

## Emergency Fee Update



The ports of Los Angeles and Long Beach have officially reached unprecedented, historically high congestion. This week, nearly 90 container ships were recorded at anchor and 28 more were being worked on. The average dwell time is approximately 14 - 18 days. These numbers have been steadily increasing for the past 15 months, with further increases still on the horizon.

### Emergency Fee

In an attempt to make removing cargo a serious effort, the Biden Administration issued an emergency fee which went into effect November 1<sup>st</sup>, 2021; fees will begin to incur starting on the 1<sup>st</sup> as well.

### Details of the Emergency Fee

#### Timeline:

The fee will be imposed on containers dwelling for 9 days or more for truck moves, and 3 days for containers bound for the rails. Day 1 of the fee begins on the 9<sup>th</sup> or 3<sup>rd</sup> day (truck or rail bound depending).

#### Fee Structure:

The fee is \$100.00 on the 9<sup>th</sup> or 3<sup>rd</sup> day (truck or rail bound depending) and increases by an additional \$100.00 as the days build (day 2 = \$200 dollars + \$100; day 3 = \$300 + \$200 + \$100, etc.).



### **Circumstances:**

The fee is inclusive of all calendar days, including weekends and holidays. There is no maximum cap and there are no exemptions for any circumstances.

### **Collection and Billing:**

The Port Authorities will bill the steamship lines, but the fees will be passed along to the customers.

There is still some grey area in assessing the fee, such as no available appointment pick up times, the container not being available or rails metering the flow of freight due to congestion. However, the fee is explicit in its intended meaning of no exceptions, and it is unavoidable due to it being a government mandated fee.

### **Ship Rose**

We understand these are difficult times, and congestion at west coast ports has become increasingly more challenging as the year progresses. Our team at Rose is always looking for the best options to make the process as simple and efficient as possible. We are here to keep you informed as this new emergency fee progresses.