



CALIFORNIA BUSINESS PROPERTIES ASSOCIATION

1121 L Street, Suite 809 • Sacramento, CA 95814 • Phone (916) 443-4676 • Fax (916) 443-0938 • www.cbpa.com

Cc
Pub
BTA
OOC

February 1, 2017

ORIGINAL

OFFICERS

Chairman of the Board
GREG McWILLIAMS, Newhall Land

Vice Chairman
DOUG WIELE, Foothill Partners

Vice Chairman
FRAN INMAN, Majestic Realty Co.

Secretary
FRANCISCO URIBE, The Home Depot

Treasurer
JOSEPH MARKLING, CB Richard Ellis

Legal Counsel
JO ANNE BERNHARD, Jo Anne Bernhard Law Offices

President and Chief Executive Officer
REX S. HIME

Senior Vice President of Governmental Affairs
MATTHEW HARGROVE

DIRECTORS

- JAMES CAMP, NAIOP California
- STEPHEN CASSIDY, Pepple Cantu Schmidt, LLC
- VICTOR CASTILLO, Syufy Enterprises
- CASEY CESNOVAR, Walgreens
- MAC CHANDLER, Regency Centers
- ROB CORD, Voit Real Estate Services
- PAUL CUNHA, SD Deacon
- DEANNA DRAKE-COPLAN, BOMA California
- PHILLIP EBLING, NAIOP State Council
- THOMAS ENGBERG, Loja Group, LLC
- JACK FLANIGAN, The Flanigan Law Firm
- BRADLEY FRAZIER, Watson Land Company
- JOHN GABRIEL, Fitness International
- BRIAN HARNETIAUX, BOMA California
- STANLEY JOHNSON, IREM San Diego
- STANLEY LAMPORT, Cox, Castle & Nicholson, LLP
- HOWARD LIND, Wendel, Rosen, Black & Dean, LLP
- KEVIN LOSCOTOFF, Wal-Mart Stores, Inc
- DAVID MASTRO, BOMA CALIFORNIA
- JUSTIN MCCUSKER, CJ Segerstrom
- MARTHA MILLER, Target Corporation
- CARRIE NOCELLA, The Disneyland Resort
- ARTHUR PEARLMAN, Arthur Pearlman Corporation
- RUSS PRATT, The Pratt Companies
- EILEEN REYNOLDS, Tejon Ranch
- STEPHEN SPECTOR, Macerich Company
- GRAHAM TINGLER, NAIOP California
- HERB TYSON, ICSC
- THOMAS WULF, Lowe Enterprises
- DAVE ZYLSTRA, Zylstra Commercial

ADVISORY BOARD

- ANDREW ALTMAN, CIM Group
- JEFF ARMOUR, Armour Family Properties
- RICHARD BAYER, The Macerich Company
- BRAD COX, Trammell Crow
- DENNIS BERRYMAN, Pacific Investors Group
- RICHARD BIAGI, Biagi Real Estate Consulting
- THOMAS BIAGINI, Biagini Properties, Inc.
- LAURA BISHOP, Best Buy
- LISA COWELL, The Westfield Group
- JUDY DAVIDOFF, Sheppard Mullin Richter & Hampton
- SAMUEL GARRISON, Caruso Affiliated
- JASON GOFF, Association of Commercial Real Estate of NorCal
- JOHN HAGESTAD, Sares-Regis Group
- LARRY HARMSSEN, ProLogis
- STEVE HOPKINS, Hopkins Real Estate Group
- KIM HOSEA, IREM Los Angeles
- KEVIN IVEY, NAIOP SoCal
- KENT KAUSS, Pacific Gas & Electric
- SANDY KENNEDY, Retail Industry Leaders Association
- KRISTINA LAWSON, Mannatt, Phelps & Phillips
- JIM MAGINN, Watt Commercial Properties
- JEFF MARQUIS, Able Services
- MARK MENGELBERG, Allen Malkins
- MICHAEL PERRY, Wall Street Property Company
- MATTHEW REID, NAIOP San Diego
- JOHN REININGA, The Reininga Corporation
- STEVE SCHAFENACKER, Shea Properties
- STEVE SELCKER, Association of Commercial Real Estate of SoCal
- STEVE SPECTOR, The Macerich Company
- SCOTT THAYER, Castle & Cook
- ROBERT WEBSTER, Bohannon Development Company
- MARK WHITFIELD, Donahue Schriber
- DANIEL WINTON, Daniel K. Winton Law Office
- RACHEL ZENNER, Albertsons Companies, Inc.

Ms. Rachel E. Dickon
Assistant Secretary
Federal Maritime Commission
800 North Capitol Street N.W.
Washington, DC 20573-0001

RE: Petition No. P4-16 of the Coalition for Fair Port Practices Rulemaking

Dear Assistant Secretary Dickon:

California Business Properties Association is pleased to respond to the Federal Maritime Commission (FMC) *Federal Register* notice published on December 28, 2016 concerning a petition for rulemaking from the Coalition for Fair Port Practices. CBPA fully support/s the policy statement requested by the Coalition which would help bring about more reasonable demurrage and detention practices for cargo moving through our nation's seaports. We urge the FMC to begin a formal rulemaking on this matter as soon as possible.

CBPA is the designated legislative advocate for the International Council of Shopping Centers (ICSC), NAIOP of California, the Commercial Real Estate Developers Association (NAIOP), the Building Owners and Managers Association of California (BOMA), the Retail Industry Leaders Association (RILA), the Institute of Real Estate Management (IREM), the Association of Commercial Real Estate – Northern and Southern California (ACRE), the National Association of Real Estate Investment Trusts (NAREIT), AIR Commercial Real Estate Association, and the California Association for Local Economic Development (CALED). CBPA currently represents over 10,000 members, making it the largest consortium of commercial real estate professionals in California.

Our members report repeated incidents of severe congestion at container terminals in U.S. ports on both the West Coast and East Coast. Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond the control of our members.

All too frequently shippers and truckers are being charged demurrage and detention penalties for late pickup or return of containers when it is not their fault. If the terminal is closed during normal working hours, or if a container is unavailable for pickup during the free time period due to congestion or other disruption at the port, carriers and terminals should not assess demurrage. The same is true for detention charges when attempts to return an empty container are frustrated. These are real costs that hurt American businesses and American competitiveness.

The Coalition for Fair Port Practices has proposed a policy statement that would help to stop this unfair practice. The FMC has the authority to ensure that demurrage and detention practices are fair and reasonable and it needs to act to address this problem.

The FMC has taken important steps to examine port congestion issues challenging carriers, shippers, terminals and intermediaries. As the next step, we urge you to grant the petition and open a rulemaking on the Coalition's policy statement to ensure that US imports and exports are not burdened with unfair demurrage and detention charges. Thank you for considering our views.

Respectfully,

Rex S. Hime
President & CEO