Supply Chain Fluidity -
A Gateway Built for Resistance
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### Table of Contents

President’s Message ................................................................. 2  
Safety .................................................................................. 6  
Training ............................................................................... 7  
Highlights  
Employment, Cargo, Container Volumes, Assessment, Auto Volume ........................................... 10  
United States Coast Guard Sector New York ........................................ 12  
Expanding The Workforce ..................................................... 14  
PPGU ................................................................................. 15  
United States Army Corps of Engineers ........................................... 16  
Information Technology ....................................................... 18  
Industry Highlights and Special Events ................................. 22  
Council on Port Performance ............................................... 26  
Port Authority of NY & NJ ..................................................... 28  
Governmental Affairs ......................................................... 30  
2021 Legislative Review ....................................................... 34  
Report of Counsel ............................................................... 38  
2021 Organizational Chart and NYSA Membership List ................. 52  
NYSA Board of Directors ..................................................... 53  
NYSA Staff ......................................................................... 54
At the end of our fiscal year in 2020 which is September 30th, we were just beginning to see the unprecedented, unforecasted volume surge which continued for the entire year. This surge resulted in a 20.4% increase in volume, handling just short of 5 million containers. Longshore hiring had ceased earlier in the year due to the precipitous drop in volume when COVID-19 arrived on our shores. The sudden and ongoing cargo surge resulted in a shortage of longshore labor on a regular basis. Hiring resumed in November 2020 to bring in the 538 Longshore workers and 120 Checkers which were approved the previous year. The Port has experienced labor shortages before, and while it always has a negative impact on productivity, we’ve always managed to work through the shortages. The big difference this time around was that the entire supply chain was experiencing labor shortages. The ongoing port trucker shortages worsened. Warehouses could not keep pace with deliveries as their labor forces were depleted as well. Port truckers moved to more desirable package delivery trucking with better pay and conditions. With no money being spent on travel and leisure, stimulus money and unemployment stipends which were doled out throughout the year had the dual effect of increased spending on hard goods (which in most cases was cargo) and a negative impact on work ethic for those in many different industries and certainly the supply chain.

All of the labor shortages outside of the marine terminals resulted in a backup of cargo at the marine terminals themselves. Dwell time for import containers more than doubled. Shippers had nowhere to bring their containers to unload them. Increased dwell time effectively reduces a terminal’s capacity to take in full and even more so, empty containers. The high utilization of terminal space resulted in lost productivity as yard planning could not be optimized.

Another variable which impacted terminal cargo dwell times and turn times was chassis availability. When import cycle times of cargo leaving the terminal, going to a warehouse, and then returning the empty container to a marine terminal double, it has the effect of reducing chassis inventories by half.

All of the above challenges resulted in a supply chain “crisis” which impacted nearly every port in the United States. Many ports had anchorages stacked with vessels waiting sometimes for weeks to berth and unload their cargo. With few exceptions The Port of New York and New Jersey did not experience a backlog of vessels as did other ports.

Why not? What did we do differently? The answer is nothing. We did what we’ve been doing since 2014. Our Stakeholders communicate. Through the Council on Port Performance which NYSA co-chairs with the Port Authority of NY&NJ (PANYNJ) and weekly stakeholder conference calls hosted by the Port Authority we communicated on what current hurdles were and what measures could be taken to keep the port fluid. Everyone did their part.

NYSA continued to hire and train workers, hiring 538 Longshore Workers and 120 Checkers. After this compliment was filled, we began adding another 210 Longshore Workers in August of 2021.

The International Longshoremen’s Association (ILA) worked around the clock making sure vessels came and went, and cargo was delivered. We also cannot forget that all these challenges were happening during the COVID-19 pandemic. Vaccines were a game changer on the COVID front. When Longshore Workers became eligible for vaccines in April of 2021, the ILA, NYSA, and the Port Authority worked together to get a jumpstart on distributing vaccines. The ILA International President, Harold Daggett, secured 500 vaccines from the State of New Jersey. The Port Authority through Sam Ruda and Bethann Rooney provided a facility to administer the vaccines, and NYSA contracted with a provider to give the shots and NYSA also scheduled the individuals.

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.

To help offset chassis shortages, Intermodal Equipment Providers (IEP’s) repositioned chassis into the NY&NJ Region and depots made sure that out of service chassis were immediately repaired getting them back on the streets.

NYSA was instrumental in setting up conference calls between Ocean Carrier Executives and the Port’s Trucker Associations to discuss the challenges both sides were experiencing to ensure each side’s challenges were understood to try to find solutions.

This is not to say that everything ran smoothly all the time. The Port had its challenges especially with trucking capacity, empty returns, and chassis availability.

Outside of the physical movement of cargo there continued to be long sought accomplishments for NYSA. Due to the efforts of its Trustees, the NYSA-ILA Pension Trust Fund emerged from “endangered” status into the “green” zone and as of this writing is funded over 90%. This was once seen as an impossible task and a factor which had negatively impacted the cost competitiveness of NY&NJ due to potential withdrawal liability. This pension plan is scheduled to be fully funded in the next few years. Potential legislative changes in Washington, D.C. which could have had a negative effect on the pension plan funding was always lurking in the background. NYSA let our views be heard in D.C. to not penalize plans that were professionally managed and well-funded while the legislators tried to find ways to assist failing plans. Fortunately, H.R. 1319, the American Rescue Plan of 2021 was passed in March of 2021 bailing out failing plans and did not impact factors such as the “discount rate” used to estimate future investment returns. As such the American Rescue Plan of 2021 has relatively little impact on the NYSA-ILA Pension Plan.

Since 2014 and continuing in 2021, NYSA proudly co-chaired the Council on Port Performance (CPP) with the PANYNJ. To me, this forum is vitally important for the exchange of ideas regarding steps that need to be taken to improve the Port’s performance short-term and long-term. The ongoing efforts of the CPP are also a 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 CPP and their Workforce Development Implementation Team has worked with universities 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 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 2022, while there is hope for prosperity, there is caution. Volumes remain strong and are forecasted to be so for 2022. We will continue to communicate amongst the stakeholders to address the challenges. Our priority at NYSA will be to bolster the workforce and ensure training to levels required to meet the Port’s volume growth. On the downside, COVID-19 has staged a comeback as new variants have arisen. There are still shortages of chassis, truckers, and containers. However, as I’ve said before, I’m certain we have the leadership in our Port to tackle any challenges that we encounter and 2022 promises to be successful.

John J. Nardi
President
SAFETY – FIRST AND ALWAYS!

The NYSA Safety Team, along with the safety teams from our member Marine Ocean Terminals, remained vigilant and unwavering during another year of uncertainty due to the worldwide pandemic. The combined focus, of both our management and labor committees, continued to be the health and welfare of all of those working throughout the New York and New Jersey Harbor. Safety consciousness was elevated at each location and safety teams worked to ensure that newly installed work processes and procedures were executed.

Personal Protective Equipment (PPE), obtained through several pipelines, was made available and distributed to all the Marine Ocean Terminals as needed. Coordination between the NYSA, the ILA, and the PANYNJ ensured there was a constant flow of inventory in the supply chain and on hand. New York, New Jersey, and Federal Mandates, pertaining to the various COVID strains, were reviewed and implemented when and where necessary.

NYSA’s membership in both the National Maritime Safety Association (NMSA) and the National Association of Waterfront Employers (NAWE), also proved to be invaluable during a very trying year. Collaborating with both organizations was instrumental in communicating our industry’s needs and concerns on both State and Federal platforms.

The NYSA 2020 Safety Awards were presented in early 2021. The awards are based on the Lowest Lost Time Incident Frequency Rate and the Greatest Reduction of Lost Time Frequency Rates over the previous year. Lost Time Incidents are also reported directly to OSHA by each of the Marine Ocean Terminals.

The terminals presented with the 2020 NYSA Safety Awards and recognized for the Lowest Lost Time Incident Frequency Rate were Global Container Terminal/Bayonne and Red Hook Container Terminal/Brooklyn. Port Newark Container Terminal and Ports America Auto Terminals received the awards for the Greatest Reduction of Lost Time Frequency year over year. Each of the terminals deserve a special recognition for their ongoing commitment to all of the overarching safety programs, especially the newly installed practices, procedures and protocols. All showed amazing resilience when faced with adversity in the past two years.

“Safety First” will continue to be the unified theme for NYSA, its members, and our ILA partners in safety throughout the New York and New Jersey Harbor.
TRAINING – MAINTAINING AN EXPERIENCED WORKFORCE

The NYSA-ILA-PPGU Training Center remains the cornerstone for collaboration between our NYSA Training Staff, the Marine Terminal Operators in NY and NJ and the ILA Training Teams throughout the harbor. Safety, Productivity and Professionalism are the driving forces behind our mission, which is to coordinate and provide essential and effective training to our existing labor workforce, as well as welcoming and orientating all of those just entering the industry.

Although the worldwide pandemic continued to loom over everyone throughout 2021, the NYSA Training Team, along with the ILA Training Teams at each marine terminal site, continued their training efforts. Our combined mission was to ensure a ‘whole’ workforce by training and certifying new and existing members on specialized equipment and recertifying members with expiring skills according to OSHA Regulations and Guidelines.

The NYSA Training Team aids Employers in meeting their OSHA, USCG and other Government Agency obligations by facilitating applicable training. In addition, NYSA continues to work closely with the Marine Terminal Operators to understand their strategic operating plans in order to better prepare for their respective labor demands and associated training requirements.


The state-of-the-art Training Center, also houses two Full-Mission Simulators, which include training modules for Ship-To-Shore Cranes, Mobile Harbor Cranes, Straddle Carriers and RTG’s. Equipment-specific classroom training for the above modules precedes the actual Simulator Training and upon completion, trainees continue with their practical training at their respective terminals.

The center is also utilized by the Port Police & Guards Union (PPGU) for their training efforts. Training includes Security Officer Training for new hires and Safety & Security Refresher Courses for their existing members.

The NYSA-ILA-PPGU Training Center continues to connect our port partners and regularly welcomes the terminal operators, industry organizations, and governmental agencies to conduct meetings, seminars and specialized training for management and labor teams.

