

Committee on Transportation and Infrastructure U.S. House of Representatives Washington, DC 20515

Peter A. DeFazio Chairman

Katherine W. Dedrick, Staff Director

Sam Graves Ranking Member

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June 9, 2020

SUMMARY OF SUBJECT MATTER

To: Members, Committee on Transportation and Infrastructure
From: Staff, Committee on Transportation and Infrastructure
Re: Full Committee Hearing on "On the Front Lines: The Impacts of COVID-19 on Transportation Workers"

PURPOSE

The Committee on Transportation and Infrastructure will meet on June 9, 2020, to examine the impacts of the COVID-19 crisis on transportation workers. At the hearing, Members will hear about how the COVID-19 crisis has impacted the health, working conditions, and employment opportunities of transportation industry workers and will receive recommendations on policy actions to safeguard these important front line employees. Testimony will be provided by the Transportation Trades Department (TTD) of the AFL-CIO, a flight attendant, a bus operator, the International Brotherhood of Teamsters, and the American Trucking Association.

BACKGROUND

The COVID-19 pandemic surged across the globe, bringing travel to a virtual standstill, significantly reducing global commerce, disrupting every industry sector, and killing 90,313 Americans as of May 30, 2020.¹² Millions of workers have been ordered to work from home and millions more have lost their jobs. Yet for some, work continues in the face of the menacing threat of this novel coronavirus. Transportation workers remain on the front lines keeping products moving, buses and trains running, planes flying, and infrastructure projects on schedule. The country needs these vital workers to continue their work, and efforts should be made to protect these workers.

Aviation:

Demand for air travel all but evaporated soon after coronavirus infections in the United States began to skyrocket in mid-March. In April, the Transportation Security Administration (TSA) screened 90 percent fewer

¹ Note: Per the Centers for Disease Control and Prevention, "Data during this period are incomplete because of the lag in time between when the death occurred and when the death certificate is completed, submitted to NCHS (National Center for Health Statistics) and processed for reporting purposes. This delay can range from 1 week to 8 weeks or more, depending on the jurisdiction, age, and cause of death".

² CDC, *Daily Update of Totals by Week and State* (last accessed June 5, 2020), *available at* <u>https://www.cdc.gov/nchs/nvss/vsrr/COVID19/index.htm</u>.

passengers daily than it did in the same month in 2019.³ As demand plummeted, U.S. airlines quickly reduced national capacity, now offering less than 30 percent of seating capacity offered at the same time last year.⁴ The pandemic triggered a financial crisis unlike any ever faced by the global aviation industry. The International Air Transport Association, which represents global airlines including U.S. carriers, projects that airline passenger traffic will not return to pre-pandemic levels before 2023.⁵ Domestically, Airlines for America—the trade association representing the largest U.S. carriers—estimated that U.S. airlines are burning more than \$10 billion in cash each month.⁶ Given that the pandemic only began seriously affecting the volume of airline operations more than halfway through the first quarter of 2020, industry expects that second quarter losses will be similar, if not substantially greater. More than 750,000 workers are employed by U.S. passenger and cargo airlines, with a large proportion of these workers facing the prospect of furlough as a result of this substantially reduced demand.⁷

Recognizing the immediate need to save these jobs, Congress included \$32 billion in the overwhelmingly bipartisan *Coronavirus Aid*, *Relief*, and *Economic Security Act* (*CARES Act*; P.L. 116-136) to preserve the jobs of employees of airlines and airlines' contractors through September 30, 2020, conditioned on the airlines and contractors not involuntarily furloughing or reducing the pay rates and benefits of workers before that date and refraining from stock buybacks and limiting executive compensation.⁸ This effort worked, with every major airline signing an agreement with the Department of Treasury to receive payroll grants.⁹ Unfortunately, as the grants are exhausted and September 30 approaches, many airlines expect to furlough a yet-undetermined number of workers¹⁰. The *CARES Act* also authorizes the Treasury Secretary to provide loans totaling \$29 billion to passenger and cargo airlines, although to date neither the airlines nor the Department of Treasury have disclosed whether any loan applications have been received or processed.

