

Transportation and Insurance Committee
Adopted at the 101th Annual Convention
June 18, 2025

The Transportation and Insurance Committee recommends that ACSA:

OCEAN TRANSPORTATION:

1. Continue to work with like-minded export organizations to monitor, review, highlight and oppose national, state and/or local legislative and regulatory actions which would make U.S. cotton less competitive compared with foreign cotton growths;
2. Work directly with other organizations to provide guidance to Congress on appropriate actions for merchants to ensure competitive capacity, timely execution from the ocean transportation industry, systemic alignment, and resilience from all the ocean container transportation industry segments to ensure adequate capacity and competitive pricing;
3. Support local, state, and national efforts to review, prioritize and fast track port and intermodal infrastructure projects, including but not limited to terminals, roads, bridges, and other physical capacity to support interior and near port physical movement of U.S. cotton exporters;
4. Support legislative, regulatory, and administrative initiatives to enhance visibility, review and drive improvements in port / terminal business processes, data alignment, and technology options to increase overall daily marine container handling terminal velocity and help ensure future port labor stability necessary to support U.S. cotton exports;
5. Urge the administration and Congress to address the issue of Chinese dominance in shipbuilding and the manufacturing of critical intermodal equipment, including ship-to-shore cranes, containers, and chassis, in a manner that does not impose punitive measures on agricultural exporters; of note, the Ocean Shipping Reform Act of 2022 provides a framework for the Federal Maritime Commission (FMC) to set rules on reasonable fees and practices, which can be leveraged to ensure fair competition and support for U.S. exporters;
6. In the context of supply chain challenges, urge:
 - a) All members of the cotton supply chain to maintain sufficient trained personnel to expedite and efficiently manage the physical logistics and documentation volumes and expand beyond the traditional Monday to Friday operating model in place for most segments today;
 - b) Ocean carriers to ensure their ports and terminals provide and release sufficient cargo worthy “wind and watertight” and clean containers to minimize merchants’ cargo risks and damage during transportation; additionally, Merchant members’ overseas buyers should not be charged for cleaning and / or cosmetic repairs on wear and tear damage that does not affect the “wind and water” standard;
 - c) Supply chain enhancements are created to incentivize the utility of assets for shipment, including ports, marine terminals, container yards (CYs), ocean containers, intermodal chassis, and trucks;

- 1 d) Ocean carriers to work with intermodal equipment providers (IEPs) and respective chassis
2 pool managers to:
- 3 i. Fully comply with the FMC Administrative Law Judge’s ruling on chassis choice for
4 Merchant Haulage moves;
5 (1) Ocean carriers should not designate chassis provider for CYs bookings; and
6 (2) Merchants and their truckers should be allowed to decide where to pick up
7 chassis; and,
8 (3) Ensure sufficient U.S. Department of Transportation Federal Motor Carrier
9 Safety Administration (FMCSA) road worthy supply and efficient pick-up
10 locations of the U.S. to meet peak shipping demand periods; further, when no
11 good order chassis are available, the chassis provider shall perform chassis repair
12 within a reasonable time frame for roadability / minor repairs;
13
- 14 e) Ocean carriers’ designated CYs commit to:
- 15 i. Handle peak volumes and turn drivers quickly to ensure sufficient daily pickup
16 velocity;
17 ii. Offer extended operating hours Monday through Friday;
18 iii. Offer Saturday gates;
19 iv. Mount chassis in one (1) hour or less; and,
20 v. Communicate operational problems, including – container lift issues; and down
21 systems, to the shipper and trucker communities quickly and consistently;
22
- 23 f) Ocean carriers to ensure their intermodal rail facilities and CY providers have sufficient
24 labor and equipment to manage the increase in “live” chassis swings at rail ramps and port
25 terminals, based upon the ocean carrier industry’s movement away from own chassis fleets
26 and shifting of chassis provisioning burden to Merchant members;
27
- 28 g) Ocean carriers to ensure their designated rail providers’ appointment systems align with
29 ocean carriers’ Cargo Receiving Windows (CRWs), which is the combination of Early
30 Return Date (ERD), Documentation Cutoff and Physical Cargo Cutoff; noting this
31 alignment is essential since truckers cannot rail bill container(s) to get an appointment until
32 container(s) are loaded and the trucker is ready to head to the ramp; and noting further that
33 failure to get same day appointment after loading results in additional and unplanned
34 member costs, including holds on trucker yards, unplanned container storage, extra
35 trucking costs, and chassis and container usage costs (per diem);
36
- 37 h) Ocean carriers and their designated international intermodal rail carriers to improve and
38 then maintain the integrity of containers moving together from interior ramp of receipt to
39 port of loading to reduce splits and rolls and to help ensure all containers make the interior
40 intermodal cutoff and load their intended booked vessel with containers seals intact;
41
- 42 i) Ocean carriers, BNSF Railway, and Union Pacific to increase security efforts to reduce
43 loss of original container seals from break-ins after merchants tender loaded and sealed
44 containers from Texas and the Mid-South for marine terminals in Long Beach and Los
45 Angeles;
46
- 47 j) Ocean carriers to load shipments to booked vessels without splits or rolls when cargo
48 received by port cutoffs and / or intermodal cutoffs; noting that in the event a split or roll
49 is unavoidable, ocean carriers should offer merchants the option to combine bookings at
50 no additional charges – administrative, equipment, and terminal – to reduce collective

