System," and a fundamental element for this effort is applying a proven prevention and response framework. With that direction, Sector New York enhances cyber resiliency through collaboration, communication, and engagement with port partners. These efforts facilitated 100% compliance of all Maritime Transportation System Act regulated facilities that were required to incorporate cybersecurity into existing facility security plans. In addition, Sector New York conducts expanded exams on commercial vessels to ensure effective cybersecurity plans are in place and are followed by ship crews. Finally, through active communications with vessel operators, Sector New York was alerted on several possible cyber-attacks that could impact MTS safety and security, and we conducted immediate assessments to identify and prevent potential disruptions.

Windfarm Status

As the New York and New Jersey master plan calls for >3,000 MW offshore power, Sector New York continues to review offshore windfarm proposals with the First Coast Guard District, Coast Guard Headquarters, and the Bureau of Ocean Energy Management. These reviews include risk assessments of the New York Bight traffic routes, increase in vessel movements from construction and support facilities in Albany, Coeymans, Brooklyn, and Arthur Kill, and review of possible cable routing to ensure it does not negatively impact the MTS.





GROWING THE WORKFORCE TO MANAGE INCREASING VOLUMES

The challenge of surging cargo volume in 2022 was met by our member companies through the purchase of new equipment and the increase in the number of gangs employed to work vessels. Hiring new employees to meet the demands of new cargo volume was combined with efforts to hire and train new employees to replace those who chose to leave the workforce through retirement in 2022.

Hiring efforts which began in Q4 of 2021, continued through 2022 to increase the workforce by 362 Longshore Workers and 130 Checkers. This included 60 designated Car Drivers/Baggage Handlers to alleviate any shortfalls experienced on RoRo vessels and to prepare for the post-COVID return of cruise ships to the Port. Container terminals in the Elizabeth and Newark section of the Port were slated to gain 150 Longshore Workers with the remaining 152 designated for employers in Bayonne, Staten Island and Brooklyn. The new Checkers were for distribution across the Port. By year end, all 492 candidates had been sponsored for employment and most had begun training and working in the industry. Approximately 60 remain under some form of review at the Waterfront Commission (WC) and as a result have not been registered to start work.

Continuing unprecedented cargo growth and the purchase of new equipment to handle cargo surges, resulted in an additional hiring endeavor kicked off in April to add another 260 Longshore Workers to the Elizabeth and Newark section of port operations. Also, 35 new Longshore Workers will be added to Bayonne cruise operations prior to the ramping up of the cruise season. The addition of these 295 employees is expected to be completed early in Q2 of 2023.

The SANYNJ-ILA contractual Hiring Plan continues to guide our hiring efforts, by recruiting and hiring candidates from a range of sources including union referrals, Department of Labor candidates from areas surrounding the Port, U.S. military veterans, and member company referrals. Hiring efforts in 2022 included screening nearly two-thousand candidates that expressed interest in opportunities. Nearly 700 candidates were interviewed, and a total of 533 new Longshore Workers and Checkers were hired throughout the Port during 2022, as follows:

Longshore		Checkers
335	Elizabeth/Newark	60
59	Bayonne	8
23	Brooklyn	3
35	Staten Island	10
452	TOTAL	81

The hiring process includes a Tripartite Interview Process which includes representatives from SANYNJ, the ILA, and Employers. After a successful interview and meeting the requirements of physical exams and drug testing, candidates submit an application to the WC to be added to the register. Upon approval and registration by the WC and obtaining a TWIC (Transportation Worker Identification Credential), Longshore Workers enter the workforce initially ready for work as Car Drivers and Baggage Handlers. They, then, proceed to Basic Equipment Training, and to Practical Gang Training during a vessel operation. Finally, those sponsored for work at facilities with specialized equipment, such as Straddle Carriers and RTGs, are trained to operate that equipment in a safe and efficient manner.

The demand in 2022 for highly skilled maintenance professionals continued as employers were focused on replacing employees that chose to retire at the end of the first quarter of 2022. This year, 32 maintenance professionals were hired and 4 others, who were sponsored for employment, remain under review at the WC.



PORT POLICE AND GUARDS UNION (PPGU)



The Port Police and Guards Union are one of the most important segments of the labor force that are always prepared and ready to defend the Port of New York & New Jersey. The escalation of cargo volumes have required increased hours of operation at the terminals and infrastructure improvements in the Port have generated new challenges for this area of the workforce. The union is comprised of 280 active members who are responsible for guarding key access points and patrolling all perimeters of the Marine Container Terminals, Auto Terminals and Passenger Ship/Public Berths. This surveillance is performed 24 hours a day, 7 days a week and 365 days a year.

A new three-year Collective Bargaining Agreement was reached between SANYNJ member employers and the PPGU that will run through December 31, 2025.

INFORMATION TECHNOLOGY

For 2022, the SANYNJ IT Department successfully completed the multi-year launch of our new Enterprise Management System (EMS). Our approach focused on 3 main goals.

- Utilize technology that is supportable and flexible
- Meet/exceed the needs of our business into the future
- Provide the highest level of security

SANYNJ would like to thank the membership companies for helping with the development and testing of the EMS throughout the process.

Labor Hiring Center

Remote operations for the Hiring Center continued throughout 2022 with no operational or business interruptions.

Beginning in the later half of 2022, the IT Department began a refresh project for the Labor Hiring System (LHS). The current system was launched back in 2012. This refresh will provide enhancements in functionality based on feedback from our user community. From a technical standpoint the refresh will allow the LHS system to become part of the SANYNJ EMS. Today the two systems speak to each other through syncs that run throughout the day and overnight. The refresh will bring the two systems together eliminating the need for the syncs. This will allow more centralized support and provide real time data where it is necessary. This project will be completed in the spring of 2023.

The NYSA-ILA Employee Benefits Funds Office, SANYNJ-ILA-PPGU Training Center and SANYNJ Corporate Offices continue to function in a hybrid environment utilizing both remote and on-premises IT Systems. The virtual applications utilize multi-factor authentication to ensure complete security.









INDUSTRY HIGHLIGHTS & SPECIAL EVENTS

New York/New Jersey Foreign Freight Forwarders & Brokers Association “2022 Person of the Year”

On February 3, 2022, John Nardi was honored by the New York/New Jersey Foreign Freight Forwarders & Brokers Association (NYNJFFF&BA) as their 2022 Person of the Year. The event was held at the Hyatt Regency in Jersey City and attended by industry professionals.

NYNJFFF&BA was founded in 1917 and serves as a provider of information and a voice for the Freight Forwarding, Customs Brokerage and Ocean Transportation Intermediaries communities in policy and regulation decision-making and also protects and advocates in the best interests of its members.



20th Annual Port of New York – New Jersey Port Industry Day

Members of SANYNJ participated in a panel discussion at the 20th Annual Port Industry Day that was held on September 12, 2022 at the Liberty House in Jersey City, NJ.

At a panel moderated by John Nardi, called “Accommodating Cargo Growth”, there was emphasis on collaboration to deal with challenges and to provide solutions to issues affecting fluidity and productivity in the Port. Speakers included Bethann Rooney, Director, Port Department, The Port Authority of New York and New Jersey, John Atkins, President, Global Container Terminals USA, Chris Garbarino, Chief Operating Officer, Port Newark Container Terminal, Courtney Robinson, Chief Operations Officer, APM Terminals Elizabeth, and Michael Stamatis, President, Red Hook Container Terminal.

Mr. Nardi also used this opportunity as moderator to announce New York Shipping Association’s name change to Shipping Association to New York and New Jersey.



Shipping Association of New York & New Jersey

On September 12, 2022 Mr. Nardi announced at Port Industry Day that the New York Shipping Association going forward would be doing business as Shipping Association of New York and New Jersey.

The New York Shipping Association was created in 1955 at a time when the overwhelming majority of cargo-handling work in the Port of New York and New Jersey took place in the State of New York. However, over the past 67 years, the business of the Port has evolved to where nearly 90% of the cargo-handling port work now takes place in New Jersey. It was time to modernize the name to reflect the work of the membership more accurately to the workforce, the industry, local communities, Trenton, Albany, and Washington DC.



2022 Heroes of the Harbor Awards

On October 12, 2022, John Nardi was honored as one of the three recipients of the Waterfront Alliance's Heroes of the Harbor Award.

This distinction is awarded to those who have contributed to the vibrancy, sustainability, economy, education, and awareness of the New York and New Jersey harbor, its port and the metropolitan area. This event elevates the importance of our waterways, port, and coastlines to decision makers, influencers, and leadership.

Also honored at this event was Stephen K. Knott, Secretary-Treasurer, International Longshoremen's Association and Sharlene Brown, Executive Director, YMCA of Greater New York/Castle Hill.



The Boy Scouts of America Maritime Industry “Good Scout” Award Luncheon

The 38th Annual Maritime Industry “Good Scout” Award Luncheon was held on November 16, 2022 in Staten Island, NY. This year’s recipients included Michael Stamatis, Red Hook Container Terminal, Bethann Rooney, Port Authority of New York and New Jersey and Kenneth T. Oelkers, Jr., International Longshoremen’s Association.

This annual event benefits the Greater New York Councils and the Patriot’s Path Council. The Greater New York Councils of the Boy Scouts of America serves the New York City area and has helped over five million young people since its inception in the 1920s. The Patriots’ Path Council serves more than 10,500 youth members and more than 5,000 volunteer leaders in the New Jersey counties of Middlesex, Morris, Somerset, Sussex, and Union.



COUNCIL ON PORT PERFORMANCE (CPP) WORKFORCE DEVELOPMENT IMPLEMENTATION TEAM (WDIT)

Since its launch in September of 2016, the Workforce Development Implementation Team (WDIT) of the Council on Port Performance (CPP) has raised awareness of the Transportation, Logistics and Distribution (TLD) industry and the vital role it plays in the region. Through a variety of events, the WDIT has also connected job-seekers with employers with open employment opportunities. Members of the WDIT include stakeholders representing trade association, planning organizations, marine terminal operators, equipment providers, trucking companies, supply chain and logistics management, warehousing and distribution centers, Beneficial Cargo Owners, academia, host communities and other governmental partners. SANYNJ has continued to play an active role in the WDIT through participation in quarterly meetings, job fairs and career awareness events.