### Equipment Training Skill Certifications – Contract Year 2021

<table>
<thead>
<tr>
<th>Equipment</th>
<th>New Certifications</th>
<th>Recertifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hustler Driver</td>
<td>137</td>
<td>668</td>
</tr>
<tr>
<td>Straddle Carrier</td>
<td>61</td>
<td>127</td>
</tr>
<tr>
<td>Crane Operator</td>
<td>10</td>
<td>117</td>
</tr>
<tr>
<td>Top Loader</td>
<td>35</td>
<td>196</td>
</tr>
<tr>
<td>Stacker (DS, RS, HC)</td>
<td>47</td>
<td>285</td>
</tr>
<tr>
<td>Noell Carrier/N4</td>
<td>50</td>
<td>243</td>
</tr>
<tr>
<td>Yard Carrier</td>
<td>65</td>
<td>3</td>
</tr>
<tr>
<td>Empty Handler</td>
<td>45</td>
<td>210</td>
</tr>
<tr>
<td>Forklift</td>
<td>198</td>
<td>663</td>
</tr>
<tr>
<td>RTG/Transstainer</td>
<td>55</td>
<td>143</td>
</tr>
<tr>
<td>Shuttle Sprinter</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>Rail Mounted Gantry</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>727</strong></td>
<td><strong>2,704</strong></td>
</tr>
</tbody>
</table>

*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 2021

<table>
<thead>
<tr>
<th>Training</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial/Refresher Hazardous Materials Training</td>
<td>641</td>
</tr>
<tr>
<td>PIT Safety/Equip Fundamentals/Gang Training</td>
<td>207</td>
</tr>
<tr>
<td>New Employee Orientation</td>
<td>247</td>
</tr>
<tr>
<td>Respect &amp; Dignity Training</td>
<td>338</td>
</tr>
</tbody>
</table>

*With the exception of New Employee Orientation, all training is provided by a training vendor and member companies. PPGU related training is provided by the Waterfront Commission.
HIGHLIGHTS for contract year ended September 30, 2021

EMPLOYMENT:

★ 3,900 Registered Union Members
★ 14.4 Million Hours Worked (18.7% increase from 2020)
★ Wages Paid: $120.3 million increase from 2020
★ Fringe Benefit Costs: $12.8 million increase from 2020

CARGO:

Containers that fit directly on a chassis
★ 5.0 Million, a 20.4% increase over 2020

VEHICLES:

★ 538,000 Roll-on / Roll-off cargo, which is driven off the ship
★ 18.6% increase from 2020
## WORK HOURS & RATES CONTRACT YEAR 2021

<table>
<thead>
<tr>
<th>CRAFTS</th>
<th>Rate</th>
<th>ST Hours</th>
<th>OT Hours</th>
<th>Total Work Hours</th>
<th>Average Age</th>
<th># Ind.</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Longshore</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20.00</td>
<td>271,926</td>
<td>494,923.5</td>
<td>766,849.5</td>
<td>36.2</td>
<td>366</td>
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<tr>
<td></td>
<td>24.00</td>
<td>195,002.5</td>
<td>323,070.5</td>
<td>518,073.0</td>
<td>38.4</td>
<td>171</td>
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<tr>
<td></td>
<td>30.00</td>
<td>162,284.9</td>
<td>304,410.5</td>
<td>466,695.4</td>
<td>43.8</td>
<td>141</td>
</tr>
<tr>
<td></td>
<td>36.00</td>
<td>2,359,562.5</td>
<td>4,829,138.6</td>
<td>7,188,701.1</td>
<td>50.5</td>
<td>1,946</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2,988,775.9</td>
<td>5,951,543.1</td>
<td>8,940,319.0</td>
<td>47.4</td>
<td>2,624</td>
</tr>
<tr>
<td></td>
<td>20.00</td>
<td>121,592.2</td>
<td>198,162.5</td>
<td>319,754.7</td>
<td>34.4</td>
<td>89</td>
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<tr>
<td></td>
<td>24.00</td>
<td>38,093.0</td>
<td>71,195.5</td>
<td>109,288.5</td>
<td>38.3</td>
<td>23</td>
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<tr>
<td></td>
<td>30.00</td>
<td>61,432.0</td>
<td>109,801.0</td>
<td>171,233.0</td>
<td>39.5</td>
<td>38</td>
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<td></td>
<td>36.00</td>
<td>926,885.0</td>
<td>1,934,680.1</td>
<td>2,861,565.1</td>
<td>51.7</td>
<td>605</td>
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<td>Total</td>
<td></td>
<td>1,148,002.2</td>
<td>2,313,839.1</td>
<td>3,461,841.3</td>
<td>46.7</td>
<td>755</td>
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<tr>
<td></td>
<td>20.00</td>
<td>17,819.0</td>
<td>47,212.0</td>
<td>65,031.0</td>
<td>35.9</td>
<td>21</td>
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<tr>
<td></td>
<td>24.00</td>
<td>42,603.0</td>
<td>72,242.5</td>
<td>114,845.5</td>
<td>36.8</td>
<td>34</td>
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<tr>
<td></td>
<td>30.00</td>
<td>41,989.0</td>
<td>85,636.0</td>
<td>127,625.0</td>
<td>40.3</td>
<td>31</td>
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<tr>
<td></td>
<td>36.00</td>
<td>599,121.0</td>
<td>1,062,913.0</td>
<td>1,662,034.0</td>
<td>51.1</td>
<td>447</td>
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<tr>
<td>Total</td>
<td></td>
<td>701,532.0</td>
<td>1,268,003.5</td>
<td>1,969,535.5</td>
<td>49.0</td>
<td>533</td>
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<tr>
<td>ALL CRAFTS</td>
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<td>4,838,310.1</td>
<td>9,533,385.7</td>
<td>14,371,695.8</td>
<td>46.8</td>
<td>3,912</td>
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</tbody>
</table>

### EQUIPMENT OPERATOR WORK HOURS

**Contract Year 2021**

<table>
<thead>
<tr>
<th>Skill</th>
<th>Base Rate</th>
<th>Work Hours</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crane Operator</td>
<td>20.00</td>
<td>28,374.5</td>
<td>2.8%</td>
</tr>
<tr>
<td>Transtainer Operator</td>
<td>24.00</td>
<td>22,226.0</td>
<td>2.2%</td>
</tr>
<tr>
<td>RTG Operator</td>
<td>30.00</td>
<td>31,205.5</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total</td>
<td>36.00</td>
<td>937,456.5</td>
<td>92.0%</td>
</tr>
<tr>
<td>Straddle Carrier</td>
<td>20.00</td>
<td>213,722.5</td>
<td>8.4%</td>
</tr>
<tr>
<td>Noell Carrier Operator</td>
<td>24.00</td>
<td>153,591.5</td>
<td>6.1%</td>
</tr>
<tr>
<td>Total</td>
<td>30.00</td>
<td>185,978.0</td>
<td>7.3%</td>
</tr>
<tr>
<td>Total</td>
<td>36.00</td>
<td>1,980,011.5</td>
<td>78.2%</td>
</tr>
<tr>
<td>Total</td>
<td>2,533,293.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hustler Operator</td>
<td>20.00</td>
<td>149,669.0</td>
<td>8.9%</td>
</tr>
<tr>
<td>Total</td>
<td>24.00</td>
<td>133,549.0</td>
<td>7.9%</td>
</tr>
<tr>
<td>Total</td>
<td>30.00</td>
<td>129,798.2</td>
<td>7.7%</td>
</tr>
<tr>
<td>Total</td>
<td>36.00</td>
<td>1,271,614.0</td>
<td>75.5%</td>
</tr>
<tr>
<td>Total</td>
<td>1,684,630.2</td>
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<td></td>
</tr>
<tr>
<td>Other Container Handling Equipment</td>
<td>20.00</td>
<td>28,736.5</td>
<td>3.1%</td>
</tr>
<tr>
<td>Total</td>
<td>24.00</td>
<td>53,787.5</td>
<td>5.7%</td>
</tr>
<tr>
<td>Total</td>
<td>30.00</td>
<td>34,170.0</td>
<td>3.6%</td>
</tr>
<tr>
<td>Total</td>
<td>36.00</td>
<td>821,882.6</td>
<td>87.6%</td>
</tr>
<tr>
<td>Total</td>
<td>938,576.6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ASSESSMENT RATE TABLE

**Description** | **Rate** | **Per Container** |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>House Containers within 260 miles</td>
<td>$89.00</td>
<td></td>
</tr>
<tr>
<td>House Containers within 260 miles - Bermuda Trade</td>
<td>25.00</td>
<td></td>
</tr>
<tr>
<td>House Containers over 260 miles</td>
<td>21.00</td>
<td></td>
</tr>
<tr>
<td>House Containers cargo laden - Railed</td>
<td>10.00</td>
<td></td>
</tr>
<tr>
<td>Loaded Barge Containers</td>
<td>10.00</td>
<td></td>
</tr>
<tr>
<td>Mafis with 43 tons or less cargo weight</td>
<td>150.00</td>
<td></td>
</tr>
<tr>
<td>Transshipped</td>
<td>25.00</td>
<td></td>
</tr>
<tr>
<td>Inland Transfers</td>
<td>55.00</td>
<td></td>
</tr>
<tr>
<td>Loaded Waste Containers-Barge to Rail</td>
<td>17.20</td>
<td></td>
</tr>
<tr>
<td>Empty Containers</td>
<td>40.00</td>
<td></td>
</tr>
<tr>
<td>Empty Mafis</td>
<td>40.00</td>
<td></td>
</tr>
<tr>
<td>Empty Waste Containers-Rail to Barge</td>
<td>17.20</td>
<td></td>
</tr>
<tr>
<td>Empty Containers - Bermudian Trade</td>
<td>25.00</td>
<td></td>
</tr>
<tr>
<td>Uncontainerized or unboxed Autos-Trucks-Buses</td>
<td>8.15</td>
<td></td>
</tr>
<tr>
<td>Breakbulk</td>
<td>6.00</td>
<td></td>
</tr>
<tr>
<td>Mafis with greater than 43 tons cargo weight</td>
<td>6.00</td>
<td></td>
</tr>
<tr>
<td>Bananas</td>
<td>0.09</td>
<td></td>
</tr>
<tr>
<td>Excepted Cargo</td>
<td>14.00</td>
<td></td>
</tr>
<tr>
<td>Passenger Assessment</td>
<td>14.00</td>
<td></td>
</tr>
<tr>
<td>PPGU Assessment</td>
<td>17.00</td>
<td></td>
</tr>
</tbody>
</table>
50 foot NY/NJ Anchorages Study
Sector New York (SECNY) is a cooperating agency with the U.S. Army Corps of Engineers (USACE) 50 foot Anchorage Improvement Study. The USACE determined that Alternative 1-C to deepen and expand Gravesend Bay Anchorage Ground No. 25 to accommodate the 1,000 foot (LOA) design vessel could be constructed to meet the design vessels requirements at a cost that would provide economic benefits. This alternative would expand the western portion of Gravesend Bay Anchorage Ground to 50 feet deep at MLLW, 3,000 feet wide and associated modifications of the Approach Area, and a swing radius of 3,600 feet. The project construction is anticipated to be complete in approximately 2025 (or earlier depending on funding capability) and following construction, anchorage depth and width would be maintained over the 50-year lifecycle of the project.