In the meantime, aviation workers face risks from exposure to COVID-19. As air travel demand begins to recover, flight attendants, pilots, gate agents, and service workers face a growing number of travelers who are not required under Federal law to wear masks, have not been screened for the virus, and are unable or unwilling to follow social distancing precautions both in the air and on the ground. Customers on full transcontinental flights¹¹ have raised concerns that airlines are not doing enough to protect passengers and crewmembers by keeping seats empty to promote physical distancing. Airlines generally oppose calls for a Federal requirement that they block middle seats on flights to provide for greater physical distancing.¹² However, at least four major airlines—Delta,

⁶ David Shepardson, *Exclusive: U.S. Airlines Burn Through \$10 Billion a Month as Traffic Plummets*, REUTERS (May 5, 2020) *available at* <u>https://www.reuters.com/article/us-health-coronavirus-airlines-congress/exclusive-u-s-airlines-burn-through-10-billion-a-month-as-traffic-plummets-idUSKBN22H2ZM</u>.

⁷ BTS, *Airline Employment Data by Month* (last accessed May 29, 2020) *available at* <u>https://www.transtats.bts.gov/Employment/</u> ⁸ Pub. L. 116-136 (2020).

⁹ Dept. of Treasury, *Payroll Support Programs*, (last accessed June 2, 2020) *available at* <u>https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments.</u>

¹⁰ American Airlines and Delta move to cut thousands of jobs, FINANCIAL TIMES (last accessed June 3, 2020) available at <u>https://www.ft.com/content/2861caea-89a1-49b0-b12c-9473c7162f19</u>.

¹² Brianna Gurciullo, Airline Industry Aligned Against Passenger Distancing Mandates, POLITICO (May 27, 2020) available at https://subscriber.politicopro.com/article/2020/05/airline-industry-aligned-against-passenger-distancing-mandates-1942066.

³ TSA, *Travel Checkpoint Numbers for 2019 and 2020* (last accessed June 3, 2020) *available at* <u>https://www.tsa.gov/coronavirus/passenger-throughput.</u>

⁴ John Grant, OAG Coronavirus Update – Week Nineteen Everyone is Waiting for June, OAG (May 25, 2020), <u>https://www.oag.com/blog/oag-coronavirus-update-week-nineteen.</u>

⁵ Int'l Air Transp. Ass'n, *COVID-19: Outlook for air travel in the next five years* (May 13, 2020), *available at* https://www.iata.org/en/iata-repository/publications/economic-reports/covid-19-outlook-for-air-travel-in-the-next-5-years/.

¹¹ Dawn Gilbertson and Chris Woodyard, *Packed United flight leaves passengers 'scared,' 'shocked' amid fears of the coronavirus*, USA TODAY (May 10, 2020) *available at* <u>https://www.usatoday.com/story/travel/airline-news/2020/05/10/coronavirus-full-united-flight-leaves-passengers-scared-shocked/3105870001/.</u>

Alaska, JetBlue, and Southwest—are voluntarily limiting capacity so that passengers can spread out on board, and United and American advise passengers at check-in if their flights are booked to more than 70 percent of capacity and permit them to change to alternative flights free of charge¹³. Further, all major airlines are requiring passengers and flight attendants to wear masks or other protective face coverings on board their aircraft, although so far airlines are not directing crewmembers to strictly enforce these requirements.¹⁴ On June 1, 2020, the International Civil Aviation Organization (ICAO) Council released a report and recommendations to further reduce health risks for aviation workers and passengers and to align international aviation efforts as air travel begins to increase.¹⁵ The guidelines cover safety issues for airports, aircraft, crew, and passengers.¹⁶ The Federal Aviation Administration (FAA) has declined to issue regulations requiring airlines to block seats or requiring passengers to wear masks on board. There is concern that once the U.S. airlines' voluntary policies expire, there will be no overarching Federally-mandated protection against further spread of the virus through the aviation system.