In 2022, the WDIT continued collaborating and hosted events consisting of:

- TLD Job Fairs (3)
- High School Career Awareness Event
- Virtual Port Tour (2)
- Resume and Interview Workshop
- Parent-Focused TLD Information Sessions (2)
- Guidance Counselor/Curriculum Developer Networking/Information Session on careers that support port infrastructure

The scope of the WDIT continued to expand this year. At one of the job fairs this year, over 488 job seekers attended to meet with 26 recruiters hiring for over 200 job opportunities. The WDIT hosts a LinkedIn page which grew this year from 590 members to 765 members. “Transportation, Logistics and Transportation Jobs in NY/NJ”, is the name of the page which serves well as a tool to match up job seekers and employers to fill open TLD jobs. It can be accessed at: <https://www.linkedin.com/groups/8610391/>

Looking ahead to 2023, the group plans to focus on increasing connections between employers and candidates completing TLD apprenticeship and training programs, as well as establishing metrics to report the number of those hired as a result of WDIT efforts. Additional focus will continue to be on viable career pathways for drayage and any other areas where there is risk of employment shortages.







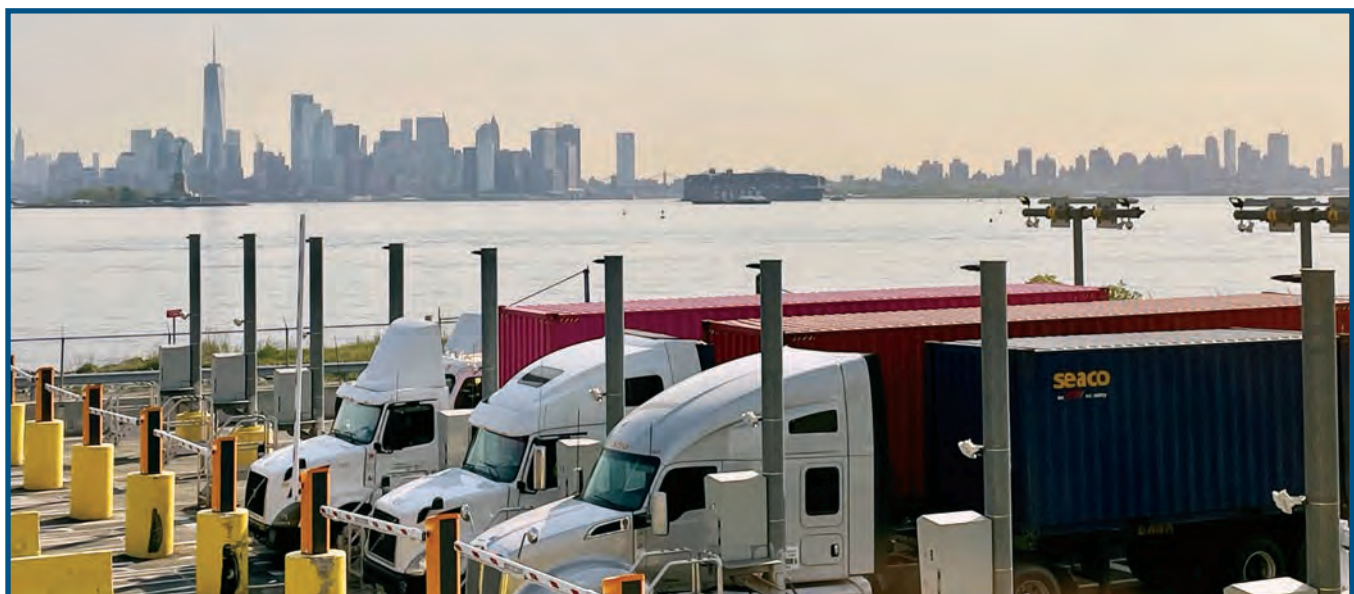
PORT AUTHORITY OF NEW YORK & NEW JERSEY (PANYNJ)

The Port of New York and New Jersey (PONYNJ) proudly claimed the top spot in the Nation for four straight months in 2022... a fitting story for the City that never sleeps! The NY/NJ Port reached an all-time record for containerized throughput volume in 2022. The Port handled nearly 9.5 million TEUs (twenty-foot equivalent units) for the year. What is more, as of November 2022, the PONYNJ is on track to set an all-time record for annual rail volume moved through the Port complex too — estimated to be above 710,000 containers. Also, the Port achieved a record high market share of U.S. loaded imports in 2022. We estimate our final 2022 market share to be approximately 17.3% of all U.S. loaded import containerized cargo (measured in TEU volume). This would make the PONYNJ the 2nd busiest port in the U.S. for containerized import cargo, surpassing the Port of Long Beach in 2022.

It takes a Port – not a village – to bring about that success. A hearty thanks to the ILA, MMMCA, ocean carriers, terminal operators, drayage truckers, chassis providers depot operators, and other port partners! On the heels of this year-end success, the US Army Corps of Engineers (USACE) and the Port Authority were pleased that the Port's harbor deepening and navigation project was included and authorized in the Water Resources Development Act of 2022 (WRDA) which President Biden signed into law on December 22, 2022. The project was analyzed by the Army Corps of Engineers (ACE) as part of an Integrated Feasibility Study and Environmental Assessment completed in June. The study recommends bend easing, channel widening and deepening the pathways from the ocean to Port Newark/Elizabeth Port Authority Marine Terminal and Port Jersey Port Authority Marine Terminal by 5 feet to a maintained depth of -55 feet MLLW (from the current -50 feet), as well as the Ambrose Channel to -58 feet MLLW (from its current -53 feet). WRDA authorized the project at \$6.3 billion. The study also recommended that the pathway to the Howland Hook Marine Terminal be further evaluated for additional deepening as well.

Another major freight project taking shape is the ExpressRail Southbound Connector. The PANYNJ received nearly \$1 million from New Jersey DOT's Regional Freight Assistance Program to finalize planning. The project would create a southerly connection from ExpressRail Elizabeth to Conrail's Garden State Secondary Line and the national rail system. Currently all intermodal trains must arrive and depart from the North. The Southbound Connector would enable the concurrent departure and arrival of trains both north and south, which is expected to increase throughput capacity and provide for more efficient rail movements at the Port's ExpressRail terminals. The project is a partnership between APM Terminals, Maher Terminals, Conrail and the Port Authority.

On October 17, the Port Authority received a Finding of No Significant Impact (FONSI) for the Environmental Assessment required under the NEPA process for its Port Street Corridor Improvement Project. Then, on October 26, the agency received confirmation that MARAD and FHWA completed their review of our Uniform Act compliance. With these requirements now behind the Port Authority, it enabled the agency to finalize the INFRA



grant terms and conditions and rebid the contract. Construction will commence in Spring 2023 on this essential roadway modernization project at Port Newark.

In May 2022, several acres were set aside and made available for the storage of empty containers at Port Newark/Elizabeth to create extra capacity for truckers. Activity at the anchorage had been elevated most of 2022, with average wait times to berth at about 3.64 days. The expected empty loaders ultimately helped evacuate thousands of empty containers that were taking up much needed capacity in the Port. The Port Authority and terminal operators are in constant contact with the ocean carriers to impress upon them the importance of developing a plan to extract even more empties in a timely manner.

As such, in August 2022, the PONYNJ implemented a new quarterly container imbalance fee for ocean carriers as part of the seaport's multi-pronged effort to aggressively move to handle record cargo volumes spurred by peak cargo season and a cargo shift from the West Coast. The container management fee targets excess empty containers being stored in the Port for long periods and free up much-needed capacity for containers that are full of imports and ready to be picked up by cargo owners.

The Port Authority also remained steadfast in its commitment to developing opportunities to cultivate strong relationships with current or new customers while working with Port stakeholders to address areas of need that required coordination and collaboration throughout the supply chain. This was especially important as global supply chain disruptions challenged every sector of the industry throughout the year.

- The PONYNJ welcomed eight new ocean carriers that are now calling our port with regular services: SeaLead, Lihua, TransFar, TS Lines, Ellerman City Liners, KCN, International Maritime Carriers Ltd. (of IMC Industrial Group), and Baggio Shipping & Chartering.
- The PONYNJ saw five new regularly scheduled services by existing ocean carrier customers.

At Red Hook Container Terminal in Brooklyn, business continued to grow as the facility stevedored an increased number of lumber vessels, barges with aggregates as well as their regular container vessels.

New Jersey Marine Terminal *William F. Fallon, Jr. Tugboat* *Christening*

took place on Friday, April 15, at Berth 8 in Port Newark and was hosted by Centerline Logistics. The naming ceremony and christening of their newly acquired harbor tugboat was in honor of the late William F. Fallon, Jr. who died on 9/11. Bill was the General Manager of Strategic Analysis and Industry Relations in the Port Department and had a wide range of maritime-related responsibilities from sales and customer service to managing the agency's international affairs offices in London, Hong Kong and Seoul. Bill was also a veteran of the U.S. Navy. Bill, his memory and contributions to the port and maritime community and the Port Authority were honored in the presence his wife Brenda, son Christopher and other members of Bill's family. Also present at the ceremony were Port Department retirees, current Port Department leadership and staff as well as executives from Centerline Logistics. Fr. John Corbett of the Stella Maris Chapel located at NJMT offered a blessing of the tugboat and her crew as she was officially christened with Bill's namesake. Members of the PAPD Pipe & Drum Band as well as members of the New Jersey Fireboat Task Force also graciously and eagerly participated to honor Bill and his family by way of providing songs to commemorate the christening and to "baptize" the boat by way of a water cannon display.



Roll-on/Roll-off Cargo

Despite Roll-on/Roll-off cargo being down at the Port, it did experience a series of milestones in 2022.

- The first of 25 new NJ Transit (NJT) Locomotives arrived via Atlantic Container Lines Roll on/Roll off vessels at Port Newark, were transported on 80ft MAFI trailers and then transferred to the rail track within the Ports America yard for final delivery to NJT. These new locomotives were produced by Bombardier in Hamburg, Germany.
- Port Newark welcomed its first LNG powered RO/RO vessel, the SAKURA LEADER owned by NYK Line and operated by Inchcape Shipping Services. The vessel is one of the world's largest of its kind, capable of transporting over 7,000 "standard vehicle equivalents" per voyage. By switching to LNG and modifying vessel design, vessels like this can become 40% more energy efficient. This vessel is anticipated to be the first of many "eco-friendly" vessels of its kind as ocean liners look to transition from traditional fuels to cleaner, more efficient options. LNG is one of the cleanest burning non-electric marine fuels, reportedly reducing sulfur emissions by as much as 99% and nitrogen oxide emissions by up to 85%. LNG also reduces greenhouse emissions by as much as an additional 30% and largely eliminates particulate matter from ship exhaust.
- As the agency's PATH rapid transit system entered into a new phase of its ambitious, \$1 billion PATH Improvement Plan, two new rail cars arrived at Port Newark in September 2022, representing an important step in the scheduled addition of 72 new cars by the end of 2023.
- The two cars, built by Kawasaki and off-loaded Sunday morning after a trip originating in Japan, are the first installment in PATH's commitment to expand its fleet to increase its capacity in the years ahead. Currently PATH has about 350 cars in service, with the new cars set to increase the railroad's rolling stock by more than 20 percent.