55 foot Channel Improvement Study
SECNY is a cooperating agency with the U.S. Army Corps of Engineers (USACE) 55 foot Channel Improvement Study. The project would deepen the channels from Ambrose Channel to Elizabeth Port Authority Marine Terminal and Port Jersey Port Authority Marine Terminal by 4 or 5 feet at a cost of $3.9 to $4.2 billion dollars. The project assumes a construction start date of October 2024 and ending October 2038. The current study schedule has the USACE Chief of Engineers’ Report approval in May 2022.

Maintenance Dredging
Maintenance dredging of the recurring Sandy Hook shoal in the Sandy Hook Channel Bayside Reach was completed under USACE contract. We forward USACE Public Notices for upcoming maintenance dredging projects to the Port of NY/NJ Harbor Safety, Navigation and Operations Committee’s Executive Steering Committee for their awareness.

Cyber Threat to Maritime Transportation System (MTS)
SECNY continues to enhance cyber resiliency of the MTS through collaboration, communication and engagement with port partners. In coordination with the Cybersecurity Subcommittee of the Port of New York and New Jersey Area Maritime Security Committee, SECNY is currently in the planning stages of a spring 2022 tabletop exercise that simulates a GPS jamming cyber-attack. The Coast Guard recently launched a Cyber Protection Team (CPT) capability that provides a variety of services to both public and private partners. SECNY, in coordination with the Area Maritime Security Committee (AMSC), scheduled 5 CPT assessments throughout the Port of NY/NJ in 2021 with more scheduled in FY22. Additional information and updates are provided through the SECNY AMSC and at https://homeport.uscg.mil/port-directory/new-york.
Northern New York Bight Port Access Route Study
The First Coast Guard District completed the Northern New York Bight Port Access Route Study (NNYBPARS) on 12/27/2021. The study was conducted to evaluate the adequacy of existing vessel routing measures and determine whether additional vessel routing measures are necessary for port approaches to New York and New Jersey and international and domestic transit areas in the First Coast Guard District’s area of responsibility. To accomplish this goal, the First Coast Guard District has undertaken measures to determine whether existing or additional routing measures are necessary to improve navigation safety due to factors such as planned or potential offshore development, current port capabilities and planned improvements, increased vessel traffic, existing and potential anchorage areas, changing vessel traffic patterns, effects of weather, or navigational difficulty. The NNYBPARS final report is available for viewing and download from the Federal Register docket at https://www.regulations.gov or the Coast Guard Navigation Center website at https://www.navcen.uscg.gov/?pageName=PARSReports. The USCG recommends that Alternative 5 be implemented. Alternative 5 best preserves the current and predicted future navigational practices of a myriad of user types that transit within the established routing measures, follow coastwise routes, cut across the Bight from points to and from Southern New Jersey and areas in the vicinity of Montauk Point and/or Southeastern New England, and anchor in the port approaches awaiting inshore anchorages or berths.

Commuter Ferry Service Expansion & Navigation Safety Risk Assessments
SECNY reviewed and accepted the Carteret, NJ Navigation Safety Risk Assessment proposed mitigations as well as the North Jersey Transportation Planning Authority’s Hudson County Ferry Service Expansion Study Final Report. Furthermore, we completed our project reviews of NYC Ferry Service launch of the St. George and Coney Island Routes and extension of the Soundview Route in The Bronx. The New York City Economic Development Corporation, in partnership with Hornblower, expanded the NYC Ferry Service in 2021, adding routes from Coney Island to Wall Street and from Staten Island to Manhattan’s West Side as well as Throgg’s Neck to Wall Street. We will continue to review Navigation Safety Risk Assessments for newly proposed new routes and provide recommendations to mitigate project risks with commercial and recreational vessel traffic along any future proposed routes.

Windfarm Status
SECNY continues to review offshore windfarm proposals with our First Coast Guard District, Coast Guard Headquarters and the Bureau of Ocean Energy Management. Empire Windfarm construction is tracking to start in CY2024 and estimated to be online in CY2025. Beacon Wind off Martha’s Vineyard has the same estimated timeline and includes installing the HVDC export cable through Long Island Sound and the East River to Astoria, Queens. BOEM issued the Public Sale Notice for the New York Bight on June 14, 2021. The eight proposed lease areas in this public sale include areas adjacent to the Port of NY/NJ and USCG comments will be submitted through the First and Fifth Coast Guard District, Atlantic Area and CGHQ Offices.
EXPANDING THE WORKFORCE TO STAY IN STRIDE WITH INCREASING VOLUMES

Through September of 2021, hiring continued for Longshore Workers and Checkers to keep up with surging cargo volume in the Port. These volume levels had been forecasted to build up through 2026, however the Port surged to these levels instead during 2021. Our member companies have met the challenge by purchasing new equipment and adding gangs to work vessels with this increase in cargo. Along with growing the workforce to meet the demands of the new volume, NYSA and Employers were planning to train new employees to replace those who have chosen to retire in 2022.

The hiring process has been challenging while adhering to evolving COVID safety protocols. Despite hurdles, the opening of the Longshore Register, originally requested in 2019 and slowed due to COVID in 2020, closed in September of 2021 after adding an additional 20 Checkers and 226 Longshore Workers to the industry this year. This resulted in a total boost to the workforce of 492 Longshore Workers and 110 Checkers, since starting in April of 2019.

In August, before the Longshore Register closed on the hiring effort mentioned, another request was made by the NYSA-ILA Contract Board to keep the Longshore Register open by petitioning the WC to increase our workforce by an additional 210 Longshore Workers. This request included 60 designated Car Drivers to alleviate any shortfalls experienced on RoRo vessels. These new employees were also given the Baggage Handler qualification to prepare for the return of cruise vessels to the Port. Another 150 Longshore Workers were earmarked for container terminals in Elizabeth and Newark. By the end of 2021, 61 had been hired (34 for auto/cruise and 27 for containers).

In November, another request was made by the NYSA-ILA Contract Board to keep the Longshore Register open by petitioning the WC to increase our workforce by an additional 152 Longshore Workers and 130 Checkers. The additional Checkers are for distribution across the Port, while the Longshore Workers are designated for employers in Bayonne, Staten Island and Brooklyn.
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.

In January 2018, a new five-year contract was entered into that will expire on December 31, 2022.

<table>
<thead>
<tr>
<th>Longshore</th>
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<tr>
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<td>10</td>
<td>Staten Island</td>
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The NYSA-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 2021 included screening over a thousand candidates that expressed interest. Over 400 candidates were interviewed and a total of 307 new Longshore Workers and Checkers were hired throughout the Port during 2021, as follows:

The hiring process includes a tripartite interview process which includes representatives from NYSA, 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 2021 for highly skilled maintenance professionals in various areas of the Port was slowed during the COVID pandemic as shops practiced social distancing and other measures to maintain the health of the maintenance workforce. In the last quarter of 2021, Employers were focused on replacing employees that have chosen to retire at the end of the first quarter of 2022. In 2021, 12 maintenance professionals were hired, and 5 others who were sponsored for employment remain under review at the WC.
US ARMY CORPS OF ENGINEERS

Dredging Project Status

Maintenance Projects:
- New York Harbor, Sandy Hook – Maintenance dredging contract awarded in August 2021. All work was completed in November 2021.
- New York and New Jersey Harbor, Newark Bay – Maintenance contract awarded in August 2021 for the 40ft/45ft/50ft reaches. Work to be completed March 2022.
- New York and New Jersey Channels, Arthur Kill Channel – Maintenance dredging contract awarded in June 2021. All work was completed in September 2021.
- Raritan River, NJ – Maintenance contract awarded in July 2021. All work was completed in December 2021.
- Bay Ridge and Red Hook Channels, NY - Maintenance Dredging contract awarded in August 2021. All work was completed in November 2021.

Ongoing & Completed Construction Projects:
The status of the NY/NJ Harbor 50’ Deepening project encompasses both dredging contracts and mitigation contracts as follows:

Ambrose Channel
- First contract (S-AM-1) completed in June 2008.
- Second contract for inbound portion of channel (S-AM-2a) completed May 2010.
- Third contract (S-AM-2b) (portion of Inbound half) awarded in February 2009 and completed in January 2011.
- Fourth and fifth contracts (S-AM-3a and S-AM-3b) awarded in September 2011 and completed in October 2012 and January 2013, respectively.

Anchorage Channel
- First contract (S-AN-1a) completed in October 2008.
- Second contract (S-AN-1b) awarded in September 2009 and completed in January 2011.
- Third contract (S-AN-2) awarded in March 2010 and completed in March 2011.
- Fourth contract (S-AN-UC) awarded in December 2015 to remove material overlying several utility corridors which lie within and across the southern Anchorage Channel as well as Port Jersey Channel. The contract was completed in September 2016.

Port Jersey Channel
- Port Jersey contract 3 (PJ-3) awarded in October 2007 and completed in July 2010.
- Port Jersey contract 4 (PJ-4) (over PVSC tunnel) awarded in March 2011 and completed in October 2012.
- Shoal Removal contract #1 awarded in August 2013 and completed in September 2015.

Kill van Kull
- First contract (KVK 5) completed as part of 45 ft. deepening project in December 2004.
- Second contract (S-KVK-2) completed in March 2007.
- Third contract (S-KVK-1) awarded in June 2008 and completed in September 2011.

Newark Bay
- First contract (S-NB-1) awarded in June 2007 and completed in January 2011.
- Second contract (S-E-1) awarded in 2009 and completed in April 2010.
- Third contract (S-NB-2) awarded in September 2010 and completed in September 2012.
- Fourth contract (S-SR-2) awarded in September 2013 and completed in February 2015.