1 rework, number of Original Bill of Ladings (OBLs), document sets, and Letter of Credit
2 (LC) negotiation delays to improve overall shipper trade-to-cash cycle, with the objective
3 of restoring performance to pre-pandemic service levels as defined throughout this
4 committee's policy;

- 5
- 6 k) Urge ocean common carriers to include in their required annual FMC filed export strategies
7 detailed information on services offered, markets served, pricing strategies, and equipment
8 provisioning; Recognizing the need to improve service integrity, ocean common carriers
9 should also include specific objectives to enhance on-time arrivals and reduce the
10 frequency of split and rolled shipments in both local and intermodal applications, as this
11 will improve transparency and accountability, aligning with the objectives of the Ocean
12 Shipping Reform Act of 2022 and 46 U.S.C. § 40101(2), which aims to ensure an efficient,
13 competitive, and economical transportation system in the ocean commerce of the United
14 States;
- 15
- 16 l) CSX Corporation, Norfolk Southern Railway, Georgia Ports Authority, and South Carolina
17 State Ports Authority to work together to provide a dedicated full export train service and
18 capacity to and from Memphis at some set frequency each week compared to existing
19 service design;
- 20
- 21 m) Ocean carriers, whether operating alone or within the same alliance and at the same ports
22 and rail ramps, to implement uniform and consistent standards on inland, vessel, and
23 documentation cutoffs;
- 24
- 25 n) Ocean carriers to recognize last-minute changes in coastal vessel schedules, berthing, and
26 first cargo receiving days directly impact the merchants and the truckers, with whom they
27 are working, which imposes higher utilization and increasing costs; further, ocean carriers
28 and marine terminals to find systematic ways to communicate schedule changes to
29 merchants and the trucking community to reduce delays and dry runs; and, noting that
30 CRW changes have increased significantly in the current crop-marketing year resulting in
31 delays and extra costs to merchant members, urge:
- 32 i. All three (3) CRW elements be indicated on all booking confirmations and be
33 standard industry practice for all ocean carriers;
- 34 ii. CRW changes be communicated within two (2) hours to the booking party and their
35 trucker;
- 36 iii. No CRW be changed within two (2) working days of the original booking
37 confirmation CRW dates;
- 38 iv. Ocean carriers and marine terminals allow original empty equipment to be released
39 even when ERD changes allow planned pickups to take place within two (2) working
40 days;
- 41 v. CRW aligned between ocean carriers and the marine terminals be used and shippers
42 and their truckers not be held accountable for demurrage and per diem charges as a
43 result of the differences between ocean carriers and marine terminals;
- 44 vi. Ocean carrier e-business sites to always have the most recent vessel schedule
45 information;
- 46 vii. Ocean carriers and their marine terminals to commit to align data accuracy standards
47 for vessel schedules, cargo operations, and CRW dates / times and changes; and,
- 48 viii. Members review CRW commitments with their ocean carriers;