A Secure Port

With the surge in cargo volumes, the PANYNJ undertook additional measures to ensure the cargo arrived safely and would be transported securely.

- Conducted DHS certified 8-hour Bomb Prevention Awareness training from the Office of Bombing Prevention to 280 Waterfront Commission licensed security officers;
- Expanded regional participation in the Port of New York and New Jersey's Security Information Exchange which focuses on cybersecurity information sharing and capacity building within the Port;
- Conducted additional first responder awareness training for those agencies that may respond to an incident within a port facility;
- Established and coordinate (in partnership with the NJ Office of Homeland Security and Preparedness) monthly meetings to address the fire hazards of Electric Vehicles and lithium batteries with a particular focus on the shipboard and port environments.

The PANYNJ Invests in Customer Service

At the PANYNJ, staff is committed to advancing positive change to continually improve customer service for shippers, drayage trucking and all providers within the Port's supply chain. Here are some examples:

- Enhancing the Port's relationship with the warehousing and distribution business sector was an important goal this year. The PANYNJ held its first Warehousing Roundtable in December 2022 leading to the sharing of best practices and industry trends. This event created additional opportunities to collaborate providing more visibility into Port operations, equipment availability, hours of operation, and data exchange.
- The PANYNJ serves as the Grantee of the Port of NY & NJ's Foreign Trade Zone (FTZ) No. 49, handling administration and management of the zone and serving as a critical link between zone operators and the Foreign Trade Zone Board. In 2022, the Port Authority successfully designated five new operators within FTZ No. 49, which now consists of 31 sites and subzones employing approximately 1,000 workers in the Port District.
- The agency began work on six priority customer experience projects, including critical public restroom repairs and new signage infrastructure to directly benefit the trucking community.

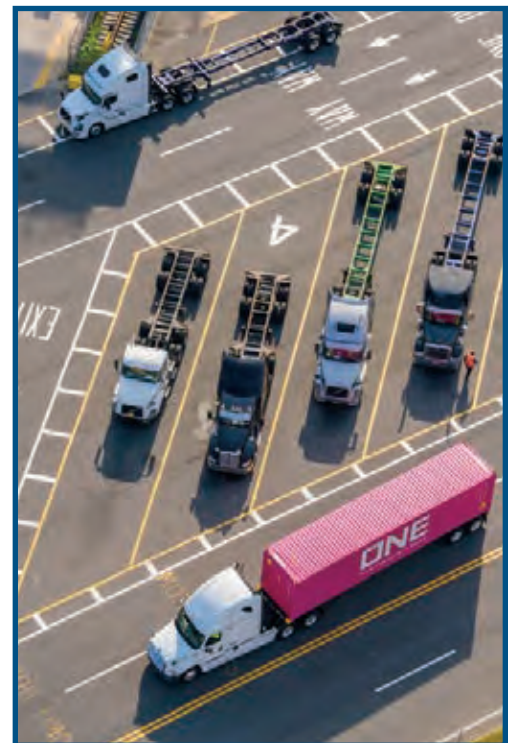
- The need for additional data visibility remains a priority for Port stakeholders. Thanks to the support of the terminal operators and the Shipping Association of New York and New Jersey, the Port Authority launched an update to its popular Port Supply Chain Dashboard in September 2022. New metrics include Daily Average Turn Times (represented in minutes for single and double moves, for dry vans only), Weekly Import Container Dwell Time, Number of Trouble Tickets, and Rail Dwell.
- A New Vessel Scheduling Platform – OceanSMART -- was launched. This cloud-based vessel scheduling system replaced the now obsolete Freight Information Real-Time System for Transport (FIRST) that had been in use for more than 20 years. The new platform can be accessed via the internet and is compatible with mobile devices, facilitates reservations for the public berths and provides accurate and timely vessel billing invoices to customers. OceanSMART also offers advanced data analytics and reporting capabilities.

Similarly, port stakeholders demonstrated continued commitments and played an integral role supporting and helping grow the Port's workforce. Finding the right employee fit and hiring qualified talent can make all the difference. Council on Port Performance partners Prologis and Newark Alliance launched a transportation, logistics and distribution (TLD) training app. The Hire Newark training app cultivates an audience for job opportunities and imparts industry knowledge and skills, while identifying and preparing jobseekers, who are ready to work onsite. The app provides nearly 40 different training programs from Introduction to Logistics to Operating a Safe Workplace and Safe Material Handling and Equipment Operations. Newark Alliance envisions the Prologis Community Workforce Initiative as a springboard to promote and attract talent to our industry and Port of NY & NJ. At the end of 2022, 102 of the 226 individuals enrolled in the training program had been placed into local TLD jobs.

A more sustainable supply chain

More Port customers and SANYNJ partners continue to pledge and express their interest in ensuring sustainable supply chains.

- Starting in 2022, vessels visiting the Port Authority facilities could receive additional financial incentive if utilizing low carbon alternative fuel.
- The Port achieved a major milestone in which 80% of all container terminal gate transactions were performed by clean trucks equipped with exhaust aftertreatment systems. These systems greatly reduce diesel emissions by more than 90% compared to the ones without. The Port Authority is working towards securing additional funding to support the upgrade of the remaining truck fleet serving the Port.
- By year end 2022, 112 pieces of heavy port equipment have been replaced with new equipment meeting the latest Environmental Protection Agency emission standards. In total, these upgrades eliminated 200 tons of oxide of nitrogen and 6 tons of diesel particulate matter annually. This is the equivalent of removing 22,000 cars from the road.
- The Port Authority partnered with 3 drayage trucking companies to collect and analyze drayage truck usage data. The study evaluated the operability of battery electric truck under unique performance requirements, corresponding infrastructure implications, utility cost associated with peak demand increases, and life-cycle emission benefits relative to a diesel-powered fleet.
- The Port Authority is evaluating current and future electrical energy needs for stakeholders, tenants, and terminals across New York and New Jersey Marine Terminals. The Port Authority completed the first study, covering a portion of the New Jersey Marine Terminals (Port Newark South), and will be expanding the scope to complete its remaining port holdings in 2023. The study includes a baseline evaluation of current energy usage and the electrical infrastructure capacity in the study area, on-site surveys and geolocation of electrical infrastructure, discussions with tenants to identify planned improvements, and projections for future energy demand. The study implements a recommendation from the Port's Master Plan and provides a valuable opportunity for the Port, tenants, and energy providers to have a forum to discuss future demand, plan for new infrastructure improvements, and achieve the agency's net zero goals.



GOVERNMENTAL AFFAIRS HIGHLIGHTS 2022

STATE OF NEW JERSEY

The myriad changes seen in the New Jersey Legislature in 2022 began with the 2021 general election. Notably, industry partner and friend Senator Steven M. Sweeney was not re-elected. Sen. Sweeney's 12-year tenure as Senate President saw him sponsor and provide crucial support for legislation initiating the State of New Jersey's withdrawal from the Waterfront Commission Compact (WCC). This important legislation allows New Jersey to regain its sovereign right to, within its borders, police and regulate economic matters pertaining to PONYNJ marine terminal facilities. Over 90% of cargo handling activities occur within New Jersey's borders.

We sincerely thank and appreciate Senator Sweeney for his critical role and impact on the history of the most important gateway for international maritime commerce in the history of the United States.

Senator Nicholas P. Scutari assumed the office of Senate President on January 11, 2022. We have enjoyed an excellent working relationship with Senator Scutari since his election to the New Jersey Senate in 2004 and look forward to continued partnership with the Senator and his staff to achieve our mutual goals of economic growth and job creation for the citizens of New Jersey.



Waterfront Commission of New York Harbor

For nearly two decades SANYNJ has been on a mission to adequately staff our marine terminal operations to levels which optimize efficiency and productivity, a critical factor to the economic success of our endeavors. In that time the State of New Jersey has approved into law several legislative measures to modernize the Waterfront Commission of New York Harbor (WC) in the interest of economic growth and job creation for New Jersey, New York, and the Northeast region. All the efforts approved in New Jersey for consideration by New York State have been rebuffed or ignored by Governors and Legislatures since 2007 at the behest of the WC.

As reported in the New York Shipping Association, Inc. 2021 Annual Report, Acting Governor Sheila Y. Oliver sent notice of New Jersey's intent to withdraw from the Waterfront Commission Compact (WCC) to Governor Kathleen C. Hochul of New York on December 27, 2021. On February 9, 2022, Governor Hochul's office responded by challenging New Jersey's right to unilaterally withdraw from the compact.

On February 11, Governor Phil Murphy's office responded by informing New York that New Jersey intends to withdraw from the compact on March 28. On March 13, New York Attorney General Letitia James, filed a Motion for Leave to File a Bill of Complaint to the Supreme Court of the United States (SCOTUS). This action was New York's only remaining option to prevent New Jersey from withdrawing from the WCC and transitioning law enforcement responsibilities at New Jersey marine terminal operations to the New Jersey State Police. A preliminary injunction was granted, setting the stage for an Original Jurisdiction case for the SCOTUS to decide this dispute between the two states.

During this tumultuous period of concern, SANYNJ remained in close contact with the Murphy Administration and the leadership of both houses of the New Jersey Legislature regarding the developments impacting the case.

Nearing the August 22, 2022, deadline for New Jersey to file a brief in response to New York's complaint, SANYNJ leadership decided that the Association would submit an Amicus Curiae Brief in support of New Jersey's position as an Amici with an interest in the outcome of the litigation. We also reached out to the New Jersey business community, enlisting the support of:

- African American Chamber of Commerce of New Jersey
- National Association of Industrial Office Properties New Jersey
- New Jersey Business & Industry Association
- New Jersey Chamber of Commerce
- New Jersey Motor Truck Association
- New Jersey Retail Merchants Association

SANYNJ thanks our esteemed friends and colleagues at these organizations for joining us and the State of New Jersey in this historic endeavor. Their emphatic support has our earnest gratitude.

All briefs in the New York v. New Jersey Original Action case were filed by the deadline date of November 22, 2022. On December 19, 2022, SCOTUS announced a Monday, February 27, 2023, schedule for oral arguments. The prevailing sentiment holds that the Court's decision will likely be rendered sometime before the end of June.