Arthur Kill
- First contract (S-AK-1) awarded in September 2010 (included as part of S-NB-2 contract above) and completed in September 2012.
- Second contract (S-AK-2) award in September 2011 and completed in March 2013.
- Third contract (S-AK-3) awarded in January 2013 and completed in December 2014.
Bay Ridge Channel (50 ft.)
• Deferred from construction as per Port Authority letter dated December 21, 2011.

Arthur Kill (41/40 ft.)
• Contract (AK-4) awarded in December 2014 to GLDD to deepen 40 ft. segment from NYCT to Phillips 66 Refinery. The Contract was completed in July 2017.
• With the removal of the dolphins protecting the Staten Island side footing of prior Goethal’s Bridge, a small area (< 1 acre) 40 ft. navigation channel deepening is being planned for 2019 or 2020 to be accomplished as part of a Corps maintenance dredging contract that may be done in the area.

50 ft. Project Mitigation
• Elders East Marsh Island (Jamaica Bay, NY) – Completed restoration of 40 acres of wetlands in July 2007.
• Woodbridge Creek, NJ – Completed in November 2008.

Restoration (Beneficial Use of Dredged Material)
• Elders West Marsh Island (Jamaica Bay, NY) – Completed in August 2010. A total of 302,000 CY of sand was placed and 51 acres of marsh island habitat created.
• Lincoln Park (NJ) – A total of 339,235 CY of sand was placed from contract 1b (S-AN-1b & S-AM-2b) in 2010 in partnership with the PANYNJ, NJDEP, NOAA, Hudson County, Yellow Bar Hassock Marsh Restoration (Jamaica Bay, NY) – Options for sand placement awarded as part of S-AM-3b contract and via separate planting contract awarded in January 2012. Placement and planting was performed winter into spring of 2012 restoring 46 acres of marsh. Impacts from Hurricane Sandy necessitated replanting of significant areas of the marsh, which was completed in June 2014.
• Black Wall and Rulers Bar (Jamaica Bay, NY) – Options for sand placement were awarded as part of S-AM-3b contract and sand was placed in September and October 2012. Placement of 150,000 CY was placed at Black Wall creating and additional 20 acres of island and 92,000 CY of sand was placed at Rulers Bar for an additional 10 acres of island. A community based planting effort (NYCDEP, American Littoral Society, Jamaica Bay Ecowatchers and Jamaica Bay Guardian) was completed in summer of 2014 planting 14.5 acres and 8 acres at Black Wall and Rulers Bar, respectively.

Corps Navigation Studies in PONYNJ
• The Corps Norfolk and New York Districts are evaluating possible expanded/deepened anchorage areas in support of the 50 ft. navigation project with the tentatively selected plan to be identified in the summer of 2019.
• The Corps announced in the fiscal year 2019 work plan released on November 21, 2018 that the Corps would start a new navigation study entitled “New York and New Jersey Harbor Deepening Channel Improvements, NY & NJ. Both the anchorage and channel improvement studies are and will be sponsored and partnered with the Port Authority of New York and New Jersey.
INFORMATION TECHNOLOGY

The NYSA IT Department continuing the project of replacing NYSA’s 30-year-old Enterprise Management System (EMS) with a new modern system was NYSA’s top technical priority in 2021.

Last year the following sections of the new EMS System were released into production.

• The remainder of the Welfare System which includes, but is not limited to;
  1. Employee Medical Benefit Details
  2. MILA Eligibility
  3. Dependent Details
  4. Many Surrounding Process Reports
  5. Accounting Reports

• A&H Compensation System
  1. Comp Claims
  2. Payments Management
  3. SIP Payments

• Vacation System
  1. Eligibility
  2. Military Vacation Accrued
  3. Tracking
  4. Reporting

• Payroll System—(Largest and Most Challenging Project)
  1. Historical Hours
  2. PPGU Payroll
  3. Many Reports
  4. Multiple Banking Institutions

• Multi-Factor Authentication (MFA)
  1. Security and Privacy Protocols
  2. Deployed Globally

The Employee System which contains all workforce records and associated reports is currently under development with a production release scheduled for mid to late summer of 2022. This is the final piece of the system and will complete the EMS project.

Remote operations for the Hiring Center continued throughout 2021 with no operational or business interruptions.

The NYSA-ILA Employee Benefits Funds Office, NYSA-ILA Training Center and NYSA Corporate Offices are functioning in a hybrid environment utilizing both remote and on-premises IT Systems. Our virtual applications utilize MFA to ensure complete security. Since the start of the global pandemic in late March of 2020, all of the offices have been 100% functional without any business interruptions.
INDUSTRY HIGHLIGHTS & SPECIAL EVENTS

Port Vaccination Event

On April 6th & 7th, NYSA along with the Port Employers, the Port Authority of New York & New Jersey (PANYNJ), and the ILA put together an event in the Port to vaccinate 500 workers. Governor Phil Murphy visited the vaccination event that took place at ExpressPort Plaza and news footage of the event appeared on NBC's News 4 New York. The ILA helped secure the vaccines from Trenton, NYSA contracted CVS to administer the vaccines and the Port Authority provided the facility.
NYSA Receives the Seven Seals Award from the New Jersey Employer Support of the Guard and Reserve

On September 21, 2021, the Employer Support of the Guard and Reserve (ESGR) State Chair, Mike Ferrero, awarded the New York Shipping Association the Seven Seals Award in recognition of NYSA’s ongoing Veteran hiring program in the maritime industry. John Nardi and Susan Winfree accepted the award at NYSA offices in Edison, NJ.

The Seven Seals Award is the broadest and most inclusive award given by ESGR and is presented at the discretion of the State Chair or by ESGR senior leadership. The Seven Seals Award is presented in recognition of significant individual or organizational achievement, initiative, or support that promotes and supports the ESGR mission.

ESGR is a Department of Defense program that was established in 1972 to promote cooperation and understanding between Reserve Component Service members and their civilian employers and to assist in the resolution of conflicts arising from an employee’s military commitment. It is supported by a network of nearly 3,300 volunteers in 54 committees located across all 50 states, the District of Columbia, Guam-CNMI (Commonwealth of the Northern Mariana Islands), Puerto Rico, and the U.S. Virgin Islands. Volunteers hail from small business and industry, government, education, and prior military service. They bring a vast wealth of experience to assist in serving employers, Service members, and their families and work to promote and enhance employer support for military service in the Guard and Reserve.
**SCI’s Port Packing Week**

On November 10, 2021, Susan Winfree from NYSA joined members of the Council on Port Performance at the Seamen’s Church Institute (SCI) to participate in their annual Christmas at Sea, Port Packing Week. This is a yearly event where volunteers from the port community gather to help pack bags filled with knitted/crocheted hats and scarves, toiletries, candy and other items that are distributed to U.S. mariners working inland waterways. The knitted items are donated by individuals and knitting groups from across the country and the other items are donated by those in the port community. The items donated, which reached a total of 26,378 in 2021, are collected throughout the year by SCI’s Christmas at Sea program, which is managed by Joanne Bartosik, Senior Manager of Development. A total of 52 individuals from the Port volunteered at SCI packing a total of 3588 bags. This effort combined with help from the community and church groups resulted in the creation of 417 Santa Sacks containing a total of 5,004 bags. These bags were delivered to 197 ships by SCI Chaplains from November 22nd to January 6th.

This program began in 1898 during the Spanish American Civil War where volunteers gathered knitted items and distributed them to the mariners who spent their holidays at sea.
The 2021 Connie Awards

On December 6, 2021, the Containerization & Intermodal Institute (CII) presented a Special Recognition Award to NYSA, the International Longshoremen’s Association (ILA), and the United States Maritime Alliance (USMX) at a luncheon at the Renaissance Newark Airport Hotel, Newark, NJ. Second Vice President of CII, Mike DiVirgilio presented the awards to Stephen K. Knott, Secretary – Treasurer, ILA, Michael J. Vigneron, Secretary – Treasurer, Atlantic Coast District, ILA, John Nardi, and Dave Adam, Chairman & CEO of USMX.

The CII also promotes and supports education for the trade and transportation industry. The Institute’s scholarship program was introduced in 1992 and since then nearly one million dollars have been awarded to deserving students looking to pursue careers in the industry. NYSA participated in the program and its scholarship recipient for 2021 was Alec Downes from SUNY Maritime.

Supporting Those in Need Within Our Port Community

In 2021, NYSA was unable to host its Annual Holiday Reception for members and friends of the maritime industry again due to the rise in COVID-19 infections. Similar to last year, it was decided that the funds that were set aside for the reception would be utilized to provide two generous donations to specific charities in the port community specializing in helping homeless families. These organizations included the Elizabeth Coalition to House the Homeless and the York Street Project.

The Elizabeth Coalition to House the Homeless is an organization that strives to serve the immediate needs of the homeless and the near homeless and aims to empower these individuals with the tools necessary to transition to safe, affordable and permanent housing. In the fall of 2021, the organization struggled to provide housing for the numerous victims of Hurricane Ida due to lack of funds and the amount of people affected that needed housing.

The York Street Project was established in 1989 to help homeless and economically disadvantaged women and children break the cycle of poverty and develop a life of self-sufficiency. This is done through a network of four interrelated programs that take on the most basic needs including housing, education and childcare.
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. Members include stakeholders representing trade associations, 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. NYSA has continued to play an active role in the WDIT through participation in quarterly meetings, job fairs and career awareness events.

