



Federal Maritime Commission
Equity Action Plan
January 20, 2022

Executive summary

Mission

The Federal Maritime Commission's (FMC or Commission) mission is to ensure a competitive and reliable international ocean transportation supply system that supports the U.S. economy and protects the public from unfair and deceptive practices. The Commission is an independent, non-CFO Act agency that regulates the international ocean transportation supply system (vessel liner carriers, ocean transportation intermediaries, and marine terminal operators). From its beginning, the Commission has worked to further competition and integrity for America's ocean supply chain.

Summary

As an independent agency, the Commission supports the Administration's efforts to promote equity and remove barriers from underserved populations. The FMC fosters equity in its programs and services and voluntarily complies with Executive Order 13985. The Commission has conducted initial equity assessments of programs and services directed at the public. These equity assessments, conducted by staff as a collateral duty, determined that the FMC's regulations and policies are neutral as to underprivileged communities.

Although the FMC's regulations and policies are neutral as to underprivileged communities, the FMC identified areas for improvement and continued monitoring of equitable access to its programs and services. The Commission's Action Plan establishes the areas the FMC will improve public access to its information and services generally. Further, FMC staff assessed the ocean transportation intermediary (OTI) licensing program and identified no equity barriers to licensing. However, the FMC will continue to monitor this area based on information collected in the FMC's proposed FY 2022-2026 Strategic Plan measure related to OTI licenses as part of its Action Plan.

Summary of early accomplishments

The Commission completed an equity assessment on two areas/programs: 1) public access to FMC information and services; and 2) the FMC's OTI licensing program. The FMC has also completed a separate, but related Diversity, Equity, Inclusion, and Accessibility (DEIA) self-report related to the FMC's workforce under Executive Order 14035.



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The FMC will undertake the following steps in its efforts to improve equity in its programs/services:

(1) Improve Public Access to Information and Services

The FMC provides international ocean shipping guidance (e.g., how to find a licensed OTI and protect shipments) and dispute resolution services to the public, including underserved or underprivileged communities. By improving public access, the FMC will ensure all people, including underserved communities, are protected from unlicensed entities and can seek FMC assistance for Shipping Act violations.

A. Barrier to Equitable Outcome(s)

Challenges accessing FMC resources.

The FMC identified two potential underserved communities that may have challenges in accessing FMC resources:

- 1) immigrant communities shipping household goods, particularly those with language barriers.
- 2) individuals with disabilities, or technological limitations with accessing online information.

B. Action and Intended Impact on Barrier

Improve Access to FMC resources.

Beginning in FY 2022, the Commission will:

- 1) Review website and other resources to ensure plain language and accessibility. This includes looking at whether accommodations (technological, physical, and otherwise are needed to facilitate community participation, particularly from underserved communities).
- 2) Consider limited English proficiency communities. The Commission will continue to seek language capabilities for certain vacant positions. This will also consider if there are multiple, accessible avenues for non-English speakers.
- 3) Consider reinstating Public Service Announcements (PSAs) in targeted community locations and continue to post Advisory Notices to communities on the website (in



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English and other languages as appropriate) when a specific issue arises.¹ The FMC will consider using PSAs on publications online or social media when specific Shipping Act-related issues arise in underserved communities.

These actions have been prioritized to improve overall accessibility and ability to access helpful FMC information. By using plain language, both native English users and those using translation services will be able to better understand FMC-provided information. Providing non-English speakers may help individuals access licensing and consumer affairs assistance. Finally, targeted PSAs can help impacted immigrant communities from fraudulent transaction and/or using unlicensed OTIs.

C. Tracking Progress

The FMC Equity team will review each category and annually report to the FMC Chairman on its progress. All identified changes in 1) website and other resources should be completed by the end of FY 2023. All other changes identified in 2) and 3) will be on a case-by-case basis. Long term success would include additional language competencies in FMC staff, and published PSAs, dependent on the needs of underserved communities.

D. Accountability

New accessibility and services will be announced on the FMC's website as changes are made. Additionally, the Chairman will publish a summary of equity-related actions annually on the FMC's website.

(2) Monitor OTI Licensing Information

A. Barrier to Equitable Outcome(s)

None currently identified.

The FMC's OTI licensing program serves a significant number of small businesses, including sole proprietorships, that seek OTI licensing. Commission staff considered potentially impacted underserved communities to include those economically disadvantaged, or those with language barriers, such as immigrant communities.