- 1 7. Acknowledge merchants need consistent and competitive pricing due to global competitive
2 pressure for cotton and the forward nature of how export sales are made relative to other
3 agricultural exports based upon:
4
 - 5 a) Annual agreement and rates;
6
 - 7 b) All-inclusive ocean container freight rates; acknowledging that otherwise, there must be
8 full transparency on underlying cost components that impact a merchant member's total
9 landed costs to foreign market, noting that full transparency means all applicable fees and
10 surcharges are expressly identified on per container or per shipment basis and include the
11 ocean carrier's tariff and so-called "Pass Through Costs" identified tariff section and
12 underlying charge information for which they are merely the collection agent for future
13 review; and,
14
 - 15 c) Minimum ninety (90) days notification of planned increases in ocean rates, bunker charges,
16 any applicable surcharges and / or the imposition of new surcharges, noting that annual or
17 bi-annual negotiations remain preferred since merchants bear all supply chain risks;
18
- 19 8. Work with the World Shipping Council (WSC), U.S. Coast Guard, who has International
20 Maritime Organization (IMO) jurisdiction, and ocean carriers to ensure U.S. cotton's February
21 1998 non-hazardous designation is fully understood and adhered to by all ocean carriers, noting
22 that bookings are accepted without merchants' affirmation that U.S. cotton bales underwent
23 gin universal compression, meeting non-hazardous specifications;
24
- 25 9. Work with Congress, the administration, the WSC, and other relevant organizations to create
26 a permanent working group and subgroups comprised of ocean container shippers, ocean
27 carriers, railroads, ports, truckers, chassis providers, terminal labor, and other essential groups;
28
- 29 10. Support and advocate for National Shippers Advisory Committee (NSAC) recommendations
30 that do not conflict with ACSA policy; further, urge the FMC to provide serious support and
31 consideration to recommendations put forth by the NSAC;
32
- 33 11. Urge merchants to review how to improve commitment visibility and forecasting with ocean
34 carriers within the FMC service contract process to help support sufficient equipment, chassis,
35 truck power and vessel space when needed, noting that ocean carriers should allow merchants
36 to make bookings further forward than allowed today at least eight (8) weeks from current
37 calendar week;
38
- 39 12. Work with the U.S. Coast Guard and the FMC to ensure clarity, transparency, and to the extent
40 allowed, create uniform fuel models at the alliance level for any new fuel mandates coming
41 from the IMO or a similar organization;
42
- 43 13. Work with the FMC to enforce the aims of the U.S. Shipping Act including to promote the
44 growth and development of U.S. exports through competitive and efficient ocean
45 transportation through market-based review of ocean carrier vessel sailing cancellations and
46 prohibit discrimination of agricultural container exports for empty containers;
47
- 48 14. Urge Congress to fund the dredging and maintenance of U.S. rivers and harbors from the
49 general funds of the U.S. Treasury rather than user fees;

- 1 15. Urge ocean carriers in the same alliance and operating on the same vessel service from the
2 same port authority and marine terminal to implement more uniform and consistent standards
3 for their interpretation of regulatory and statutory mandates for data and cargo cutoffs across
4 their industry, specifically:
5
6 a) Timelines for “No Doc / No Load” should be noted in the initial booking confirmation
7 from the ocean carrier;
8
9 b) Notifications of earlier deadlines should meet the rules and regulations of the European
10 Union and other jurisdictions;
11
12 c) Required information should be clearly identified, and additional information that is
13 extraneous should be eliminated by ocean carriers to create a uniform standard; and,
14
15 d) Country regulation changes should be documented and substantiated by the responsible
16 agency and / or governmental body;
17
- 18 16. Urge the digital interfaces for Shipping Instructions, Bill of Lading Proofs and Releases
19 between shippers, industry portals and / or ocean carriers be utilized as intended, noting that:
20
21 a) The current shipment data interfaces and transmissions process is not working as intended
22 for shippers and ocean carriers, resulting in an unacceptable amount of re-work for all
23 parties - above fifty percent (50%) of all proof bill of lading releases;
24
25 b) The incomplete use of electronic shipment data causes delays in document turn times and
26 unnecessary re-work;
27
28 c) Resulting amendment fees add unplanned costs to merchants and mask a broader industry
29 data integrity issues; and,
30
31 d) The failure of ocean carriers and their industry portals to systematically communicate when
32 Electronic Data Interchange mapping changes can affect data transmission integrity;
33
- 34 17. Urge the continued support of on-going stakeholder efforts to improve existing documentation
35 processes and performance, including by:
36
37 a) Establishing a cotton industry standard with the ocean carrier industry for clean and
38 expedited document release according to which eighty percent (80%) of total documents
39 are produced and released within two (2) working days after vessel sailing and proofs are
40 received at least two (2) working days before vessel sailing, and with respect to which:
41 i. Merchant members should work with available data portals and ocean carriers
42 supporting the cotton industry to identify and seek final and permanent remedies for
43 specific high frequency documentation errors that prevent the timely release of
44 original bills of lading; and,
45 ii. ACSA members should endeavor to ensure ocean carriers satisfy commitments to
46 work through identified issues to resolve with their Documentation and IT teams;
47
48 b) Engaging Agriculture Transportation Coalition’s continued focus on the issue of ocean
49 carrier industry documentation performance as part of its Ocean Carrier Performance
50 Survey;

