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Gardner Introduces PORTS Act to Protect American Economy

Washington, DC – Senator Cory Gardner (R-CO) announced today that he has introduced the Protecting Orderly and Responsible Transit of Shipments (PORTS) Act in the United States Senate to safeguard the American economy from the threat of labor shutdowns and slowdowns at seaports.

The Act, which is cosponsored by Senator Lamar Alexander (R-TN), would discourage disruptions at US seaports and incentivize speedy resolution of disputes by strengthening and expanding the well-known Taft Hartley process, which is already applicable to ports and includes 70 years of case law.

It would do this by granting state governors Taft Hartley powers currently reserved for the president, including the ability to convene a board of inquiry and start the Taft Hartley process whenever a port labor dispute is causing economic harm. Once that board reports, governors could petition federal courts to enjoin slowdowns, strikes, or lockouts at ports in their states. The PORTS Act would explicitly include slowdowns as a trigger for Taft Hartley powers.

“This year’s slowdown at West Coast ports demonstrated the disastrous consequences that labor disputes at our ports can have on businesses, consumers, and the entire economy,” **Gardner said.** “Labor union bosses should not be allowed to hold the economy hostage, nor should they be allowed to use the livelihoods and jobs of millions of Americans as bargaining chips. This Act would empower local leaders, who are most affected by these port disruptions, to apply pressure to their state governments to bring these damaging disputes to an end.”

“A labor dispute at one of our ports can cause significant damage to U.S. employers and to our economy – the recent nine-month dispute at the West Coast ports made it difficult for auto manufacturers and suppliers in Tennessee to keep production lines running,” **Alexander said.**

“This legislation will empower state governors to take steps to resolve port labor disputes and avoid economic disaster if the president is unwilling to act.”

The PORTS Act is supported by the National Retail Federation, the United States Chamber of Commerce, the National Association of Manufacturers, the Agriculture Transportation Coalition, along with dozens of other organizations.

“The nation’s retailers and supply chain community wholeheartedly endorse and support the PORTS Act,” **National Retail Federation Senior Vice President for Government Relations David French** said. “Senator Cory Gardner’s leadership on this international economic, trade and transportation priority is a welcomed sign that Congress is serious about ensuring that additional tools are available to local leaders to prevent another coast-wide port disruption due to an ongoing contract negotiation dispute, while still respecting the collective bargaining process. Reforming the Taft-Hartley Act to empower governors to intervene in a port disruption will help the nation’s supply chain stakeholders and the millions of American jobs and workers who rely on the efficient flow of goods through our nation’s ports. Ensuring the continual free flow of cargo in and out of our ports is in everyone’s interest.”

“The U.S. Chamber would like to thank Senator Gardner for his leadership in exploring ways to help ensure that the crisis at the West Coast ports will not happen again,” **said Randy Johnson, senior vice president of Labor, Immigration, and Employee Benefits for the U.S. Chamber of Commerce.** “His legislation will not interfere with the labor management negotiations necessary, and appropriate, to resolve disputes between the parties, but will provide a type of failsafe mechanism to limit damages to outside parties through revisions of the existing Taft-Hartley emergency procedures.”

“The **National Association of Manufacturers** applauds Senator Gardner for introducing this bill which give state governors the option to intervene in labor disputes at seaports to prevent disruptions. When so much of the economy can be affected negatively, we should look for ways to resolve issues as quickly as possible and this legislation provides another pathway to do just that. We simply cannot afford to have the ports grind to a halt – too much is at stake.”

“The U.S. cannot afford another collapse of our gateway container ports. We cannot standby and wait for U.S. West Coast ports, which have now shut down twice over the past 13 years, to do it again when the recently approved ILWU- PMA contract expires in just four years, in 2019. The Agriculture Transportation Coalition applauds the leadership of those US Senators who are concerned about the viability of our US economy and of preventing another disaster at the ports,” **said Peter Friedmann, Executive Director, Agriculture Transportation Coalition.**

BACKGROUND

Trade through ports is critical to the United States economy. According to the American Association of Port Authorities, US ports support 23 million jobs, and the value of related economic activity accounts for 26 percent of GDP.

Disputes at our ports disrupt trade and hurt local and national economies: Labor disputes at the ports clog up these vital arteries and lead to delays, higher costs, and lost business for industries throughout the country.

Many economists, including the Federal Reserve Board of Governors, cited the most recent West Coast ports dispute as a primary cause of a 0.7 percent decline in GDP in the first quarter of 2015. It also severely impacted industries across the supply chain:

Agriculture exports (apples, hay, Christmas trees, etc.) lost export opportunities and overseas customers/markets, because they couldn't get products to market. Meat and poultry companies lost sales and faced port charges in excess of \$30 million per week. Retail shipments were delayed from reaching store shelves, and some stores resorted to expensive air freight to stock goods.

Manufacturers waiting on shipments had to shut down production lines and risked losing contracts with foreign customers.

Remedies to these disputes do exist, but often go unused. Congress decided long ago that the health and reputation of the greatest economy in the world should not be used as leverage in contract negotiations. By enacting Taft Hartley, lawmakers established a process by which the President can petition federal courts to end labor disputes because of a strike, lockout, or threat of either. But when the President refuses to act, the affected businesses, employees, and consumers have few options. This legislation will revitalize Taft Hartley, restoring critical protections for the US economy.

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Cory Gardner is a member of the U.S. Senate serving Colorado. He sits on the Energy & Natural Resources Committee, the Foreign Relations Committee, the Commerce, Science, & Transportation Committee, and the Small Business & Entrepreneurship Committee, and is the Chairman of the Subcommittee on East Asia, the Pacific, and International Cybersecurity Policy.

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