In 2021, the WDIT continued to meet virtually and expand its membership. The group planned and/or participated in several events to expand community awareness of TLD career opportunities. Additionally, the WDIT worked to facilitate the connection of job seekers with employers to ensure continuity of the supply chain. Highlights of the group’s efforts are as follows:

- Virtual Internship, Apprenticeship & Career Fair
  - Included 120 Job Seekers & 20 Employers
- Resume Building & Interviewing for a TLD Career Webinar
  - 123 Students & Job Seekers in Attendance
- Eliminating Barriers to Hire New CDL Talent Webinar
  - Hosted by the City of Newark, NJ Dept of Labor, and NYC Workforce 1
  - Communicated OTJ training programs available which feature the reimbursement of 50% of new driver wages
- Virtual Interstate CDL & Drayage Trucking Recruiting Event
  - Participants included the City of Newark, Bi-State Motor Carriers, NJEDA, Newark Alliance, and Gateway Chamber of Commerce
  - 130 Registrants with 70 Attendees
  - Virtual packet provided of 40 current drayage trucking related job postings
- Advancing Careers of Women in Maritime Webinar
  - 5 Panelists from across the industry sharing their career paths
  - 60 Attendees – also broadcast into some area classrooms

The WDIT hosts a LinkedIn page which has grown to over 500 members. TLD Jobs in the New York and New Jersey Region, is the name of the page which serves 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/

The WDIT looks forward to 2022 in hopes that they will be able to host job fairs and career awareness events in-person.
PORT AUTHORITY OF NEW YORK & NEW JERSEY

A RECORD YEAR (*As of this printing)

While global supply chain challenges have left some US ports with massive backlogs, creating shortages of goods, the Port of New York and New Jersey (PONYNJ), through collaboration and strong partnerships ensure a steady flow of goods throughout the year. The PONYNJ’s container terminal operators and the men and women of the ILA put in extra hours to absorb the unprecedented growth in cargo volumes. Their efforts, along with the efforts of all NY/NJ port transportation, logistics and distribution workers, helped fill the shelves at warehouses, e-commerce fulfillment centers and retail stores with goods for consumers across the county. As manufacturing resurged across the globe, record volumes ensued steadily for 18 months straight. The PONYNJ handled an all-time high number of containers in 2021. The PONYNJ successfully sailed through another record year, handling 8,985 million TEUs, shattering the 2020 record by 18.5% - an additional 1.4 million TEUs. The ExpressRail system has remained reliable and fluid due to the close coordination and collaboration of our port stakeholders and the PANYNJ. This close coordination and collaboration sets the PONYNJ apart from other gateways. Total rail volume for the year was 709,094 lifts, 0.5% greater than in 2020.

The PANYNJ has been focusing on attracting more discretionary cargo through the gateway and has recently added a Chicago-based Midwest Sales Manager to their commercial outreach team. Ms. Andrea Kirkland will be responsible for building relationships with beneficial cargo owners and key maritime customers in the Midwest to develop new inland import and export opportunities for PONYNJ. At the same time, the Port’s businesses continued its focus and attention toward decreasing the Port’s contribution to air emission and greenhouse gas.

The PANYNJ’s announcement of its net-zero-emissions plan in October 2021 is yet another affirmation of its regional commitment to battling climate change. The Board of Commissioners adopted two critical policies. The first policy commits the agency to the goal of achieving net-zero greenhouse gas emissions by 2050. The second policy would commit the agency to the goal of cutting direct greenhouse gas emissions in half by 2030.

The Port serviced 2,214 container vessels in 2021, an increase of 2.9% over 2020. Most notably however is that the vessels calling the Port are getting larger and the percentage of larger vessels is rapidly increasing. In 2021, 523 container vessels, 16.2% more than in 2020, which called the Port were of a vessel class of 9,000 TEUs or greater – vessels that were unable to safely transit under the Bayonne Bridge just four years ago.
The PONYNJ welcomed the CMA-CGM MARCO POLO, an ultra-large container vessel with a maximum capacity of 16,022 twenty-foot equivalent units (TEU), to the Elizabeth-Port Authority Marine Terminal (EPAMT) as the largest container ship ever to call at any U.S. East Coast port. When the Bayonne Bridge project was completed, just 6.5% of all container volume in the Port was carried on a vessel class of 10,000 TEU or large as compared to more than 35% in 2021. Innovative highlights at the Port that will ensure continued fluidity and maximize cargo movement include:

- Completion of the public review process for the Harbor Deepening Channel Improvements Navigation Study Feasibility Report. This study is led by the US Army Corps of Engineers and co-sponsored by the Port Authority. The study recommends that the shipping channels be deepened to fifty-five feet and widened in certain areas to allow safe passage of the largest container vessels in the global fleet. Port partners working together, were instrumental in a decision to advance a 55’ project.

- Award of a $44 million US DOT INFRA grant to modernize the north entrance/egress to the PONYNJ. The $44 million grant will go toward a $176 million modernization project to create a safer, more efficient configuration of the marine terminal’s road network in Newark. Federal funding will help to deliver vital safety upgrades to a major connector that is essential to local and regional commerce.

- Installation of the first composite fender pile system at Berth 4 in Port Newark. This composite fender system, comprised of reinforced fiberglass, is a more sustainable option than the greenheart timber piles that have been typically used, and will be a preferred option for fender replacement at non-container berths moving forward.

- Advancement of immediate pile repair at Pier 9B at Red Hook Container Terminal. Pier 9B is critical to port operations since it houses the cargo inspection area used by Customs and Border Protection (CBP). To date, 145 piles have been repaired out of 206 total. The project is currently ahead of schedule and will be completed early 2022. CBP has been able to keep up their mandate to inspect all high-risk cargo and keep commerce moving.

- Establishment at the PONYNJ of a new program that will phase out the oldest diesel fueled cargo handling equipment and replace them with electric powered equipment as available.

- The Port Authority has, in coordination with NJOHSP, been conducting Port Security Seminar Exercises to prepare first responders to handle emergencies at the PONYNJ. Since there are no traditional boundaries to determine responsibilities when dealing with emergencies, strong interstate partnerships are vital to maintain continuity of port operations. In April, NJOHSP, the PANYNJ Marine Terminals, Global Container Terminals, and Maher Terminals conducted numerous exercises, Container Terminal Emergency Response Seminars, for New York and New Jersey first responders. More than 150 members of law enforcement, fire services, emergency medical services, and the ILA participated. These activities have helped familiarize first responders with facility hazards, communication challenges, and the interagency coordination needed for supply chain resilience and to keep ports operational 24 hours a day.

- The Port Authority sponsored the establishment of the Port of New York and New Jersey Security Information Exchange which provides a number of services and benefits to participating facilities, including curated and analyzed threat information specific to ports and shipping through a secure platform via the Maritime Transportation System ISAC, the ability to share anonymized threat intelligence, which is covered by DHS liability protections, and a central repository of reference material including regulations, codes, standards, guides, and leading practices.
GOVERNMENTAL AFFAIRS HIGHLIGHTS 2021

STATE OF NEW JERSEY

Calendar year 2021 began with many of 2020’s challenges to the industry still in play. Chief among them was how to deal with the continuing challenges of the COVID-19 pandemic. As the up and down rollercoaster ride of infection rates and viral variants emerged, this presented challenges to the industry’s ability to maintain a healthy labor pool adequate enough to provide the quality of service the PONYNJ marine terminals strive to provide their customers. Both states sought clarification from the Centers for Disease Control and Prevention regarding assignment of an essential employee classification for Longshore Workers in the eligibility sequence for COVID-19 vaccinations that were slowly beginning to become available.

The urgent need to safeguard the health of our workforce who had risked health and safety to keep our essential industry and the region’s economy up and running during 2020, led NYSA and the ILA, AFL-CIO to seek assistance from the administration of Governor Phil Murphy of New Jersey. Three months of persistence led to the industry being allocated five hundred doses of the one-shot Johnson and Johnson vaccine for members of our labor and management workforces. Working closely with the PANYNJ, the New Jersey Department of Health, and CVS Pharmacy, vaccine doses were administered on April 6th and 7th to more than 485 people. Several elected officials including Governor Phil Murphy, Senator Joseph Cryan, Assemblywoman Annette Quijano, Mayor Christian Bollwage (City of Elizabeth), and Mayor Ras Baraka (City of Newark) paid visits to the event in support of industry efforts to protect our workforce from the effects of COVID-19. The event received broad media coverage in the region.

Waterfront Commission of New York Harbor

Details of the status of this critically important issue to the future economic success of the industry will be addressed in more detail in the Report of Counsel section of this year’s annual report. During 2021 the Commission’s Writ of Certiorari appeal came before the Supreme Court of the United States (SCOTUS) for consideration. On April 1st, the Supreme Court Justices considered the matter. Industry expectations were that the court would render either a yes or no decision regarding the issue. Surprisingly on April 5th, the SCOTUS decided to request the views of the Office of Solicitor General (OSG) in the United States Department of Justice (USDOJ). The OSG in the USDOJ submitted its recommendation to the SCOTUS on October 19th. Their recommendation was that the request should be denied. On November 22nd, the SCOTUS formally denied the Commission’s request. The long-delayed notifications to New York State, the United States Congress, and the Waterfront Commission of New York Harbor of New Jersey’s desire to dissolve the compact were mailed out December 27, 2021. New Jersey Acting Governor Sheila Y. Oliver signed the documents. This was very fitting since Acting Governor Oliver has voted in favor of every legislative measure introduced in the State of New Jersey to modernize the WC while as a member of the New Jersey General Assembly and during her time as its speaker. Many thanks to Governor Phil Murphy, Senate President Steven Sweeney, and Assembly Speaker Craig Coughlin for their steadfast support, persistence, and cooperation regarding this critical issue.

Supply Chain & Industry Partnerships

Congestion in the global supply chain became a serious economic concern locally and regionally. NYSA worked in close partnership with other leading supply chain and industry associations in New Jersey such as the National Association of Industrial Office Properties - NJ, New Jersey Business and Industry Association, and the New Jersey Chamber of Commerce to oppose legislation that could exacerbate industry efforts to minimize the impact of global problems in New Jersey and the Northeast Region. Two legislative proposals were introduced. One would allow a neighboring municipality to affect warehouse development plans of the applicant community. The other would require warehouses to implement pollution reduction and mitigation plans for trucks that pick up and deliver goods at their facilities which
became issues of concern. The partnership was able to persuade legislators and key mayors in the state that enactment of these two measures would not promote supply chain efficiency, economic growth, and job creation in the State of New Jersey.

NYSA also participated in a supply chain summit hosted by the Commerce and Industry Association of New Jersey. John Nardi, President of NYSA participated in a panel discussion of how goods flow, where they come from, the various parts of the supply chain, and the current delays in the global supply chain. Also in attendance at the summit were Senator Patrick J. Diegnan, Jr., Chairman of the New Jersey Senate Transportation Committee, and Senator-Elect/Assemblyman Gordon M. Johnson, Chairman of the New Jersey General Assembly, Commerce and Economic Growth Committee. Both gentlemen have long histories of ardent support for measures to improve the port industry. We look forward to working closely with this dynamic duo in the future.