¹ From time to time, certain underserved communities may need to be specifically reached due to an increase in complaints.



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A current assessment of the program finds:

1) Licensing regulations for equity-impacts:

Staff concluded that its regulations and policies are neutral as to underprivileged communities.

2) Applicant Demographics:

Applications are typically filed by organizations rather than people operating in their own capacity. All groups have fair and consistent access to the licensing program. However, Commission staff acknowledge that some organizations have failed to apply for licensure and have thus remained unlicensed. Upon review of FMC policies and practices related to obtaining a shipping license, staff determined that: a) the resources required are minimal; b) the bond requirement, while sizeable should not be lowered; and 3) the process itself, while applied evenly without any regard to any demographic, could potentially have an adverse impact on some underserved communities, particularly regarding language access.

3) Resources needed to get a shipping license:

Staff concluded that the resources to becoming licensed are minimal – an application fee of \$250 (currently below the government’s estimated cost to process the application request (\$1,500 per application)).

4) Statutory/regulatory OTI operation requirements that financially impact OTIs:

Staff considered the costs necessary to operate as an OTI and concluded that although these costs may impact small business operating costs, reduction of the bond requirement, for any or all licenses, would increase the risk of harm to the shipping public.

5) Difficulty of application process/application processing speed:

Staff reviewed whether the application process was inequitably impacting underserved groups. Areas considered included the number of applicants self-completing forms or hiring a 3rd party filer; plain language of form/issues understanding requirements; reasons applications are rejected; current process for FMC analysts to assist with application questions; license application review assignment; and existing outside resources for applicants (local broker associations, etc.).



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This review did not identify any inequitable treatment or disparate impact on any underprivileged communities. Individuals representing businesses seeking OTI licenses are generally fluent in English and can proficiently arrange transportation in English as the industry requires. The assessment did not find any application areas that regularly are unclear to applicants, based on questions asked to analysts processing applications. Moreover, the FMC's Bureau of Certification and Licensing has two analysts that speak fluent Spanish, that are not often used, and one analyst that speaks conversational Mandarin and Cantonese, which have never been used, for the application process. The FMC will continue to review the reasons non-licensure and the potential for expanding language access, if language, in fact, is found to be a barrier to engaging in the application process.

B. Action and Intended Impact

Continued monitoring for inequities based on data received will improve the process for future impacted communities.

During the agency strategic planning process for FY 2022-FY 2026, the FMC is likely to implement a new strategic performance measure to track the percentage of businesses that received shipping licenses after being identified as an unlicensed shipper (providing information/assistance to businesses as how to become licensed as opposed to penalty fees). The FMC will monitor any trends coming from this area and may determine that demographic information is needed to ensure equitable outcomes in the future. If so, the FMC will take necessary steps to collect additional demographic information at that time.

(3) Advance Equity in the Commission's Acquisition Policies and Practices

The Commission is dedicated to advancing equity in its contracting activities. While the vast majority of the FMC's annual appropriation is spent on fixed operational costs of salaries and benefits, office lease and security, and financial support services with federal shared service providers, the Commission procures both durable goods and services from commercial sources. These acquisitions are governed by the Commission's existing acquisition policy and procedures, which follow the Federal Acquisition Regulation, and as set forth in Titles 41 and 48 of the United States Code and in the Code of Federal Regulations. The Commission currently utilizes small businesses and entities participating in small business socioeconomic contracting programs, such as the Small Business Administration's Section 8(a) Business Development Program.



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A. Barrier to Equitable Outcome(s)

None currently identified.

The FMC has not identified a specific additional equitable outcome in this area of its contracting. As noted, the FMC's existing policies consider small and disadvantaged businesses in contracting. However, there may be additional federal governmentwide programs or opportunities for the Commission to reach qualified underprivileged or underserved community members.

B. Action and Intended Impact

Review Contracting Policies and Procedures

The Commission acknowledges that, although it has not yet identified difficulties with achieving more equitable outcomes through existing policies and procedures or identified additional federal programs to improve its contracting activities, additional review is appropriate.

In FY 2022, Commission staff will conduct a review of equity in its contracting activities. The review will consider: 1) current equity activities; 2) federal opportunities the Commission is not currently leveraging, if any; and 3) what, if any, changes the FMC should consider implementing to achieve equity for underserved or under privileged communities.

In FY 2023, FMC staff will formalize any identified changes it plans to adopt in its acquisitions policies and procedures.