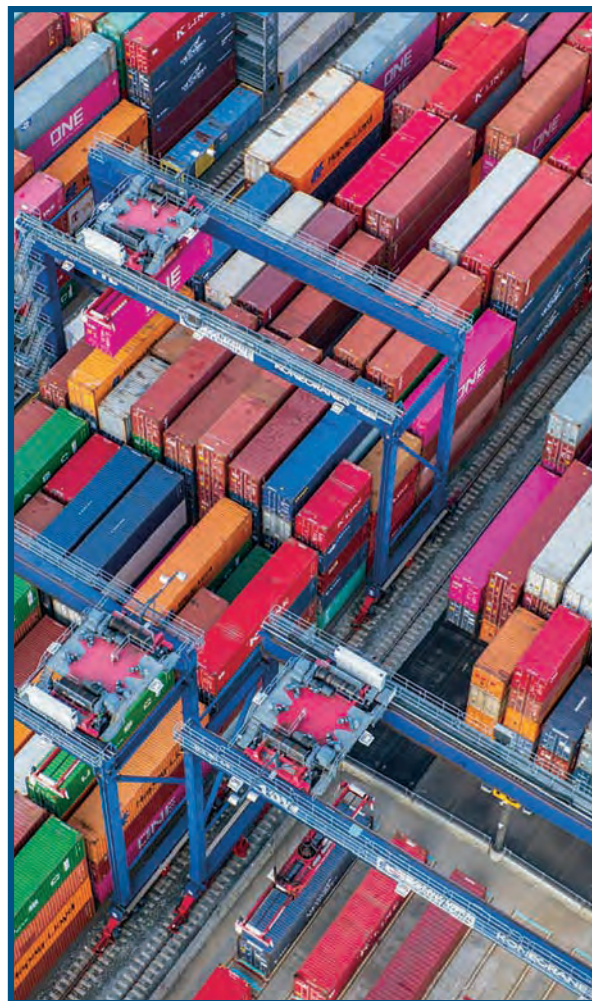
Regardless of the court's decision work to repair the frayed relationship between the two states is necessary, and efforts to modernize the WCC to meet the evolving demands of international maritime commerce in the PONYNJ deserve cooperation. The SANYNJ looks forward to working with both the Murphy and Hochul Administrations, respectively, to ensure the marine terminal operations in the PONYNJ are adequately staffed, our workers are protected from all threats, and our ability to deliver prosperity is sustained and enhanced.

Drug-free Workplace Protections

Throughout 2022, SANYNJ actively sought clearly defined regulations regarding protecting an employer's right to a drug-free workplace in response to legalization of adult use cannabis. Attempts at accomplishing that goal through cleanup legislation to the original New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, were unsuccessful.

The onus then fell upon the Cannabis Regulatory Commission (CRC) to provide guidance on this important matter. Pending the outcome of a case before the New Jersey Supreme Court, CRC held back for the first three quarters of 2022. The case would determine testing protocols and special training for police officers, to be known as Drug Recognition Experts, testing for cannabis impairment during sobriety checks. The CRC was concerned about writing rules that could conflict with the Court's forthcoming decision.

On September 9, 2022, the CRC issued guidance regarding workplace impairment. The guidance directed that employers with an existing process in place for establishing "reasonable suspicion" by using a drug test now have on staff a Workplace Impairment Recognition Expert (WIRE) responsible for assisting with determinations related to impairment. WIREs would document evidence/proof of impairment in the workplace to support use of a drug test to confirm reasonable suspicion, on a CRC provided form, and can also conduct cognitive impairment testing. SANYNJ will continue to monitor developments as the CRC moves to adopt rules regarding drug-free workplace protections for employers in New Jersey.



Environmental

The New Jersey Department of Environmental Protection (NJDEP) as part of its New Jersey Protecting Against Climate Threats (NJPACT) strategy, proposed new rules and amendments to address impacts of mobile cargo handling equipment at ports and intermodal rail yards on environmental quality on January.

During the public comment period, concerns from the environmental community were expressed that the rules didn't go far enough, nor move fast enough to require total electrification of port and intermodal rail yards. SANYNJ made known our support of comments by the Port of New York/New Jersey Sustainable Terminal Services Agreement.

Our record of collaboration on improving environmental quality in the past and the present will continue as we meet challenges such as the lack of new technology and supporting infrastructure required to comply with the proposed NJPACT rules. As of 2022's end, NJDEP is continuing work on addressing the urgency created by changing climate and solutions to emergent problems. SANYNJ continues to monitor this matter moving into 2023.

STATE OF NEW YORK

Congratulations to Governor Kathleen C. Hochul, 57th Governor of New York State, who was elected to her first full term as Governor on November 8th! During 2022, SANYNJ met with Hochul administration officials to establish an understanding of the SANYNJ's role in the PONYNJ and the Northeast Region's economy. We look forward to further strengthening our relationship with the Hochul Administration in 2023.

In the New York State Legislature (NYSL), Election Day returns saw the Democratic Party maintain veto-proof supermajorities in both the Senate (42-21) and the Assembly (102-48). A top priority in 2023 will be re-engaging with both houses of the NYSL, developing strategies to capitalize on growth opportunities at SANYNJ marine terminal operations in New York. Congratulations to Senator Andrea A. Stewart-Cousins, Majority Leader of the Senate, and Assemblyman Carl E. Heastie, Speaker of the Assembly who will continue in their leadership positions of their respective houses.



2022 LEGISLATIVE REVIEW

National Association of Waterfront Employers (NAWE)



Robert Murray
President

Over the course of 2022, as the impacts of the COVID-19 pandemic and cargo volumes at marine terminals and stevedoring operations leveled out, Congress' attention shifted from these concerns to consideration of must-pass legislation such as the Fiscal Year 2023 appropriations bills and the 2022 midterm Congressional election. The NAW E legislative and legal teams closely monitored and reported on significant developments during the Second Session of the 117th Congress as well the outcomes of the 2022 Congressional midterm election. In this report, we will provide a summary of NAW E's efforts in these areas.

Political Report: 2022 Congressional Midterm Election

- Congressional Midterm Election Results in Divided 118th Congress - On November 8, 2022, Congressional midterm elections were held—with all 435 seats in the House of Representatives and 35 of 100 seats in the Senate being contested.

Democrats retained their very narrow majority in the Senate by capturing the 50 seats they needed to maintain political party control of the chamber on election day. One Senate race—the contest in Georgia between incumbent Senator Raphael Warnock (D-GA) and Republican challenger Herschel Walker—went to a run-off election that was decided on December 6th. Sen. Warnock was reelected added to the Democratic majority in the Senate. Since the election, Sen. Krysten Sinema (D-AZ) announced that she was changing her party affiliation from Democrat to Independent. However, Sinema stated her intention to caucus with the Democrats—keeping the balance of the Senate unchanged.

In the House of Representatives, Republicans gained the majority—with a 222-213 seat margin over Democrats. The Democratic ranks in the House were further thinned by the passing of newly re-elected Democratic Rep. Donald McEachin (D-VA-4). A special election is expected to be called by the Virginia Governor in the coming months to fill the VA 4th District vacancy in early 2023. So, the current House balance in the 118th Congress stands at 222-212 in favor of the Republicans.

- Midterm Election Leads to Significant House Leadership Changes – In the weeks following the 2022 midterm elections, the House of Representatives embarked on a series of significant changes in leadership as Chamber prepared for the 118th Congress. With Republicans securing a majority of seats, the GOP took control the offices of Speaker, Majority Leader and Majority Whip. On November 15th, House Republicans met to elect a slate of leaders for the next Congress. Republican Minority Leader Kevin McCarthy (R-CA-23) in the 117th Congress secured his conference's nomination for Speaker by a vote of 188-31 against Freedom Caucus challenger Rep. Andy Biggs (R-AZ-5), but he fell far short of the 218 votes required to become Speaker when the House formally convened in January. Initially unable to secure 218 votes, the House was tied up for a couple of weeks as McCarthy and his supporters struggled to secure the needed votes to become Speaker. McCarthy eventually secure the Speaker's gavel on the 15th vote in a very chaotic process. In order to secure enough votes, McCarthy agreed to several concessions (changes to House Rules, seats on prime committees, and an agreement to tie the US Debt Limit vote to cuts in discretionary and mandatory funding programs) with a group of 20 of the House GOP's most conservative members. Once the Speaker was elected, the House was able to approval a rules package for the 118th Congress and begin its other organizational processes.
- Unlike the Speaker election, the remaining House Republican leadership posts were settled with minimal drama. Former Minority Whip Steve Scalise (R-LA-1) was unopposed for House Majority Leader. Rep. Tom Emmer (R-MN-6) emerged from a three-way contest to win Majority Whip—defeating former Republican Study Committee Chair Jim Banks (R-IN-3) and Chief Deputy Whip Drew Ferguson (R-GA-3). Rep. Elise Stefanik (R-NY-21) was selected as Republican Conference Chair again—overcoming Rep. Byron Donalds (R-FL-19). Lastly, Reps Richard Hudson (R-NC-8) will now serve as GOP Conference Secretary.

House Democrats also made significant changes among the leaders of their caucus in the 118th Congress. Long-time House Democratic party leaders Nancy Pelosi (D-CA-12) and Steny Hoyer (D-MD-5) decided to step down from their respective roles as Speaker and Majority Leader. On November 30th, House Democrats met to vote on a new slate of caucus leaders. Rep. Hakeem Jeffries (D-NY-08) was elected without opposition to serve as the chamber's top Democrat. Rep. Adam Schiff (D-CA-28) reportedly had considered challenging Jeffries for Democratic Leader, but he decided not to do so and instead intends to run for Senate in 2024 when Sen. Dianne Feinstein (D-CA) is expected to retire.

Rep. Katherine Clark (D-MA-5) was elected Minority Whip and Rep. Pete Aguilar (D-CA-31) was chosen as chair of the Democratic Caucus. Rep. James Clyburn (D-SC-6) announced his intention to remain as Assistant Democratic Leader.

In the Senate, Democratic Majority Leader Chuck Schumer (D-NY) will remain in his position. Senate Republican Leader Mitch McConnell (R-KY) easily defeated Sen. Rick Scott (R-FL) by a vote of 37-10-1 to remain as GOP Leader. Sen. John Thune (R-SD) will continue to serve as Minority Whip in the 118th Congress. Sen. Steve Daines (R-MT) will take over as chair of the National Republican Senatorial Committee (NRSC). Sen. Joni Ernst (R-IA) will serve as Policy Chair for the GOP, and lastly, Sen. Shelley Moore Capito (R-WV) will chair the GOP Conference in next Congress.

Legislative Initiative Highlights during 2022 include the following (in alphabetical order):

Environment / Energy -

- H.R. 5376, the Inflation Reduction Act of 2022 (IRA) - On August 16, 2022, President Joe Biden signed H.R. 5376, the Inflation Reduction Act of 2022 (IRA), into law. The legislation was the centerpiece of the Biden Administration's domestic policy agenda—containing tax code reforms, climate policy initiatives, and provisions to lower drug prices. After failing to gain congressional support for the much broader Build Back Better (BBB) bill, President Biden reached a breakthrough in late July 2022 by securing the support of all Senate Democrats through a substantially scaled-back version of BBB. After passing the Senate, the House returned from August recess to hold a vote on H.R. 5376. The measure passed on a straight party-line vote by a margin of 220-207.