**New Jersey Protecting Against Climate Threats**

The publication of the New Jersey Department of Environmental Protection’s (NJDEP) Notice of Rule Proposal and State Implementation Plan Revision for Mobile Cargo Handling Equipment at Ports and Intermodal Rail Yards expected in April of 2021, had not occurred by year’s end. Part of NJDEP’s, New Jersey Protecting Against Climate Threats (NJPACT) strategy is to reduce CO2 emissions to improve New Jersey’s air quality. Careful consideration of the immense technological and infrastructure challenges which exist in implementing the California style plan that New Jersey is considering were thought to be part of the reason for the delay. Expected release of the proposed rules is now expected in early January 2022.

**Governor Murphy Port Newark Press Conference**

After being re-elected to a second term as Governor of New Jersey, Gov. Phil Murphy took time out of his busy schedule to pay another visit to the Port. During this visit hosted by Jim Pelliccio, President & C.E.O. of Port Newark Container Terminal, Gov. Murphy made the point of paying homage to the NYSA, ILA, PANYNJ, and Bi-State Motor Truck Association for the way everyone has worked together to maintain supply chain efficiency in the middle of the COVID-19 pandemic and in the midst of global supply chain and logistical breakdowns. Within Gov. Murphy’s words of recognition and appreciation for the industry’s efforts, there was also a strong tone of his administration’s commitment to continued cooperation and partnership with industry stakeholders to address future challenges.
NEW YORK

On August 24, 2021, Governor Kathleen C. Hochul took office as the 57th Governor of the State of New York following the resignation Governor Andrew Cuomo. NYSA immediately reached out to Gov. Hochul with a congratulatory note and an offer to meet to brief the governor on industry issues standing in the way of our continued ability to deliver prosperity to the Northeast Region of the United States. Although we have not met with Gov. Hochul yet, NYSA has been in communication with the governor’s cabinet level transportation advisors regarding regulatory and infrastructure development matters.

NYSA is looking forward to working with the Hochul Administration and the New York State Legislature regarding the important decisions that will need to be made in 2022 to chart the future course of our nation’s most important gateway of international maritime commerce, the Port of New York & New Jersey.
For the second year in a row, marine terminals and stevedoring operations were heavily impacted by outcomes of the pandemic, with volumes rising on all coasts. Every NAWE member remained committed to moving freight trusted to their care as safely and efficiently as possible. Once again, productivity remained good in the face of sporadic worker shortages, chassis availability issues, distribution warehouse congestion, confusing Federal and State administrative mandates, and restrictive business conditions. While inventories are reported as returning to pre-pandemic levels, consumer buying is not decreasing as quickly as it was thought to have done, resulting in continuing high volumes flowing through ports and terminals.

Figure 1: Store Shelves Have Recovered to Pre-Pandemic Levels
From the White House Report:
https://www.whitehouse.gov/briefing-room/blog/2021/11/03/improving-and-tracking-supply-chains-link-by-link/

Why is a legislative report opening with discussions about a pandemic and consumer buying habits? Supply chain disruptions have been headlined in mainstream media for two years. An internet search lasting 4/10 of a second finds 24M references to supply chain disruption and over 880,000 news articles. The poster child chosen by the media to represent logistics woes is an image of over 100 vessels at anchor outside San Pedro Bay, California. This news hit both Congress and the White House. It became a top priority in 2021 when cargo owners began calling individual Congressional officials asking for help accessing specific containers from marine terminals across the nation. Multiple legislative initiatives flourished, generated by both political parties to respond to the business community’s complaints. Ports and terminals spent the year facing more freight volumes than existing facilities, equipment and manpower were intended to handle daily.
This chart shows how spending plummeted in April 2020 then rose with each Federal infusion of stimulus payments. Once payments ceased in October 2021, consumer spending on goods remained 15% above average GDP. This predicts a continuation of supply chain disruption into 2022.

It is important to note that although the Democrats held a solid majority in the House, political parties were evenly split in the Senate, with the Democratic Vice President serving as a tie-breaking vote. Because of this, significant energy was spent by NAWE’s team advocating before multiple offices to educate both legislators and senior staff on marine terminal industry issues and needs. Legislative initiative highlights during 2021 include the following (in alpha order):

**Cybersecurity** –
- While Federal investigative agencies visited many coastal port terminals analyzing cargo handling equipment technologies and exploring whether images or sensitive information was being transmitted back to overseas manufacturers, two draft Bills were sent to NAWE for technical input before moving forward: Port Crane Security and Inspection Act of 2021 and the Port Megacranes Act of 2021. The former proposes that TSA repeat the investigations currently underway. In contrast, the latter suggests that should it pass into law; no ship-to-shore cranes would be able to be imported into the USA after that date. As these types of cranes have not been manufactured in the United States since the 1980s, such legislation would be detrimental to the industry.

**Data** –
- The Senate introduced the Facilitating Relief for Efficient Intermodal Gateways to Handle Transportation (FREIGHT) Act was introduced in November 2021 in the Senate. Specifically, the FREIGHT Act would enhance current government oversight of transportation operations, minimize barriers for stakeholders to address unlawful shipping conduct, streamline certification requirements for truck drivers, and incentivize the use of new technologies to improve efficiency. Much of the bill promotes data-related initiatives. NAWE expects this Act to be paired with the Thune/Klobuchar OSRA-related bill in the Senate and move forward.
Infrastructure –

- H.R. 3684 The Infrastructure Investment and Jobs Act (IIJA) was passed into law on November 15, 2022. IIJA includes over 25 Federal assistance programs for which port and intermodal connector projects are eligible. It also has a provision to strengthen underride guards on trailers. Should USDOT decide this applies to chassis, it may impact the ability to stack empty chassis in a yard and add enough weight to an over-the-road chassis that the amount of freight within may need to be reduced to meet road weight limits. Doing so will increase the number of containers in the future without actually increasing total tonnage throughput. IIJA also established a 5-year appropriation for USDOT’s Port Infrastructure Development (PIDG) program at an average level of $450M annually. Priorities for awarding PIDG funds will include projects that address climate, equity, and/or environmental justice.

Supply Chain –

- H.R. 4996 Ocean Shipping Reform Act of 2021 (OSRA) was passed in the House late in the year. However, the Senate is putting forward its version known as the Thune/Klobuchar Bill. While this version has addressed some of NAWE’s concerns, the bill remains focused on detention and demurrage issues and will impact both ship lines and terminal operations.

- The Maritime Transportation System Emergency Relief Act (MTSERA) was passed into law in December 2020, authorizing the establishment of a program that could reimburse certain public and private maritime industry entities for eleven different operational costs incurred during a declared disaster. NAWE was not successful in securing appropriations for this program during 2021. Behind the scenes, feedback was received that news of record profits within maritime industry entities discouraged federal funding of the program. We will keep trying to secure funding for this program.
Waterfront Workers –

• H.R. 3114, the Longshore and Harbor Workers’ COVID–19 Compensation Act of 2021 (LHWCA), addresses the pandemic as a non-rebuttable workman’s compensation case for workers subject to LHWCA. It has an equal number of co-sponsors between the two political parties but did not move forward by the end of the year. NAWE expects this to move forward again early in 2022. Note: This concept has been raised two times since the pandemic began in 2020 and is popular with many Dems.

• The Federal COVID Vaccine Mandate, issued by the White House. This has two elements:
  – A mandate for all workers subject to a federal contract or subcontract to be fully vaccinated (defined as having received two shots) before being eligible to work. Stevedoring and terminal work related to transportation of Federally procured goods and military-related operations are impacted by this mandate.
  – OSHA ETS - A mandate for all employers of 100 workers or more to ensure each worker is fully vaccinated or has received a negative COVID test result within the previous seven days.

  Note: Both of the above are subject to multiple court cases and are currently on hold. However, State level OSHA offices can implement their own rules on this issue.

With all that activity, Congress could not pass a budget for FY22. Instead, a Continuing Resolution was implemented through February 2022.

Finally, in response to the unprecedented legislative activity in 2021, NAWE has ramped up advocacy efforts by engaging a Lobbying and Legal Team. Blank Rome Government Relations and Strategies, Becker Political Strategies, and Cozen O’Connor/Legal are on our team. NAWE has also engaged APCO Worldwide, an internationally known public relations firm based in Washington DC, to promote/educate mainstream media and political media about the marine terminal industry and its role in our nation’s economy.
2021 REPORT OF COUNSEL

WATERFRONT COMMISSION OF NEW YORK HARBOR (COMMISSION)

In January 2018, the Commission commenced an action in federal district court in New Jersey to prevent the State of New Jersey from implementing legislation that would allow New Jersey to withdraw from the bi-state Waterfront Commission Compact (Compact) between itself and the State of New York. Defendants included the Governor of New Jersey and the President of the Senate and Speaker of the Assembly.

In May 2019, the district court granted the Commission’s motion for summary judgment to enjoin New Jersey from unilaterally withdrawing from the Compact. Defendants filed their appeals with the Court of Appeals for the Third Circuit in June 2019.

NYSA filed an amicus brief with the Court of Appeals on behalf of NYSA’s members in August 2019. The purpose of the amicus brief was to provide the Court with an understanding of why the industry regulated by the Commission considered the demise of the Commission to be in the public interest and to focus the Court on key arguments related to the Eleventh Amendment to the United States Constitution, which restricts the ability of individuals to sue states in federal court, and state sovereign immunity issues, issues which had not been emphasized by the parties or the district court below.

On June 5, 2020, the State of New Jersey prevailed in its appeal before the Third Circuit. The unanimous opinion was largely based on arguments made in NYSA’s amicus brief. The Court of Appeals dismissed the Commission’s complaint, ruling that the Commission had improperly brought the action against Governor Philip Murphy, rather than the State, to circumvent the Eleventh Amendment’s prohibition on citizens’ suing states in federal court.

The Commission filed a Petition for a Writ of Certiorari in the Supreme Court of the United States on December 4, 2020. The Court thereafter requested responses to the Commission’s petition from the State of New Jersey and the Solicitor General of the United States. New Jersey filed a brief in opposition to the petition. The Solicitor General recommended that the Court deny the petition.

According to the Solicitor General, the case did not present an actual conflict of decisions among the various federal judicial circuits but merely “tension” between the decision and other cases interpreting compacts, including a more recent Third Circuit case, and that such tension was best addressed by the Third Circuit itself.