MEXICO

EXPORTS/TRANSPORTATION

1. Continue to support the goals of the United States-Mexico-Canada Agreement (USMCA), urging the free flow of goods between all of the signatory nations, and the elimination of trucking restrictions that impede flow or reduce industry capacity and support investments in International Bridges infrastructure;
2. Engage with all appropriate parties within Mexico and continue to increase the relationship with CANAINTEx to identify ways to implement a lasting enhanced security agreement to improve shipment reliability for mill deliveries at their facilities including extended receiving hours, secure drop yards and local security personnel; and,
3. Urge members to work with Mexico mill buyers and implement an industry agreed letter of understanding with compromises to provide longer receiving hours in recognition of changing traffic conditions between the border crossings and delivery locations, urging further that mill contact information include alternative secure parking for carriers arriving during and outside of receiving times;

DOMESTIC TRANSPORTATION

TRUCKING

1. Recognize the importance of the trucking industry across all lines of business;
2. Urge members to continue to vigorously oppose any proposed legislation or regulatory rule changes that would effectively ban owner-operators at U.S. ports and establish a unionized port trucking regime;
3. Work with affiliated organizations to monitor the on-going impacts of regulatory changes for the trucking industry that will affect trucking capacity and cost, including:
 - a) Hours of Service rules and electronic logging effect on service and capacity effective January 2018; and,
 - b) Federal Motor Carrier Safety Administration (FMCSA) proposed rules against truck Driver “coercion”;
4. Noting the importance of timely pickup and delivery to meet customer commitments, and further noting that truck transportation is a key part of the process, and that timely pick up remains essential for ACSA members to ensure consistent service performance to meet port and/or intermodal cutoffs for exports, mill delivery appointments for domestic customers and to reduce late warehouse pick up charges, expect truckers to:
 - a) Adhere to scheduled load dates and mill delivery dates;
 - b) Confirm ready date with warehouse operators via electronic portals, warehouse website and/or other digital methods at least forty-eight (48) hours in advance of scheduled pick up date;

- c) Participate in the newly developed ACSA / Cotton Warehouse Association of America shipping tool to improve visibility between supply chain participants;
 - d) Notify the shipper or warehouse of schedule changes within forty-eight (48) hours that impact planned pick up at the warehouse, and the recovery plan;
 - e) Provide equipment that is clean, free of contaminants and leakage; and,
 - f) Provide and maintain their own equipment, particularly if they are asset-based, noting that proper maintenance of equipment ensures safety and reliability, which are paramount in the transportation industry; additionally, the FMCSA mandates all commercial motor vehicles be maintained in a condition that ensures safe operation;
5. Urge ACSA members to:
- a) Request ready dates to be the same day as the earliest return date to the marine terminal for port bookings, sufficiently prior to intermodal cutoffs;
 - b) Provide complete and accurate information regarding truckers' loads, including detailed marks and weights for each shipment; according to the FMCSA, maintaining accurate records and providing consistent information is not just a matter of operational efficiency but also a legal requirement; additionally, inaccurate or misleading information can lead to severe penalties, including fines and shutdown orders;
 - c) Understand that extra movements (split pickups, holding trailers, containers, chassis splits, etc.) reduce driver utilization and effective available capacity in a given location and time period to meet member needs;
 - d) Recognize the overall supply of drivers in the United States continues to decline and therefore, driver recruitment and retention are key issues for trucking companies today that directly affect their ability to serve member needs; and,
 - e) Recognize and be aware of pending regional legislation that may hold importers and exporters liable for monetary damages when using trucking companies are misclassifying drivers as independents/owner operators' rather than employees;
6. Recommend warehouse operators review and adjust their operating hours to accommodate trucking community service changes and impacts coming from the FMCSA's electronic driver log regulation/requirements;
7. Recommend domestic mills review and adjust their operating hours to accommodate trucking community service changes and impacts coming from the FMCSA's electronic driver log regulation/requirements;
8. Recommend all cotton warehouses purchase high security seals; apply to container(s) and report container(s) and seal(s) information to merchant members at a reasonable cost;
9. Work with other like-minded organizations to oppose ocean carrier implementation of import container "street turn" fees for members and their truckers, noting that such proposed charges

1 create increased costs despite cost and effectiveness benefits for the ocean carriers and overall
2 export supply chain velocity; and,
3