According to the White House, the IRA bill is intended to address inflation by paying down on the U.S. national debt, lowering healthcare costs, and increasing American energy production to attempt to lower fuel prices and bolster energy security.

Of interest to NAWA members, the IRA law contains a provision (Section 133) that provides grants to reduce air pollution at ports. This section provides \$3 billion of funding to support the purchase and installation of zero-emission equipment and technology at ports. Funding through this new grant program will remain available until September 30, 2027.

\$2.25 billion of this fund will be awarded to recipients through rebates and grants on a competitive basis to purchase or install zero-emission port equipment or technology for use at one or more ports or to conduct any relevant planning or permitting in connection with the purchase or installation of such zero-emission port equipment or technology. These funds also may be used to develop qualified climate action plans.

The remaining \$750 million provided through this fund will go towards recipients that meet the qualifications above and are also located in non-attainment areas, which are defined as areas considered to have air quality worse than those set under National Ambient Air Quality Standards.

While NAWA strongly advocated for near-zero emission cargo handling equipment (CHE) to also be eligible for grants provided through this new program, unfortunately, the text of the law specifically states that the grants and rebates provided through this program are for the purchase of “zero-emission” equipment or technology. Although our interpretation is that near-zero CHE may not qualify for grants under this program, NAWA has engaged with the EPA (lead federal agency on the Clean Ports Initiative in IRA) as it works to implement the law and administer the grant program.

Eligible recipients of this Clean Ports grants are:

- (1) A port authority;
- (2) A State, regional, local, or Tribal agency that has jurisdiction over a port authority or a port;
- (3) An air pollution control agency; and
- (4) A private entity that applies for a grant under this section in partnership with any entity described above and owns, operates, or uses the facilities, cargo-handling equipment, transportation equipment, or related technology of a port.

Limitations: Funds awarded under this section shall not be used by any recipient or subrecipient to purchase or install zero-emission port equipment or technology that will not be located at, or directly serve, the one or more ports involved.

As you may be aware, NAWA established a new committee, Environment, Energy & Equipment (“E3C”) to work directly with EPA to educate the agency on the challenges our industry faces in transitioning from current equipment (much of which still has years of service life ahead) to zero and near-zero cargo handling equipment and help shape this new grant program in such a way that it is of maximum value to MTOs. The NAWA team and the E3C Committee will be at the forefront of our efforts with EPA as the Clean Ports program is implemented.

Infrastructure –

- H.R. 2617, the FY 2023 Consolidated Appropriations Act – On December 22, 2022, the House and Senate passed the FY 2023 Consolidated Appropriations Act. This measure was an “omnibus” bill that combined all 12 appropriations into a single legislative vehicle. Passage of H.R. 2617 completed the final major action of the 117th Congress. On December 29, 2022, President Biden signed the measure into law.

The Omnibus totaled \$1.66 trillion—providing \$858 billion for defense funding and \$772 billion for non-defense discretionary programs in FY 2023. The deal on the Omnibus was reached after months of intense negotiations that required the passage of two separate stopgap continuing resolutions (“CRs”) to temporarily fund the functions of the federal government after the October 1st start of Fiscal Year 2023.

Importantly for NAWA members is that the FY 2023 Consolidated Appropriations bill contained funding for numerous federal programs of importance to NAWA. Below is a list by of Omnibus programmatic funding levels listed by federal department or agency:

U.S. Department of Transportation

- \$800 million for National Infrastructure Investments (RAISE/TIGER/BUILD)
- \$560 million for Consolidated Rail Infrastructure & Safety Improvements (CRISI) grants

Maritime Administration

- \$212 million for the Port Infrastructure Development Program (PIDP) and sets minimum grant awards under PIDP at \$1 million.
- \$6,000,000 for the Maritime Environmental and Technical Assistance (META) program, and
- \$10,000,000 for the America’s Marine Highways Program.

Homeland Security

- \$100 million for Port Security Grants.

U.S. Army Corps of Engineers

- \$172,500,000 for Investigations
- \$1,808,800,000 for Construction - which \$75,518,000, is to be derived from the Harbor Maintenance Trust Fund, shall be to cover the Federal share of construction costs for facilities under the Dredged Material Disposal Facilities program; and of which such sums as are necessary to cover 35 percent of the costs of construction, replacement, rehabilitation, and expansion of inland waterways projects shall be derived from the Inland Waterways Trust Fund. \$2,227,092,000, is to be derived from the Harbor Maintenance Trust Fund, shall be to cover the Federal share of eligible operations and maintenance costs for coastal harbors and channels, and for inland harbors.

Supply Chain –

- H.R. 4996 Ocean Shipping Reform Act of 2021 (OSRA) – In last year’s report, we noted that the House of Representatives had passed H.R. 4996. We also highlighted NAWE’s efforts to work with the Senate to prevent passage of H.R. 4996 in that chamber.

NAWE strongly objected to the House version of the OSRA bill, H.R. 4996, that was introduced by Reps. John Garamendi (D-CA) and Dusty Johnson (R-SD). The House did not follow its regular order legislative process in creating H.R. 4996—no hearings or committee markups were held to point out the deep flaws in the bill. Rather H.R. 4996 was rushed in an expedited process to the House floor and passed on three occasions without proper debate or opportunities to address its ill-conceived and harmful provisions.

Fortunately, the Senate followed a more careful and deliberative process (as NAWE urged) in building their version of OSRA, S. 3580. The NAWE legislative and legal team engaged with Chair Maria Cantwell and Ranking Member Roger Wicker of the Senate Commerce Committee as well as the original Senate sponsors of S. 3580, Senators Klobuchar and Thune, to substantially modify the original version of the Senate OSRA bill introduced in February 2022. After the House’s reckless OSRA process, NAWE advocated to Senate leaders that this legislation must go through a regular-order legislative process, and most importantly, should not include provisions that are harmful to MTOs and make the supply chain disruptions worse. While not perfect, the NAWE team worked hard to significantly improve S. 3580 and to prevent the House-passed version of OSRA, H.R. 4996 from becoming law.

On June 13, 2022, the House considered and passed the Senate version of the Ocean Shipping Reform Act (OSRA), S. 3580, by a vote of 369-42. Since S. 3580 has already passed the Senate in March, President Biden signed S. 3580 into law later that month.

Since enactment of the Ocean Shipping Act of 2022 (OSRA-22) into law, NAWE has been fully engaged in the process of implementation of this revision to the Shipping Act. For instance, NAWE established an OSRA Task Force of its member and working with the association’s legal team crafted comments to the Federal Maritime Commission (FMC) expressing NAWE’s views in response to the Commission’s Notice of Proposed Rulemaking related to OSRA-22’s Detention & Demurrage provisions. NAWE and its legal team remain on top of this evolving situation.

- H.J. Res. 100, A Resolution to ratify the Tentative Rail Agreement - On Tuesday, November 29th, President Biden met with a bipartisan group of Congressional leaders to discuss several issues, including the continued failure of unions and railroad companies to finalize a labor agreement that was tentatively reached in September. President Biden established an emergency board in August to work with the railroad companies and unions. This effort led to a tentative agreement to raise rail workers’ wages and give them an additional paid day of leave—thus averting a rail strike. At that time, the unions agreed to remain on the job. They set a deadline of December 9th to provide sufficient time for each of the 12 rail worker unions to work toward ratification of the tentative labor agreement. However, 4 of the 12 rail unions rejected the tentative agreement because it fails to address their demands for paid sick leave. While expressing sympathy for rail workers, President Biden stated, “...the economic impact of a shutdown would hurt millions of other working people and families.” Biden then stated, “I believe Congress must use its powers to adopt this deal.”



On November 30th, the House acted quickly in a strong bipartisan vote of 290-137 to pass legislation (H.J.Res. 100) to ratify the Tentative Agreement. The bill was transmitted to the Senate, and on the following day, the chamber considered and approved H.J.Res. 100 by voice vote after defeating an attempt to amend the resolution by a resounding 25-75 bipartisan vote. Upon passage in the Senate, the bill was transmitted to the White House where President Biden signed the measure into law.

While NAWE did not take an official position on this legislation, the legislative team closely monitored and reported to members on the status of negotiations and the subsequent legislation to enact the Tentative Agreement into law.

Waterfront Workers –

- H.R. 3114, the Longshore and Harbor Workers' COVID-19 Compensation Act of 2021 (LHWCA) – As mentioned in the 2021 report, NAWE remained engaged in working to prevent enactment of H.R. 3114 into law. You may recall that this bill addresses COVID-19 as a non-rebuttable workman's compensation case for workers subject to LHWCA. The bill enjoyed support among many House Democrats and was quickly moved through the House and attached as a rider to the HEROES Act COVID relief bill when it was brought up for a vote in the Chamber under the Budget Reconciliation process. The effort to pass H.R. 3114 as a rider on the HEROES Act failed due to Senate Parliamentary objections.

On March 16, 2022, the House Education and Labor Committee held a markup on H.R. 3114 and it passed the Committee by a straight party-line vote. Action on the bill remained static until on August 29, 2022, when the Congressional Budget Office (CBO) released a new cost estimate for H.R. 3114. The new cost-estimate was smaller than the initial score released by CBO when it was originally introduced in 2021. The CBO's revised score of H.R. 3114 indicated that there might be another effort on part of the House (while Dems still held the House majority) to attempt to attach the bill to legislation in the waning days of the 117th Congress.

Out of concern for such an attempt to move the bill, members of the NAWE Insurance Committee met on August 30, 2022, to discuss outreach efforts to prevent enactment of the bill before Congress adjourned. The NAWE team was further concerned that, after President Biden and Congressional Democrats decisively enacted legislation to prevent a threatened nationwide rail strike (over the objections of some of their labor supporters), there might be an olive branch offered to labor in the form of a pro-labor legislative package that would be attached as a rider to a late session must-pass bill such as the FY 2023 Omnibus Appropriations Act.

As the 117th Congress drew to a close, the NAWE legislative team met with Senate Health, Labor, and Pensions Committee and House Education and Labor Committee staffs to reiterate NAWE's strong opposition to H.R. 3114 and to urge that this ill-conceived bill, under no circumstance, should be included as a rider on any must-pass year-end legislation. This bill died when Congress adjourned in late December 2022.

Throughout the process, NAWE continued to make its strong opposition known on Capitol Hill, and the association was among a group of maritime industry and other business organizations that sent a joint letter to the House and Senate Labor and Education Committees expressing deep concern about H.R. 3114.