The Solicitor General noted that the denial of the petition would not render New Jersey's withdrawal immune from judicial review because if the State of New York were aggrieved, it could challenge the decision in an original action before the Supreme Court or seek an injunction in a federal district court.

On November 22, 2021, the Supreme Court denied the petition for certiorari. On December 3, 2021, the district court issued an order of dismissal, thereby concluding the litigation. The State of New York had not taken any action as of year-end.

NEW YORK STATE DIVISION OF HUMAN RIGHTS (DHR)

On November 1, 2019, the Chief Administrative Law Judge (ALJ) of the New York State Division of Human Rights issued a decision favorable to NYSA and several of its direct-employer members in New York State Division of Human Rights v. Int’l Longshoremen’s Ass’n, New York Shipping Ass’n, Inc., et al., DHR Case No. 10156672.

The ALJ’s decision recommended the dismissal of the complaint in its entirety. The ALJ concluded that the DHR had failed to establish a prima facie case of disparate-impact discrimination regarding the NYSA-ILA Hiring Plan at issue, that the DHR’s claims were barred by the applicable statute of limitations, and that the DHR’s claims were not saved by the continuing-violation exception. The DHR filed objections to the decision on January 31, 2020.

On June 25, 2021, DHR’s Interim Commissioner issued a Notice and Final Order, adopting the ALJ’s decision and dismissing the complaint. The DHR did not appeal the dismissal, thereby rendering the Final Order as the complete disposition of this matter after nine (9) years of litigation.
COVID-19

COVID-19 remained the focus throughout 2021 all over the world, including in the Port of New York and New Jersey (PONYNJ). NYSA continued its efforts to ensure that a steady supply of labor was available to its member companies through the COVID-19 Unavailability Procedures it had established in 2020 to ensure that employees exposed to COVID-19 could be removed from the workplace to prevent widespread infection.

The protocols allow employers to assess the availability of their employees and to understand the extent of COVID-19-related unavailability, as well as to prevent employees from potential Waterfront Commission decasualization and enable them to obtain available benefits for unpaid leave time.

Throughout the year NYSA updated the industry’s travel, quarantine, and work-related COVID-19 procedures in accordance with the recommendations issued by the Centers for Disease Control and Prevention (CDC), as well as the rules promulgated by the States of New Jersey and New York. In April, NYSA and the ILA sponsored a two-day event to vaccinate longshore labor in the port against COVID-19.

In July, employers rolled back many of the COVID-19 work protocols that had been put in place in 2020: daily temperature checks, sanitizing of equipment, requiring social distancing, staggering shifts, and limiting the number of longshore workers using container-handling equipment. Each marine terminal operator coordinated the details of this rollback with their respective ILA Locals and the ILA leadership at their facilities.

At year-end, NYSA and the ILA issued updated quarantine requirements for New York and New Jersey employees to be consistent with new CDC guidelines. The new requirements call for:

- Any worker who is exposed to a co-worker with a confirmed case of COVID-19 must quarantine for 5 days. If no symptoms develop in these 5 days, the employee should return to work on the 6th day after the exposure.
- Any worker who is exposed to an individual outside of work with a confirmed case of COVID-19 must quarantine for 5 days. If no symptoms develop in these 5 days, the employee should return to work on the 6th day after the exposure.
- Any worker who tests positive for COVID-19 must isolate for 5 days and, if asymptomatic at that time, should return to work on the 6th day after the exposure.
- Workers who were exposed and/or who tested positive and return to work, if they work indoors and in close proximity to co-workers, should wear a mask for the first 5 days back to work. Masks are not required outdoors or in a shop where a worker can socially distance.
- Workers who develop symptoms during or after the 5-day quarantine period must quarantine for at least 10 days and, if symptoms persist after the 10th day, until symptoms have been gone for a full 24 hours.
COVID PANDEMIC RELIEF FUND (CPRF)

The COVID Pandemic Relief Fund, a supplemental unemployment benefit plan established in 2020 to assist eligible ILA-represented workers covered by the USMX-ILA Master Contract to replace lost income caused by COVID-19-related absences, continued to pay benefits. The CPRF supplements state and federal unemployment benefits and other governmental and local contract benefits received by ILA-represented employees so that each eligible employee could receive each week two-thirds of the employee’s 2019 average weekly wage or $1,550.00, whichever was less, for the period of an approved COVID-19-related absence. The CPRF will continue until September 30, 2024.

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.

In August, the Court of Appeals for the Third Circuit held that USERRA requires employers to provide paid leave to employees on short-term military leave when they pay other employees for comparable forms of leave. The Third Circuit covers the States of New Jersey, Pennsylvania, and Delaware. NYSA is reviewing the NYSA-ILA employee benefit plans to assess if there may be any potential exposure because of this decision.

**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.

During 2021, the Wage and Hour Division of the United States Department of Labor conducted a review of the NYSA-ILA Family and Medical Leave Program and found that the program was fully compliant with the Family and Medical Leave Act of 1993.
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).

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. NYSA continues to seek certain technical amendments to the law. Nothing in the new 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. NYSA and the ILA are seeking an amendment to the Drug and Alcohol Policy to remove marijuana from the pre-employment drug test screen to ensure compliance with the New Jersey law.

The State of New York followed suit in March 2021 by enacting legislation that legalized the use of recreational marijuana for individuals ages twenty-one and older. The law took effect immediately. 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.
Supply Chain Fluidity - A Gateway Built for Resistance
2021 FEDERAL JUDICIAL, LEGISLATIVE, AND REGULATORY ACTIVITY

COVID-19 LEGISLATION AND GUIDANCE

The American Rescue Plan Act of 2021, which was enacted on March 11, 2021, extended or enhanced benefits provided in 2020 by the Families First Coronavirus Relief Act and the Coronavirus Aid, Relief, and Economic Security Act. Payroll tax credits and employee retention credits were extended, emergency paid sick leave and emergency paid family leave were enhanced, unemployment benefits were reinstated and increased from 50 weeks to 79 weeks of benefits, one-time cash payments of $1,400 were provided to eligible adults and their dependents, and an additional $7.25 billion was provided to the Paycheck Protection Program to provide loans to small businesses to cover payroll obligations and operating costs.

At year-end, the Centers for Disease Control and Prevention (CDC) issued updated recommendations for isolation after a confirmed COVID-19 infection and quarantine after exposure to COVID-19 for the general population by decreasing the isolation or quarantine period from 10 to 5 days. NYSA and the ILA adopted and implemented these new recommendations in the PONY/NJ.

FEDERAL LEGISLATION

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

This legislation was re-introduced in the House and Senate in March 2021, to improve underride protections on large trucks and trailers. The bills were referred to the Senate Committee on Commerce, Science, and Transportation and the House Transportation and Infrastructure Committee’s Subcommittee on Highways and Transit.

In April 2021, the Institute of International Container Lessors (IICL) submitted comments in response to the legislation pointing out the detrimental effect side underride guards would have on intermodal chassis by affecting the ability to stack the chassis and opined that the legislation, as drafted, does not consider the unique aspects of intermodal chassis operations on or near port and rail terminals across the United States. IICL requested that Congress consider the impact of the legislation on intermodal chassis before a legislative mandate regarding truck underride guards proceeds further or, alternatively, to carve out intermodal chassis from the scope of the legislation. Both bills were pending in committee at year-end.

Ocean Shipping Reform Act of 2021 (H.R. 4996) (OSRA 2021)

This legislation was introduced in August 2021, in response to shipper complaints about supply chain problems and port congestion throughout the country. The bill would impose minimum requirements on ocean carrier service contracts, shift the burden of proof in Federal Maritime Commission (FMC) proceedings from shippers to the ocean carriers, mandate that ocean carriers cannot decline export cargo if the containers can be loaded safely and within a reasonable time frame, and establishes a new process for addressing demurrage and detention complaints, thereby giving the FMC a more proactive role in investigating the complaints.

The bill codifies the FMC’s Interpretive Rule on Demurrage and Detention under the Shipping Act that took effect in May 2020 and obligates ocean carriers to adhere to minimum service standards that meet the public interest, determined by the FMC in new, required rulemaking. The bill passed the House at year-end by a vote of 364-60 and was referred to the Senate Committee on Commerce, Science, and Transportation. A related bill is expected to be introduced in the Senate in 2022.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC)

During 2021, 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 COVID-19 vaccination requirements, the right of employees and job applicants to be free of retaliation for asserting their rights under any anti-discrimination law, and when COVID-19 may be considered a disability.
**FEDERAL MARITIME COMMISSION (FMC)**

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

In March 2020, the FMC had issued an order authorizing Commissioner Rebecca Dye to identify operational solutions to cargo-delivery-system challenges related to COVID-19. In July 2021, Commissioner Dye presented Interim Recommendations to the FMC, which included 1) issuing an FMC policy statement regarding three areas related to shipper complaints: retaliation, attorneys’ fees, and representational complaints, including trade associations and 2) issuing a rulemaking concerning information to be included on demurrage and detention billings and the timing of such billings. The FMC later approved the recommendations, action on which was pending at year-end.

**NATIONAL LABOR RELATIONS BOARD (NLRB)**

In February 2021, the General Counsel rescinded twelve (12) NLRB memoranda that had been issued by the prior administration covering such topics as the legality of employee handbooks, union culpability in duty of fair representation cases, instructions for deferral to arbitration, standards for neutrality agreements, the handling of one-party recorded evidence, and the rights of workers who do not want to join unions or to pay union dues. These were the first of many anticipated pro-employee actions by the NLRB and its General Counsel on behalf of the Biden administration.

In September 2021, the NLRB General Counsel issued General Counsel Memorandum GC 21-06 directing the NLRB Regional Offices to seek the full range of remedies available when determining compensation for employees and unions subjected to unfair labor practices under the National Labor Relations Act. This represents a marked departure from current NLRB remedies, which generally are limited to back pay. The Memorandum includes examples of additional remedies, such as health care expenses caused by an unlawful termination of health insurance and compensation for credit card late fees incurred or for the loss of a home or a car caused by an unlawful discharge. Employers should be prepared for a serious increase in enforcement actions and the remedies sought in those actions.

**OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA)**

**COVID-19 Vaccination and Testing**

In September 2021, the Biden administration announced that OSHA was preparing an Emergency Temporary Standard (ETS) that would require all private sector employers with 100 or more employees to ensure that their workforce is fully vaccinated or require unvaccinated employees to provide a negative COVID-19 test result at least once a week before arriving at work and to wear face coverings. The ETS became effective for six months upon publication in the Federal Register on November 5, 2021, but it was immediately beset by legal challenges in various federal courts that resulted in the imposition and then lifting of a stay. At year-end, the ETS was scheduled for oral argument before the Supreme Court of the United States.
PENSION BENEFIT GUARANTY CORPORATION (PBGC)

The American Rescue Plan Act of 2021 (ARP 21)

ARP 21 provides substantial monetary relief for financially troubled multiemployer pension plans (MEPPs) totaling $86 billion. ARP 2021 created a Special Financial Assistance (SFA) Program for eligible “critical and declining” status or insolvent MEPPs to be administered by the PBGC. The program is funded by cash payments from the U.S. Treasury Department to the PBGC upon approval of a MEPP’s application for financial assistance. If approved, the MEPP will receive the funds required for it to pay all benefits due from the date of the SFA payment and ending on the last day of the plan year ending in 2051. Applications for assistance must be submitted to the PBGC no later than December 31, 2025.

Fiscal Year (FY) 2021 Annual Report

At year-end, the PBGC released its annual report, which showed that its Multiemployer Insurance Program (MIP) had a positive net position of $481 million at the end of FY 2021, a dramatic improvement from the agency’s deficit of $63.7 billion at the end of FY 2020. The MIP protects 10.9 million workers and retirees in 1,360 pension plans. The MIP was expected to run out of money in FY 2026, but now will likely remain solvent for another 30 years because of ARP 21. During FY 2021, the PBGC provided $230 million in regular financial assistance to 109 multiemployer plans covering 80,786 participants receiving guaranteed pension benefits, up from the previous year’s payment of $173 million to 95 plans.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)

Hazmat Training Deadline Extension

As a result of the pandemic, maritime industry employers and training providers throughout the nation were unable to provide the required recurrent HAZMAT (3-year refresher) training. In late 2020, PHMSA suspended enforcement against any employer engaged in the maritime transportation of hazardous materials that was unable to provide recurrent training in a timely manner and provided a mechanism for employers to join in a special permitting process that allowed multiple employers to seek a further extension of time to December 31, 2020 to provide the required recurrent HAZMAT training.

The six marine-terminal-operator members of NYSA participated in this permitting process. All participants were required to submit a plan to the PHMSA that outlined how they intended to address their recurrent HAZMAT training backlog and come back into compliance with PHMSA regulations. During 2021, the training deadline was again extended from June 30, 2021, to December 31, 2021.

PORT SECURITY/TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL (TWIC)

TWIC Enrollment/Expiration

The Transportation Security Administration (TSA) continues to process TWIC applications. As of September 2021, there were 6.326 million TWIC enrollments since inception in October 2007. There were 2.171 million active TWIC cards in use as of September 2021. The TSA implemented its OneVisit Enrollment Program in June 2014 to streamline the enrollment process and to eliminate the need for a second visit to an enrollment center to pick up a TWIC. As of September 2021, there were 2.669 million OneVisit enrollments (92% of all enrollments).

In March 2021, TSA implemented the FBI’s “Rap Back Service” for active TWIC holders, which allows TSA to review new criminality and potentially disqualifying information on TWIC holders. This enables TSA to revoke TWIC cards for those who are no longer eligible for TWIC. In June 2021, TSA implemented improved applicant notifications. TWIC applicants can now opt in and receive notifications on their status from TSA’s enrollment provider. TSA plans to implement an online renewal process for eligible TWIC applicants in early calendar year 2022.
2021 STATE AND LOCAL JUDICIAL, LEGISLATIVE, AND REGULATORY ACTIVITY

NEW JERSEY

New Jersey Department of Environmental Protection (NJDEP)

In April 2021, the NJDEP proposed new air pollution control rules to reduce greenhouse gas emissions, fight climate change, and improve air quality throughout the state through its New Jersey Protecting Against Climate Threats (NJPACT) program. The rules are based on California’s Advanced Clean Trucks (ACT) regulation, which was adopted in 2020, and requires manufacturers to sell increasing percentages of zero-emission trucks to reduce the lifecycle emission of greenhouse gases and eliminate tailpipe emissions of air pollutants. Following a public hearing on May 20, 2021, comments to the record were accepted until June 18, 2021. The new rules were adopted at year-end.

NEW YORK STATE

New York State Paid Family Leave

Paid-family-leave benefits increased on January 1, 2021. As of that date individuals were entitled to take twelve (12) weeks of paid leave and to receive 67% of their weekly pay with a benefit cap of 67% of the New York State average weekly wage, which was $971.61 per week. In 2021, the definition of “family member” was expanded to include siblings, effective January 1, 2023.

New York State Health and Essential Rights (HERO) Act

In May 2021, New York State enacted the New York Health and Essential Rights (HERO) Act that requires private New York State employers to adopt an Airborne Infectious Disease Exposure Prevention Plan to protect employees against exposure and disease during airborne infectious disease outbreaks in the workplace such as COVID-19. Exposure controls that had to be included in the plan include health screenings, face coverings, physical distancing, hand hygiene facilities, cleaning and disinfection, and personal protective equipment.

Employer plans were activated on September 6, 2021, when the New York State Commissioner of Health designated COVID-19 as a highly contagious communicable disease that presents a serious risk of harm to public health under the Act. All private New York State employers were required to post and to provide copies of their plans to their employees. That designation was later extended through year-end. While the designation remained in effect, employers were required to ensure that their plans were followed by assigning enforcement responsibilities to one or more supervisory employees, monitoring and maintaining exposure controls, and checking regularly for updated information from the New York State Department of Health and the CDC and updating the plan, as necessary.

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

In 2021, New York enacted a law governing the monitoring of employees’ telephones, e-mails, and internet access or usage. The law applies to New York employers that monitor employees through electronic devices and takes effect May 7, 2022.

The new law amends New York’s Civil Rights Law and requires employers to provide notice of monitoring to new employees upon hire. The notice must be in writing or in an electronic form and be conspicuously posted. Employees must acknowledge the notice in writing or electronically. The law does not apply to 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.

The New York Attorney General is authorized to enforce the new law. Civil penalties range from $500 for the first offense to $3,000 for subsequent offenses. 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

Biometric Privacy Law (Local Law No. 3 for the Year 2021)

New York City’s new biometric privacy law that took effect in July restricts commercial establishments in New York City, including places of entertainment, retail stores, and food and drink establishments, in their collection and use of biometric identifiers from customers (for example, fingerprints, eye scans, voice prints, hand scans, facial recognition, or other biological or physical traits).

Commercial establishments that collect biometric information must post a conspicuous sign at all customer entrances disclosing that biometric information is being collected. The law also prohibits commercial establishments from selling, leasing, trading, sharing, or otherwise profiting from a transaction in biometric information. The law provides for a private right of action to recover damages. Failure to comply with the law can cost violators between $500 and $5,000 for each violation, plus attorneys’ fees.
Supply Chain Fluidity - A Gateway Built for Resistance
2021 NYSA INSURANCE AND INDEMNITY PROGRAM

New York Shipping Assurance Association, Inc. (NYSAA)

In 2006, New York Shipping Association, Inc. (NYSA) created a comprehensive insurance program to protect NYSA, its directors, officers, employees, and representatives as well as NYSA members. The coverage for NYSA members is provided through a Vermont captive insurance company, New York Shipping Assurance Association, Inc., a wholly-owned subsidiary of NYSA 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, and 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 NYSA members. For the fiscal year ended September 30, 2021, less than 1% of total assessments were used to fund NYSAA Policy No. NY 001.

During the 2020-2021 Policy Year NYSA filed one new insurance claim with NYSAA to reimburse a marine-terminal-operator NYSA member for the amount it paid to settle a grievance and a subsequent back wage complaint filed with the U.S. Department of Labor by a longshore worker. The grievance was filed against the insured pursuant to the Collective Bargaining Agreement between NYSA and the International Longshoremen’s Association (ILA).

New York Shipping Association Self-Insurance Trust

Liability insurance coverage for NYSA, its directors, officers, employees, and representatives is provided through commercial insurance policies with excess coverage provided by the NYSA Self-Insurance Trust. The Trust also provides Financial Injury Coverage to NYSA for its legal costs that arise from the implementation of the NYSA-ILA and NYSA-PPGU Collective Bargaining Agreements. NYSA did not file any claims with the Trust during the 2020-2021 Policy Year.
NYSA ORGANIZATIONAL CHART

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Executive Vice President/Chief Operating Officer

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SUSAN WINFREE
Vice President, Workforce Development & Corporate Diversity Officer

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Director of Information Technology

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LEONARD BESS
Director of Fund Operations

TRAINING CENTER

INFORMATION TECHNOLOGY

ACCOUNTING

TELEPHONIC HIRING CENTER

2021 NYSA MEMBERSHIP LIST

Allied Universal 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 Lines (North America) Inc.
Essex Cement Company
Evergreen Shipping Agency (America) Corporation
GCT Bayonne LP
GCT New York LP
Hapag-Lloyd (America) Inc.
Hoegh Autoliners AS
Hyundai America Shipping Agency, Inc.
“K” Line America, Inc.
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.
Ocean Network Express (North America) Inc.
OOCL, (USA), Inc.
Port Newark Container Terminal L.L.C.
Ports America, Inc.
Red Hook Container Terminal, LLC
SIMS Metal Management
Terminal Security Solutions, Inc.
Turkon America, Inc.
Wallenius Wilhelmsen Logistics
Wan Hai Lines (USA) Ltd.
Yang Ming (America) Corp.
ZIM American Integrated Shipping Services Company
ZPMC USA Inc.

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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NMC Nominations (& Membership) Committee
CC Compensation Committee
NC Negotiations Committee
BLC By-Laws Committee
AC Assessment Committee
NYSA would like to recognize Myrna Ferrer who retired in August after over 40 years with the Association. Myrna worked as the Bookkeeper/Cashier in the Accounting Department and was a valued member of the NYSA Staff.
ACKNOWLEDGMENTS

Thanks to everyone who contributed to the content of the annual report including NYSA members and staff, The Lambos Firm, NAWE, the Port Authority of New York & New Jersey Port Department, US Army Corps of Engineers and the US Coast Guard Sector New York.

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