

COVID-19: THE CONTINUING IMPACTS OF COVID-19 ON TRANSPORTATION & LOGISTICS

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Both the House and Senate are expected to remain in recess until Monday, April 20, after a flurry of legislative activity that resulted in over \$2 trillion of COVID-19 relief measures. Preliminary discussions on a Phase IV stimulus bill are already underway, with industry stakeholders scrambling to seek relief. President Trump has signaled that infrastructure could be an integral part of the next package, noting the possibility of as much as \$2 trillion in spending. Speaker Pelosi has also floated the idea of adding some \$760 billion in infrastructure investments to the package. Other priorities being prepped for inclusion in the next wave of stimulus include broadband infrastructure and water projects, along with additional aid for individual states, and further expansion of unemployment benefits and health insurance enrollment. Discussions are still in the early stages, and the timeline for action remains unclear, as lawmakers grapple with the new complications surrounding in-person meetings and floor votes.

A BREAKDOWN OF PREVIOUS CONGRESSIONAL ACTIONS RELATED TO COVID-19 CAN BE VIEWED BELOW:

Coronavirus Preparedness and Response Supplemental Appropriations Act

(Public Law No: 116-123)

- Full Text
- Analysis

Families First Coronavirus Response Act

(Public Law No: 116-127)

- Full Text
- Analysis

Coronavirus Aid, Relief, and Economic Security ("CARES") Act

(Public Law No: 116-136)

- Full Text
- Analysis

IN ADDITION TO LEGISLATIVE ACTION, WE ARE TRACKING THE FOLLOWING REGULATORY AND INDUSTRY DEVELOPMENTS RELATED TO TRANSPORTATION AND LOGISTICS:

Federal Maritime Commission ("FMC")

The FMC has issued an order authorizing Commissioner Rebecca Dye to identify operational solutions to cargo delivery system challenges related to COVID-19. The order allows her to form "Supply Chain Innovation Teams" to support the efforts. Commissioner Dye will engage key executives from all facets of the ocean cargo system, including public port authorities, marine terminal operators, beneficial cargo owners, ocean transportation intermediaries, liner shipping companies, drayage trucking companies, longshore labor representatives, rail officials, and chassis providers.

International Maritime Organization ("IMO")

The IMO has distributed a series of recommendations that specifically calls on governments to designate professional seafarers and marine personnel, regardless of their nationality, as key workers providing an essential service. With regard to crew changes, the guidance suggests that professional seafarers and marine personnel should be granted any necessary and appropriate exemptions from national travel or movement restrictions to allow them to join or leave ships. More information can be viewed [here](#).

Ports/Logistics

Operations continue to function under normal conditions at most U.S. port facilities after being deemed as essential businesses. Recent developments include the following:

- Vessels wishing to enter the Houston-Galveston port zone are required to submit a completed "Attestation of Hazardous Condition" prior to receiving clearance for entry.
- Dispatch halls for ILWU Local 13 longshore workers at the Ports of LA and Long Beach have been temporarily closed after a dispatcher tested positive for the coronavirus.
- Georgia's ports remain operational but with an "isolate and operate strategy" that includes spreading out workers at the 1,300-acre Garden City Terminal in Savannah to minimize the risk.
- The Port of Coos Bay reported vessel traffic into and out of Coos Bay will continue until otherwise ordered by the appropriate agencies.
- The Port of Palm Beach issued a Declaration of Emergency to increase Port of Palm Beach District's accessibility to resources and allow for flexibility with staffing.
- The Port of San Diego has proclaimed a local emergency and is closing public parks around San Diego Bay, which includes beaches, parking lots, and piers.
- The Port of Seattle Commission approved an immediate, short-term emergency financial relief package for airport-based businesses, and barred evictions of tenants at Port of Seattle facilities.

- The Port of Virginia is beginning to handle its first import containers of COVID-19 test kits and protective gear for frontline medical personnel.
- The Celebrity Eclipse was cleared to dock at the Port of San Diego's B Street cruise ship terminal with approximately 2,500 passengers onboard.
- CEVA Logistics and DHL Global Forwarding have both announced force majeure actions to their carriers and logistics services customers. CEVA stated that the action applies to all its services, including air and ocean freight, trucking and rail transport, and customs brokerage.
- The International Federation of Freight Forwarders Associations is urging ocean carriers to review their container demurrage and detention charges to ensure that they are not unreasonably applied.

Federal Aviation Administration ("FAA")

U.S. airlines are parking hundreds of airplanes and canceling tens of thousands of flights as a growing number of states issue stay-at-home orders and government agencies urge people to avoid nonessential travel. The FAA has reported positive COVID-19 cases at 15 U.S. facilities, and some have forced the temporary closures of air traffic control towers that resulted in the cancellation of hundreds of flights. An interactive map of all FAA air traffic control facilities affected by COVID-19 can be viewed [here](#). Additionally, the FAA has published "Considerations for State, Local, and Territorial COVID-19 Restrictions That Impact Air Transportation," which can be viewed [here](#).

U.S. Coast Guard ("USCG")

The USCG has directed all cruise ships to prepare to treat any sick passengers and crew on board while being sequestered "indefinitely" offshore during the COVID-19 pandemic. The new rules, which apply to any vessel carrying more than 50 people, were issued in a March 29 safety bulletin. Additionally, the USCG continues to adapt commercial vessel compliance activities to adjust to complications related to COVID-19. Earlier this week, the USCG released further regulatory updates, which included amended procedures regarding vessel inspections and exam procedures, as well as a notice outlining operational changes at the National Maritime Center.

Department of Defense

After expedited dredging operations at the Manhattan Cruise Terminal, the USNS *Comfort* arrived in Manhattan on Monday to serve as a relief facility of over 1,000 hospital beds. The Navy hospital ship USNS *Mercy* docked at the World Cruise Terminal at the Port of Los Angeles last Friday morning to support COVID-19 response efforts.

Trucking Industry

In an attempt to provide more clarity about the national emergency declaration providing hours-of-service regulatory relief to commercial vehicle drivers transporting emergency relief in response to the nationwide COVID-19 outbreak, the Federal Motor Carrier Safety Administration ("FMCSA") published a FAQ section defining commodities covered by the waiver. FMCSA has also issued a three-month waiver lifting certain restrictions for drivers with learner's permits. The waiver expires on June 30 or until the national emergency declaration is lifted.

Department of Transportation ("DOT")

This week, the DOT issued a show cause order proposing parameters for initially implementing the authority granted to the Secretary of Transportation by the CARES Act. The order proposes that air carriers receiving

financial assistance under the CARES Act maintain minimum air services on a nationwide basis. Air carriers offering scheduled passenger service and all-cargo carriers would be covered by the proposed order. The proposed order would not cover charter operations or air taxi operators. The proposal seeks to ensure that covered air carriers maintain a defined schedule of flights to communities they served prior to March 1. The full text of the order can be found [here](#).

Department of Homeland Security Critical Industry Designation

On March 28, the Cybersecurity and Infrastructure Security Agency released an updated advisory on the industry functions identified in its list of "Essential Critical Infrastructure Workers". The updated list can be viewed [here](#).

State Responses

On Wednesday, the governors of Florida and Georgia became the latest to order all residents to stay at home. There are now 37 states that have issued statewide stay-at-home orders placing restrictions on nonessential movement and nonessential business operations. A full list of state-level orders can be viewed [here](#).

American Road & Transportation Builders Association ("ARTBA")

ARTBA is closely monitoring the status of transportation construction projects across the country in light of COVID-19 and providing status reports. The latest report can be viewed [here](#).

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