The Second Session of the 117th Congress proved to be quite eventful. Despite being an election year, when House members and Senators are eager to get back home to campaign, 2022 proved to be a very busy legislative year with meaningful action on many bills and issues of consequence to the marine terminal and stevedore industry. As we embark on the 118th Congress, the NAWE team remains on station and working to advance the association's goals in 2023.



2022 REPORT OF COUNSEL

WATERFRONT COMMISSION OF NEW YORK HARBOR (COMMISSION)

On December 27, 2021, after the Supreme Court of the United States denied the Commission's Petition for Certiorari seeking to overturn the dismissal of its complaint against New Jersey Governor Murphy for attempting to withdraw from the Waterfront Commission Compact (Compact) between itself and the State of New York, New Jersey announced its intention to withdraw from the Compact effective March 28, 2022.

On March 14, 2022, the State of New York commenced an original action against New Jersey in the Supreme Court, which enjoined New Jersey from taking any action to withdraw unilaterally from the Compact or to terminate the Commission, pending disposition of the case. On May 13, 2022, New York and New Jersey filed a joint motion requesting that the Supreme Court resolve the issue of New Jersey's withdrawal from the Compact.

On August 29, 2022, New York Shipping Association, Inc., now known as the Shipping Association of New York & New Jersey (SANYNJ), filed an amicus brief in support of New Jersey's position that principles of state sovereignty and compact construction permit New Jersey to withdraw from the Compact. Under basic principles of contract law, withdrawal from a contract like the Compact is permitted absent express prohibitions on such withdrawal. Furthermore, principles of state sovereignty require a clear indication that a compacting state has agreed to cede its sovereignty in perpetuity.

Ten other port-related entities joined in SANYNJ's amicus brief. Amicus briefs in support of New Jersey were also submitted by the Solicitor General of the United States, eight other states, and a consortium of law professors. The Commission and other groups submitted amicus briefs in favor of New York's position. The matter was fully briefed at year end. Oral argument is scheduled for February 27, 2023.

NYSA-ILA COLLECTIVE BARGAINING AGREEMENT COVID-19

On September 15, 2022, SANYNJ and the International Longshoremen's Association (ILA) issued updated quarantine protocols for New York and New Jersey longshore workers to be consistent with the updated guidelines issued by the Centers for Disease Control and Prevention (CDC) and the Departments of Health of New York and New Jersey. Workers no longer need to quarantine if they are exposed to a confirmed case of COVID-19. This applies equally to vaccinated and unvaccinated workers. Instead, workers are now permitted to continue working, but if they are working inside or in close proximity to others, it is recommended that they wear a high-quality mask for ten days after exposure.

Under the updated protocols, workers who develop symptoms or test positive for COVID-19 are required to stay home for at least five days and to isolate from others. If after five days, the worker is fever-free for twenty-four hours without the use of medication and the symptoms are improving (or the worker had no symptoms), the worker can end isolation after day five. However, workers returning to work under these circumstances have been instructed to wear a high-quality mask through day ten to reduce the risk of spreading COVID-19 to others. Workers are not required to wear masks outdoors or in a location where a worker can socially distance.

COVID Pandemic Relief (CPR) Fund

In response to the loss of work opportunities caused by the COVID-19 pandemic, United States Maritime Alliance, Ltd. (USMX) and the ILA amended the USMX-ILA Master Contract (Master Contract) in 2020 to create the USMX-ILA COVID Pandemic Relief Fund, a supplemental unemployment benefit plan established pursuant to Section 501(c)(17) of the Internal Revenue Code.

During 2022, benefit applications being submitted to the CPR Fund from ports on the Atlantic and Gulf Coasts dropped substantially. As CPR Fund applications have decreased, the ILA and USMX have jointly agreed that the CPR Fund will temporarily suspend taking benefit applications based on the loss of income on and after January 1, 2023. However, if COVID-19 cases increase or the CDC reports that the risk of getting COVID-19 has increased, the ILA and USMX will lift the suspension and applications will be processed by the CPR Fund.

NYSA-ILA EMPLOYMENT LAW PROGRAMS

Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)

The NYSA-ILA USERRA Coordinator continues to review requests for military leave, notify the employees of their obligations when seeking reemployment, and acts as a liaison with the different NYSA-ILA fund departments to ensure appropriate benefits are credited upon return from service.

Anti-Discrimination and Anti-Harassment Policy; Family-and-Medical-Leave Procedures

The NYSA-ILA Equal Employment Opportunity Officer continues to investigate complaints brought under the port wide Respect & Dignity Anti-Discrimination and Anti-Harassment Policy.

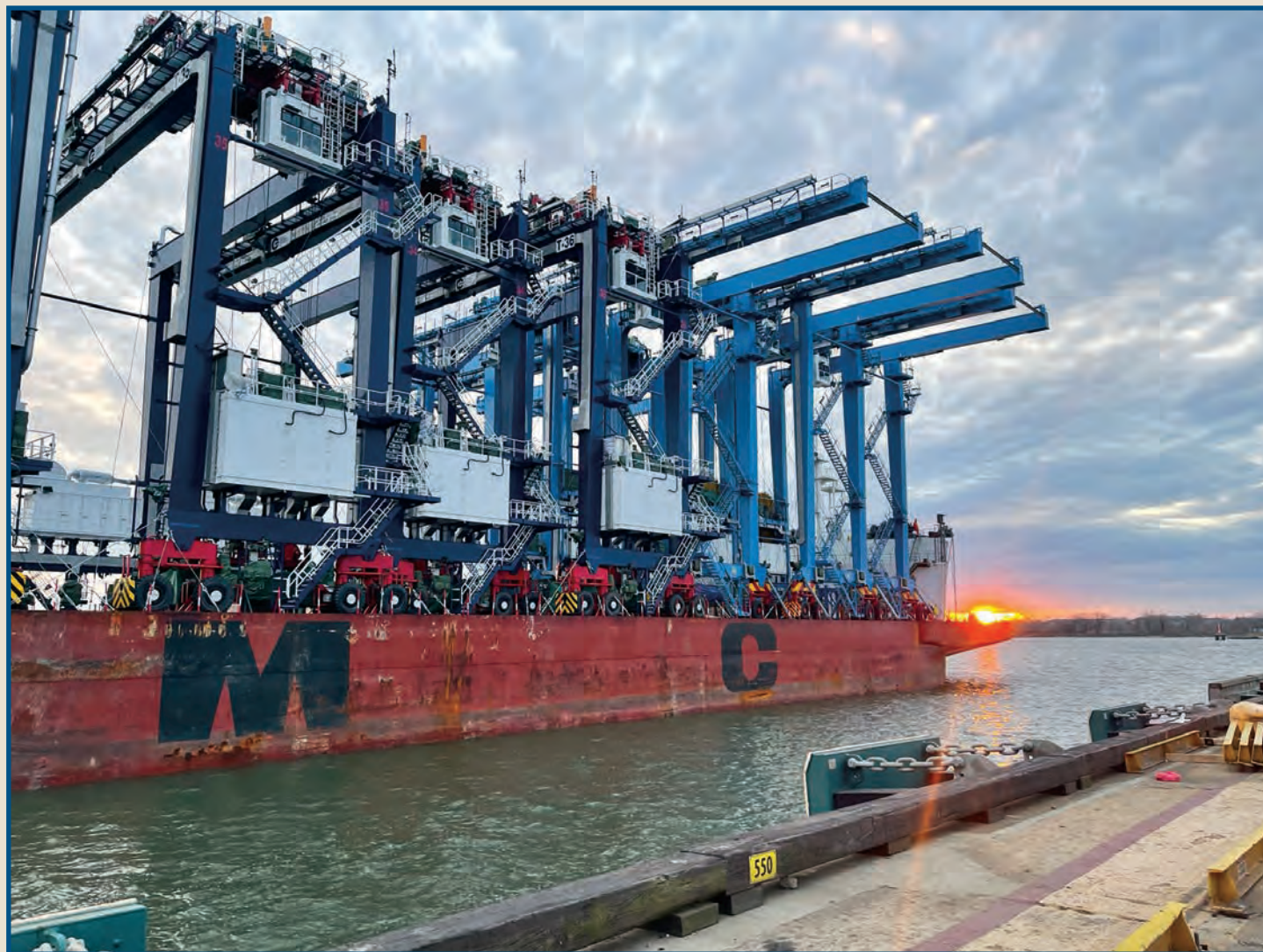
NYSA-ILA Accommodations Team (A Team)

The A Team continues to entertain requests from longshore workers seeking reasonable accommodations under relevant federal and state laws that would permit them to continue to work in the industry, despite certain disabilities.

The A Team monitors past accommodations that have been provided and has found that most employees are performing well in their jobs. The A Team also considers referrals from the NYSA-ILA Absenteeism Committee and the NYSA-ILA Seniority Board concerning employees with unexcused absences that raise medical issues.

NYSA-ILA Drug and Alcohol Abuse Program

The NYSA-ILA Drug and Alcohol Abuse Program provides drug and alcohol abuse services to those members of the industry requiring help by placing them in in- and out-patient treatment programs and referring them for the counseling services provided by the Management-ILA Managed Health Care Trust Fund (MILA).



State of New Jersey

In February 2021, the State of New Jersey enacted legislation legalizing the use and possession of recreational marijuana as well as regulating the commercial sale of marijuana in the state. SANYNJ continues to seek certain technical amendments to the law. Nothing in the law prohibits an employer from maintaining a drug-and-alcohol-free workplace or requires employers to permit the use, consumption, being under the influence of, possession, transfer, or sale of marijuana in the workplace. Accordingly, marijuana remains a prohibited substance under the NYSA-ILA Drug and Alcohol Policy.

Employees testing positive for marijuana at levels proscribed in the policy will continue to incur a positive test result under the policy and be subject to the violation provisions of the policy. SANYNJ and the ILA have agreed to remove marijuana from the pre-employment drug test screen to ensure compliance with the relevant New Jersey law.

In September 2022, the New Jersey Cannabis Regulatory Commission (CRC) issued guidance for workplaces as an initial step toward formulating and approving standards for Workplace Impairment Recognition Expert (WIRE) certifications. The CRC guidance on workplace impairment and the accompanying Behavior Report are meant to support the right of employers to create and to maintain safe work environments, and to affirm the right of employees to due process. The Behavior Report is not limited to behavior related to the use of cannabis but applies to all prohibited substances.

The CRC guidance reiterates that adverse employment actions based solely on the presence of cannabis in an employee's body cannot be undertaken, but employers have the right to conduct a drug test upon reasonable suspicion of impairment observed while the employee was engaged in the performance of the employee's work responsibilities or following a work-related accident subject to investigation by the employer.

An employer may use a cognitive impairment test to establish reasonable suspicion of cannabis use or impairment at work. Until New Jersey establishes certification programs for WIREs, employers should designate one or two staff members who are sufficiently trained to determine impairment and qualified to complete the CRC's Behavior Report to assist with making these determinations.

