



May 22, 2023

The Honorable Sam Graves
Chairman
House Transportation & Infrastructure Committee
Washington, DC 20515

The Honorable Rick Larsen
Ranking Member
House Transportation & Infrastructure Committee
Washington, DC 20515

RE: NRF Support for Supply Chain Legislation

Dear Chairman Graves and Ranking Member Larsen,

On behalf of the National Retail Federation, we applaud the work of the House Transportation & Infrastructure Committee to address ongoing supply chain issues affecting the safe and efficient movement of goods through the economy. We write in support of several bills that will be marked up on May 23 that we believe will help address key issues in the truck and maritime supply chains.

The National Retail Federation passionately advocates for the people, brands, policies and ideas that help retail succeed. From its headquarters in Washington, D.C., NRF empowers the industry that powers the economy. Retail is the nation's largest private-sector employer, contributing \$3.9 trillion to annual GDP and supporting one in four U.S. jobs — 52 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

As committee members are well aware, supply chain challenges became headline news during the pandemic. Retail, along with every other industry, was impacted by delays and shortages of products, equipment and labor in every segment of the supply chain. While we have seen some improvements in the supply chain over the past year, that is only the result of lower cargo volumes, not necessarily supply chain issues being fixed. Many of the issues that plagued the supply chain over the past few years actually existed before the pandemic. The issues were only further exacerbated by the strains on the supply chain.

The ongoing leadership of the committee to try to address these issues is critical. We know that the supply chain faces constant challenges and disruption. The bills being considered will help companies, especially retailers, build resiliency into the system and continue to address the long-standing issues.

As the committee holds its markup on May 23, NRF would like to express our strong support for several bills under consideration. NRF has a long history of supporting some of these efforts.

In particular, NRF supports passage of the following bills:

- **H.R. 1836, *Ocean Shipping Reform Implementation Act of 2023 (Amendment in the Nature of a Substitute)***

We continue to applaud the work of Representatives Dusty Johnson (R-SD) and John Garamendi (D-CA) to address maritime supply chain challenges. The Ocean Shipping Reform Implementation Act will pick up where the Ocean Shipping Reform Act left off last Congress. There are several key elements to the bill that were part of the original OSRA, which NRF supported. The continued focus on data standardization and collection is critically important to get a full understanding of what is happening in the supply chain. We hope that the committee will also address the issue of clarification of regulatory authority over rail storage fees, as highlighted in a May 2 coalition letter.

- **H.R. 3408, *Developing Responsible Individuals for a Vibrant Economy Safe Integrity Act of 2023 (DRIVE Safe Integrity Act)***

The DRIVE Safe Integrity Act is critical legislation to help mitigate the ongoing shortage of commercial truck drivers, which continues to plague our nation and contributes to supply chain disruptions and higher costs for Americans. The legislation builds on support for the DRIVE Safe Act by including provisions to correct deficiencies in the Department of Transportation's (DOT) Safe Driver Apprenticeship Program (SDAP). The SDAP pilot program, created by provisions in the Infrastructure Investment & Jobs Act (IIJA), has been hampered in its implementation by DOT with unwarranted superfluous requirements which have served to discourage program participation. Fewer than a dozen drivers have registered to participate in a program that was intended to include some 3,000 drivers. This extremely low number of participants is due in no doubt to extraneous administrative burdens, including additional pilot program requirements from the Department of Labor which were not written in the statute.

This bill will remove these barriers to SDAP participation and get the program back on track. Furthermore, barring evidence of safety concerns, H.R. 3408 will create a permanent apprenticeship program after the SDAP sunsets, which will allow younger drivers to embark on a career in commercial trucking pursuant to completion of a rigorous training program and achievement of specific safety benchmarks, as per the provisions of the original bipartisan DRIVE Safe Act. This effort will go a long way toward alleviating the trucking industry's current shortage of some 78,000 truck drivers and help narrow the gap of over 1 million vacancies in trucking in the coming decade.

- **H.R. 3372, *To amend title 23, United States Code, to establish a safety data collection program for certain 6-axle vehicles, and for other purposes***

NRF members are continuously looking for ways to improve the safety, efficiency and sustainability of their supply chains. We strongly support the establishment of a voluntary pilot program that allows a state to opt in to increase weight limits on federal interstates up to 91,000 lbs. gross vehicle weight (GVW) on six axles for single combination vehicles that are bridge formula compliant. NRF members have typically "cubed out" before they weighed out, meaning a less efficient supply chain. The pilot program as envisioned under this bill will help

National Retail Federation

May 22, 2023

Page 3

create more efficient and sustainable supply chains. This will help both shippers and their trucking partners to move the industry forward.

We thank the committee for its continued work to address a number of significant long-standing supply chain issues. As we continue to recover from the pandemic and now deal with ongoing inflation, it is important that Congress and the administration look for ways to help U.S. companies remain competitive. Alleviating some of these key supply chain issues is an important step to help companies not only remain competitive but build new resiliency into their systems. Removing the cost and additional burdens on industry while allowing for continued innovation in productivity, safety and sustainability is critical. The highlighted bills above are a key part of this effort.

NRF looks forward to working with the committee and members of Congress to secure final passage of these important pieces of legislation. If you have any questions, please contact Jonathan Gold, NRF's VP for Supply Chain and Customs Policy.

Sincerely,

A handwritten signature in black ink, appearing to read "David French". The signature is stylized with a large, sweeping initial "D" and a cursive "French".

David French
Senior Vice President
Government Relations

CC: Members of the House Transportation & Infrastructure Committee