- 4 10. Noting that fuel is a concern for both shippers and truckers, advise that current weekly
5 notification changes are sufficient;
6

7 **RAIL (CARLOAD)**

8

- 9 1. In light of the challenges within the trucking industry, urge merchant members to actively
10 solicit railroads to strengthen ties with warehouses who maintain open rail sidings, to help
11 preserve rail as a viable and competitive means of transportation;
12
- 13 2. For rail served warehouse locations, recognize that merchants need the railroads to provide the
14 following:
15
- 16 a) Service design for the location;
 - 17
 - 18 b) Switch plan;
 - 19
 - 20 c) Equipment availability and lead time;
 - 21
 - 22 d) Acceptable equipment dwell time; and,
 - 23
 - 24 e) Assistance in preventing railcar “bunching” on delivery to the destination warehouse or
25 mill;
 - 26
- 27 3. Urge merchant members to take a more direct and active role with their railroad service
28 representatives to manage agreed service commitments, identify problems and jointly work
29 toward problem resolution;
30

31 **INSURANCE**

32

- 33 1. Urge merchant members and ginning associates to maintain sufficient general liability
34 insurance, including products liability and recall coverage;
35
- 36 2. Notes cotton warehousemen are responsible to issue electronic warehouse receipts (EWRs) on
37 receipt of clean and merchantable cotton and this duty extends to maintaining and shipping in
38 merchantable condition regardless of storage location, further noting that:
39
- 40 a) Merchant members should clearly understand their responsibility for country damage
41 under International Cotton Association rules regarding insurance and review their
42 insurance coverage annually; and,
43
 - 44 b) Shippers should work more closely with mill buyers in all markets, to facilitate the claims
45 process for damaged cotton and include photographic evidence from a neutral third party;
46
- 47 3. In view of price volatility, urge state governments, the USDA, and merchant members review
48 internal and transit warehouse tariffs and / or obtain evidence of coverage demonstrating policy
49 limits aligned with projected bale capacity and on minimum insuring conditions covering the
50 perils of fire and lightning; additionally, urge that warehouse tariffs should reflect the actual

1 coverage in place for goods stored in that facility; and finally, urge ICE to continue to ensure
2 the amount of insurance coverage provided by approved and/or licensed warehouses will fully
3 cover the interests of the holders of EWRs and extend property coverage to “all risks”;

- 4
5 4. Urge ACSA members to carefully review warehouse tariffs and practices for compliance with
6 these duties with special attention on the time limitation for the presentation of damage claims,
7 noting that unreasonably short periods, although stated, may be legally unenforceable and
8 further that if damage is suspected, ACSA members should give immediate notice;
9
- 10 5. Urge now more than ever Merchant members require proof of full cargo and liability coverage
11 from the truckers hauling their cotton and cotton samples and further require all policy
12 exclusions and deductibles should be identified by the motor carriers’ insurance provider;
13
- 14 6. Urge members using third party warehouses at U.S. port transit facilities and/or in foreign
15 countries fully review, verify, and maintain a copy of the consignment warehouse’s insurance
16 policy and title documentation;
17
- 18 7. Urge Merchant members to be aware of the financial health of their ocean carrier partners and
19 the threats of bankruptcy on Merchant marine coverage;
20
- 21 8. Recommend members be aware of the potential problems with bandless bales and in particular
22 the responsibility and/or liability in the event of mishandling or opening and further
23 recommend that further study be done with respect to these bales;
24
- 25 9. Urge all members to be aware of the underlying insuring conditions provided by all transit
26 facilities, which are not licensed by the USDA nor ICE, especially those on the Gulf Coast and
27 Eastern seaboard, specifically if coverage is offered for the perils of flood and windstorm;
28 further, urge all warehouses to advise depositors if their facilities are located in a Federal
29 Emergency Management Agency-designated flood area;
30
- 31 10. Urge all members to take heed of promulgated exclusionary zones for War Risk Insurance,
32 namely Russia, Ukraine, Belarus, as well as areas of the Red Sea, Gulf of Aden, and Indian
33 Ocean, noting members should confer with their ocean cargo insurers prior to freight bookings
34 through or around these areas and address coverages and responsibilities with their
35 counterparties; and,
36
- 37 11. Create a joint subcommittee with the Gins, Transportation, and Insurance to understand the
38 risks and how to improve safety protocols associated with shipping bales within seventy-two
39 (72) hours of ginning, which is the norm for the majority of the crop, noting it is about more
40 than insurance; it is first and foremost about bale and transportation safety.