State of New York

In March 2021, the State of New York enacted legislation that legalized the use of recreational marijuana for individuals ages twenty-one and older. The law took effect immediately and established a Cannabis Control Board. Regarding employers, the law makes clear that it is not intended to limit the authority of any employer to enact or to enforce policies relating to marijuana in the workplace. Employers can prohibit certain activities, such as banning marijuana use during work hours or while on call, and barring possession of marijuana while on employer property or in areas used by employees, such as desks or lockers.

The legislation also prohibits discrimination against an employee because of an individual's lawful activities to include outside work cannabis use in accordance with state law. However, an employer would not be in violation of the law if it takes action related to the use of cannabis by an employee that is required by state or federal law or if the employee manifests specific articulable symptoms while working that decrease or lessen the employee's performance of the duties or tasks of the employee's job position. In both New York and New Jersey, employees utilizing medical marijuana would need to be assessed for a potential reasonable accommodation through an interactive process.





2022 FEDERAL LEGISLATIVE AND REGULATORY ACTIVITY

COVID-19

Effective January 15, 2022, individuals with private health insurance coverage or who were covered by a group health plan who purchase an approved over the counter (OTC) COVID-19 diagnostic test during the COVID-19 public health emergency were able to have those test costs covered by their plan or insurance carrier. The COVID-19 public health emergency was extended several times throughout 2022 by the U. S. Department of Health and Human Services and required group health plans and insurers to pay for COVID-19 tests and related services without charging cost sharing to the participants. Insurance companies and health plans were required to cover eight free OTC at-home tests per covered individual per month during the COVID-19 public health emergency.

FEDERAL LEGISLATION

Ocean Shipping Reform Act of 2022 (S. 3580)

The Ocean Shipping Reform Act of 2022 was signed into law on June 16, 2022. The legislation authorizes the Federal Maritime Commission to self-initiate investigations of ocean common carriers' business practices, prohibits ocean carriers from declining opportunities for U.S. exports unreasonably, shifts the burden of proof regarding the reasonableness of demurrage and detention charges from the invoiced party to the ocean carrier that issues the charge, and requires ocean carriers to include on invoices information confirming that any late fees for demurrage or detention comply with federal regulations or face penalties.

Stop Underrides Act (S. 605/H.R. 1622)

The Stop Underrides Act was included as part of the Infrastructure Investment and Jobs Act that was enacted on November 15, 2021 and directed the U.S. Department of Transportation (DOT) to upgrade current federal safety standards for rear impact guards. The legislation also directed the DOT to develop performance standards for side underride guards. On July 15, 2022, the National Highway Traffic Safety Administration published a Final Rule regarding rear impact guards and rear impact protection. The Rule takes effect on January 11, 2023 with a compliance date of July 15, 2024.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC)

During 2022, the EEOC regularly issued updated guidance addressing COVID-19 inquiries and the federal anti-discrimination laws that the EEOC enforces. Such guidance dealt with religious objections to employer COVID-19 vaccination requirements, when and how employers can screen job applicants and employees for COVID-19, and when an employer can rescind a job offer due to COVID-19.

During 2022, the EEOC issued a new, updated workplace poster entitled, "Know Your Rights: Workplace Discrimination is Illegal," which must be displayed conspicuously in the workplace. Employers are encouraged to display the poster digitally on their websites as well. The new poster provides information about the various types of workplace discrimination and retaliation.

FEDERAL MARITIME COMMISSION (FMC)

Fact Finding No. 29: International Ocean Transportation Supply Chain Engagement

In May 2022, the FMC released the final 65-page report for Fact Finding No. 29, *"Effects of the COVID-19 Pandemic on the U.S. International Ocean Transportation Supply Chain."* During the two-year investigation period, importers and exporters echoed two recurring pandemic-related concerns: the high cost of shipping cargo, and excessive demurrage and detention charges. The report recommended that the FMC initiate rulemakings to provide clarity on empty-container return and earliest-return-date practices and investigate practices relating to the charges assessed by ocean common carriers, seaports, and marine terminals through tariffs.

Ocean Shipping Reform Act of 2022 (OSRA)

Certain provisions of OSRA became effective immediately upon enactment on June 16, 2022, including the prohibitions on assessing non-compliant charges or issuing non-compliant invoices for demurrage or detention charges, as well as all the new requirements related to demurrage and detention invoices. In August, the FMC established a webpage dedicated to actions and activities related to the implementation of OSRA. It also published a notice seeking public comment on whether supply chain congestion has created conditions warranting the issuance of an emergency order requiring ocean common carriers and marine terminal operators to share key information with shippers, truckers, and railroads. In September, the

FMC sought public comment about the new OSRA prohibition against an ocean common carrier's unreasonable refusal to deal or to negotiate on vessel space accommodations. It also sought public comment regarding proposed new regulations on demurrage and detention billing requirements. All FMC matters seeking public comment were pending at year end.

NATIONAL LABOR RELATIONS BOARD (NLRB)

NLRB "Joint Employer" Rule

In September, the NLRB published a proposed rule that expands the factors that can establish a joint employment relationship to include indirect and unexercised control over the terms and conditions of employment, such as scheduling, wages, and benefits. The proposed rule does not require an entity to actually exercise any authority over an employee's essential terms and conditions of employment to be considered a joint employer. Merely possessing the authority to control those terms and conditions would be sufficient for an entity to be considered a joint employer. The matter was pending before the NLRB at year end.

Employee Surveillance

In 2022, the NLRB's General Counsel issued a memorandum that seeks to restrict the surveillance of employees by such means as Global Positioning System (GPS) tracking, video surveillance, and key loggers because they could potentially interfere with employees' rights to form or to join a labor organization or to collectively bargain through their chosen representatives in violation of the National Labor Relations Act (NLRA).

The memorandum urges the NLRB to find that employers presumptively violate the NLRA if their technology tends to interfere with or prevent employees from engaging in protected concerted activity. The employer would have to demonstrate that the practices at issue are narrowly tailored to address an employer's legitimate business needs.

Even where the employer's interests outweigh those of its employees, the employer would be required to disclose to its employees the technologies being used to monitor them, the reasons for doing so, and how the information obtained is used.

The standard proposed by the NLRB General Counsel would apply to all employers subject to the NLRA, not just to unionized employers. In light of the General Counsel's memorandum, employers that maintain surveillance technology should examine how that technology is being used and whether it is sufficiently tailored to minimize its impact on the rights of their employees.



OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA)

COVID-19 Vaccination and Testing

The September 2021 mandatory vaccination and testing standard for private sector employers was immediately beset by legal challenges in various federal courts, including the Supreme Court of the United States. OSHA finally withdrew the standard in January 2022, which resulted in the final legal challenge to the standard being dismissed as moot by the Court of Appeals for the Sixth Circuit in February 2022.

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

The PBGC's Multiemployer Insurance Program (MIP), which covers 10.9 million participants, saw a dramatic improvement during 2022 due to the Special Financial Assistance (SFA) Program enacted in the American Rescue Plan Act of 2021 (ARP). ARP enabled the PBGC to provide special financial assistance to the most financially troubled multiemployer pension plans. Prior to ARP, the PBGC projected that its MIP would become insolvent in 2026. As a result of ARP's SFA Program, the MIP is likely to remain solvent for more than forty years.

The MIP had a positive net position of \$1.1 billion at the end of FY 2022, compared to \$481 million at the end of FY 2021. During FY 2022, the PBGC approved 30 applications for \$7.6 billion in SFA to plans that cover over 191,000 workers, retirees, and beneficiaries. In FY 2022, the PBGC provided \$226 million in regular financial assistance to 115 multiemployer plans covering 93,525 participants receiving guaranteed benefits.

PORT SECURITY/TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC)

TWIC Enrollment/Renewal

Effective August 11, 2022, the Transportation Security Administration (TSA) enhanced the renewal process for the TWIC by allowing current TWIC holders to renew their credentials online, which eliminates the need to go to an enrollment center and makes the five-year renewal process more convenient.

Renewal Exemption for Truck Drivers with Hazardous Materials Endorsement (HME)

On September 15, 2022, the TSA temporarily exempted for 180 days the TSA Security Threat Assessment requirement for HME holders whose endorsements would have expired between July 1, 2022 and December 27, 2022. The HME Security Threat Assessment Program conducts a threat assessment for any driver seeking to obtain, renew, or transfer a hazardous materials endorsement on a state-issued commercial driver's license. The TSA granted the exemption to ensure that the HME renewal process did not exacerbate the difficulties with the transfer and movement of cargo nationwide and at U.S. ports that were prevalent during 2022.

2022 STATE AND LOCAL LEGISLATIVE AND REGULATORY ACTIVITY

NEW JERSEY

New Jersey Department of Environmental Protection (NJDEP)

Mobile Cargo Handling Equipment (CHE)

On January 3, 2022, the NJDEP published a Notice of Rule Proposal and State Implementation Plan Revision for Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards. The purpose of the proposed rules is to reduce diesel engine emissions, including nitrogen oxide and particulate matter, in communities located near ports and intermodal rail yards. The rules are modeled on a California regulation and would require diesel mobile CHE at ports and intermodal rail yards to meet performance standards that reflect best available control technology. A public hearing was held on February 9, 2022. Comments to the docket were accepted until March 4, 2022. SANYNJ submitted comments to the record on March 2, 2022 on behalf of its members. The matter was pending before the NJDEP at year end.

New Jersey Division on Civil Rights: Poster Requirements

Effective August 1, 2022, New Jersey employers can satisfy the poster requirements under the state's Law Against Discrimination and Family Leave Act through an internet or intranet site rather than the usual bulletin board in the workplace. Employers must not only post, but must also distribute, copies of the posters to each employee (1) annually, on or before December 31 of each year, and (2) upon the first request of an employee.

NEW YORK STATE

Whistleblower Protections Expanded

In January 2022, New York State amended its Labor Law to expand significantly the protections afforded to those who report alleged unlawful practices of an employer. Employers must have a whistleblower policy in place, which must be posted, easily accessible, and provided to employees. The expanded protections apply to current as well as former employees and independent contractors. Remedies for violation of New York's Labor Law include front pay, fines, and punitive damages.

Workplace Discrimination Laws Expanded

In March 2022, New York enacted legislation establishing a workplace sexual harassment hotline and providing expanded protection to employees from unlawful retaliation. The toll-free confidential hotline was launched in July 2022.

Monitoring of Employees' Telephones, E-mails, and Internet Access or Usage

As of May 7, 2022, all private sector New York employers that monitor employees through electronic devices must provide written or electronic notice of monitoring to new employees upon hire. The notice must also be conspicuously posted in the workplace. Employees must acknowledge the notice in writing or electronically. The law does not apply to current employees or processes that manage electronic communications and internet usage or systems maintenance, which must be performed solely for the purpose of computer system maintenance or protection. Companies should review their current practices for providing notice of monitoring, such as employee handbooks, and develop a procedure for tracking and maintaining employee acknowledgements.

CITY OF NEW YORK

At year end New York City enacted legislation requiring employers (and their agents) with four or more employees to disclose the minimum and maximum annual salary or hourly wage for each internal and external job, promotion, or transfer opportunity posting they advertise. The law does not apply to job advertisements for temporary employees or for remote positions, which solicit workers who would not perform work in whole or in part in New York City. The salary ranges listed in job postings should reflect the highest and lowest salary that the employer believes in good faith it would pay for the advertised position at the time of its posting. For a first violation employers are entitled to a warning with 30 days' notice to cure before facing a monetary penalty.



2022 SANYNJ INSURANCE AND INDEMNITY PROGRAM

New York Shipping Assurance Association, Inc. (NYSAA)

In 2006, New York Shipping Association, Inc., now known as the Shipping Association of New York & New Jersey (SANYNJ), created a comprehensive insurance program to protect SANYNJ, its directors, officers, employees, and representatives as well as SANYNJ members. The coverage for SANYNJ members is provided through a Vermont captive insurance company, New York Shipping Assurance Association, Inc., a wholly-owned subsidiary of SANYNJ based in Colchester, Vermont, and includes legal representation and defense costs incurred to enjoin strikes or work stoppages, to defend arbitrations, to commence court actions, to participate in adjudicatory proceedings, to defend against third-party claims, and to prosecute court actions and arbitrations in connection with the implementation of the NYSA-ILA and NYSA-PPGU Collective Bargaining Agreements.

This coverage is referred to as “Financial Injury Coverage.” Premiums are paid from the assessments paid by SANYNJ members. For the fiscal year ended September 30, 2022, less than 1% of total assessments were used to fund NYSAA Policy No. NY 001. No new insurance claims were filed with NYSAA during the 2021-2022 Policy Year.

New York Shipping Association Self-Insurance Trust

Liability insurance coverage for SANYNJ, its directors, officers, employees, and representatives is provided through commercial insurance policies with excess coverage provided by the SANYNJ Self-Insurance Trust. The Trust also provides Financial Injury Coverage to SANYNJ for its legal costs that arise from the implementation of the NYSA-ILA and NYSA-PPGU Collective Bargaining Agreements. SANYNJ did not file any claims with the Trust during the 2021-2022 Policy Year.

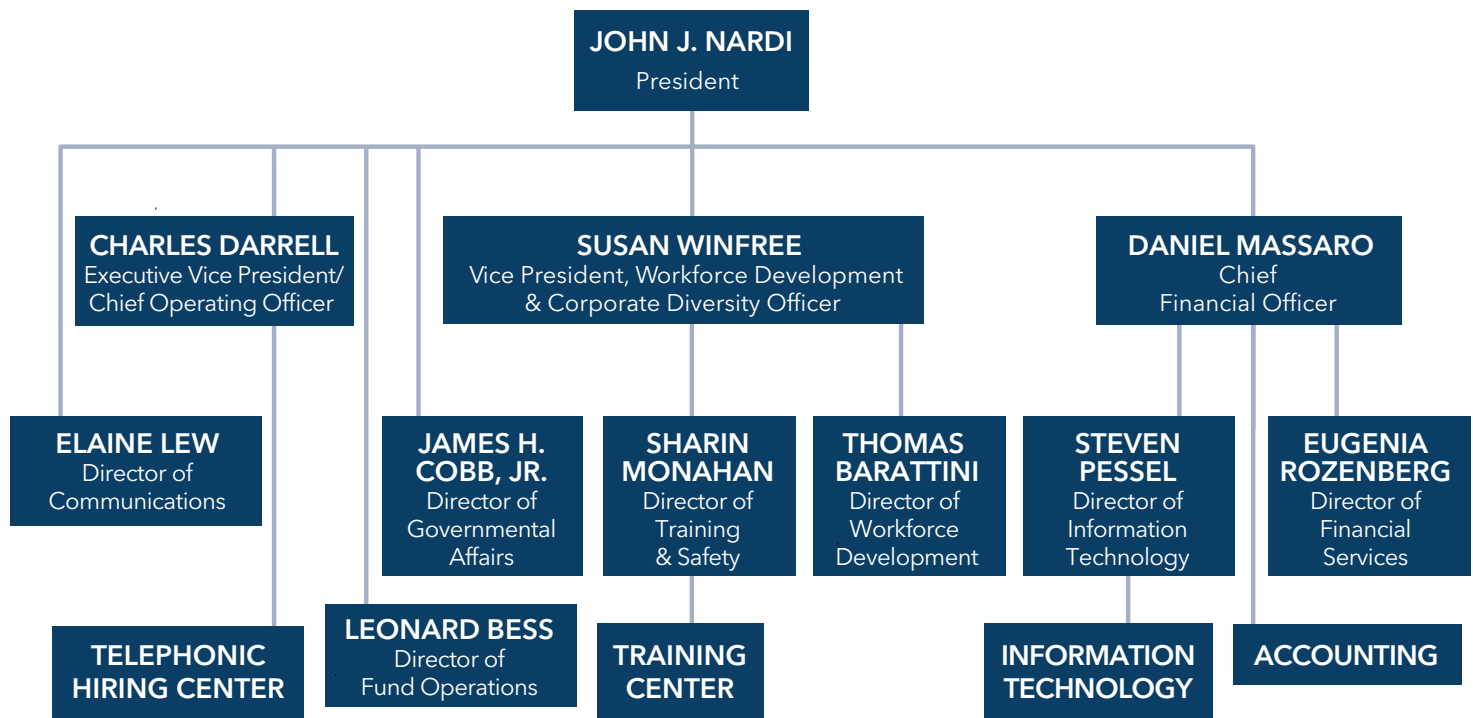








SANYNJ ORGANIZATIONAL CHART • DECEMBER 2022



2022 SANYNJ MEMBERSHIP LIST

ACGI Shipping Inc.
 Allied Universal Security Services
 The American Sugar Refining Company
 American President Lines, LLC
 APM Terminals Elizabeth, LLC
 Atlantic Container Line
 Bermuda Agencies Limited
 Agents for Bermuda Container Line
 Cargotec Crane & Electrical/Kalmar USA
 Ceres Terminals Inc.
 CMA-CGM (America), L.L.C.
 Terminal Link USA
 Columbia Coastal Transport, LLC
 COSCO SHIPPING
 (North America) Inc.
 Doyle Security Services, Inc.
 Essex Cement Company
 Evergreen Shipping Agency (America)
 Corporation
 GCT Bayonne LP
 GCT New York LP

Hapag-Lloyd (America) Inc.
 Hoegh Autoliners Inc.
 Hyundai America Shipping Agency, Inc.
 “K” Line America, Inc.
 Kalypso Compagnia di Navigazione S.P.A.
 M.P. Howlett, Inc.
 Maersk
 Maher Terminals, L.L.C.
 Mediterranean Shipping Company
 Mitsui O.S.K. Lines, Ltd.
 c/o MOL (Americas) LLC
 NYK Group Americas Inc.
 Ro/Ro Division
 Ocean Network Express
 (North America) Inc.
 OOCL, (USA), Inc.
 Port Newark Container Terminal L.L.C.
 Ports America, Inc.
 Red Hook Container Terminal, LLC
 Sea Lead Shipping DMCC

SIMS Metal Management
 Terminal Security Solutions, Inc.
 Turkon America, Inc.
 Wallenius Wilhelmsen
 Wan Hai Lines (USA) Ltd.
 Yang Ming (America) Corp.
 ZIM American Integrated Shipping
 Services Company
 ZPMC NA East Coast, Inc.
 DBA ZPMC USA

ASSOCIATE MEMBERSHIP LIST

American Maritime Service of
 New York, Inc.
 Bay Container Repairs of New Jersey
 Container Services of New Jersey, Inc.
 FAPS, Inc.
 Nissin International Transport U.S.A., Inc.
 Novelties Distribution LLC
 Portwide Cargo Securing Company

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Shipping Association of
New York and New Jersey



John Atkins
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Wallenius Wilhelmsen
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Hapag-Lloyd (America), Inc.
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Capt. Louis Ferrer
Director East Coast and Gulf Port Ops
Project Lead - NA Marine &
Terminal Procurement
Ocean Network Express (North America) Inc.
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COSCO SHIPPING (North America) Inc.
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Courtney Robinson
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Thorsten Schmittberger
GM Terminal Operations Europe/North America
Atlantic Container Line
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Jesmond Spiteri
Director, Operations, Marine, Procurement
NYK Group Americas Inc, RORO Division



Michael Stamatis
President
Red Hook Container Terminal, LLC



SANYNJ Committee Assignments

- NMC** Nominations (& Membership) Committee
- CC** Compensation Committee
- NC** Negotiations Committee
- BLC** By-Laws Committee
- AC** Assessment Committee

SANYNJ STAFF

EXECUTIVE STAFF



Charles Darrell
Executive Vice President,
Chief Operating Officer



Susan Winfree
Vice President, Workforce Development
and Corporate Diversity Officer



Daniel Massaro
Chief Financial Officer

SENIOR STAFF



Thomas Barattini
Director of Workforce Development



James H. Cobb, Jr.
Director of Governmental Affairs



Sharin Monahan
Director of Training & Safety



Steven Pessel
Director of Information
Technology



Eugenia Rozenberg
Director of Financial Services



Elaine Lew
Director of Communications



William M. Spelman, Esq.
The Lambos Firm



L-R: Izabela Dudzak, Robert Hanley, Lesley Krause, Kathy Schiereck, Jane Liao, Jennifer Berndt, Anna Fassari, Deepak Gupta, Uma Carupian

In 2022, SANYNJ said farewell to four employees who retired after several years in the industry. Barbara Blanton, former Director of Training and Safety at the SANYNJ-ILA-PPGU Training Center retired in March after working for the Association for 9 years. Barbara's distinctive career in the maritime industry spanned over 40 years and her contribution to the training program was invaluable to the entire workforce.



Barbara Blanton



L-R: Stephen Ahearn, Neil Pratesi, Nick Brucato

There were three retirements in the I.T. Department this year. Nick Brucato, LAN Administrator retired in September after working for the company for a total of 50 years. Neil Pratesi, Senior Programmer/Analyst also retired in September after over 41 years. Lastly, Stephen Ahearn, Manager, Production Control retired in December after 46 years of employment. The management and staff at SANYNJ will be forever grateful to these dedicated individuals for their countless years of service and dedication to the company.





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