Maritime Transportation:

The U.S. maritime industry, including merchant mariners, vessel owners and operators, and shipbuilders, the Nation's port system, and supporting industries, integrate our economy with a vast global maritime supply chain system that moves more than 90 percent of the world's trade by tonnage, including sources of energy, consumer goods, agricultural products, and raw materials.¹⁷ These industries, vessels, infrastructure, and personnel also play critical roles in national security, supporting our Nation's ability to provide sealift for the Department of Defense (DoD) during times of war and national emergency. A 2019 study conducted by PricewaterhouseCoopers (PwC) estimated the total U.S. maritime workforce at approximately 650,000 Americans¹⁸.

U.S. documented (flagged) commercial vessels and civilian mariners carry goods to and from, as well as within, the United States. These vessels are operated by U.S. licensed deck and engineering officers and unlicensed seafarers. During times of peace and war, the U.S. Merchant Marine acts as a naval auxiliary to deliver troops and war material to military operations abroad. Throughout our history, the Navy has relied on U.S. flagged commercial vessels to carry weapons and supplies and ferry troops to the battlefield. During Operations *Enduring Freedom* and *Iraqi Freedom*, U.S. flagged commercial vessels transported 90 percent of sustainment cargoes to Afghanistan and Iraq.¹⁹ Currently, there are approximately 41,000 non-fishing related commercial vessels flagged and operating in the United States.²⁰ The vast majority of these vessels are engaged in domestic waterborne commerce, generally referred to as the "*Jones Act* trade," moving 115 million passengers and nearly \$300 billion worth of goods between ports in

¹⁶ Id.

¹³ Elizabeth Wolf, *More space through summer: Delta will block middle-seat selection, cap cabin seating through Sept. 30*, Delta Airlines Release, <u>https://news.delta.com/more-space-through-summer-delta-will-block-middle-seat-selection-cap-cabin-seating-through-sept-30</u>; See also: <u>https://www.alaskaair.com/content/advisories/coronavirus;</u> See also: <u>http://otp.investis.com/clients/us/jetblue_airways/usn/usnews-</u> <u>story.aspx?cid=981&newsid=68927</u>; See also: <u>https://community.southwest.com/t5/Blog/Our-Southwest-Promise/ba-p/106668#</u>; See also: <u>https://thepointsguy.com/news/option-to-change-full-aa-flights/</u>.

¹⁴ Airlines for America, *COVID-19: How U.S. Carriers are Working to Protect Travelers* (June 4, 2020), <u>https://www.airlines.org/blog/covid-19-how-u-s-carriers-are-working-to-protect-travelers/</u>.

¹⁵ ICAO, *ICAO Council Adopts New COVID-19 Aviation Recovery 'Take Off' Guidelines* (June 1, 2020) *available at* <u>https://www.icao.int/Newsroom/Pages/ICAO-Council-adopts-new-COVID.aspx.</u>

¹⁷ Maritime Administrator Mark H. Buzby Testimony before the House Committee on Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation (March 6, 2019).

¹⁸ Transportation Institute, U.S. Maritime Workforce Grows to 650,000 Americans in Booming Jobs Economy (March 4, 2019), <u>https://transportationinstitute.org/u-s-maritime-workforce-grows-to-650000/</u>.

¹⁹ Transp. Inst., U.S. Maritime Workforce Grows to 650,000 Americans in Booming Jobs Economy (March 4, 2019) <u>https://transportationinstitute.org/u-s-maritime-workforce-grows-to-650000</u>.

²⁰ MARAD, https://www.maritime.dot.gov/data-reports/data-statistics/data-statistics.

the U.S. on an annual basis.²¹ Each year the domestic coastwise fleet carries nearly 900 million tons of cargo through the inland waterways, across the Great Lakes, and along the Atlantic, Pacific, and Gulf of Mexico coasts.²²

Public ports in the United States play an indispensable role in local and regional economies throughout the Nation.²³ Ports generate business development and provide employment to more than 13 million Americans, which includes those that work at the ports themselves and those employed in global trade and import/export support services.²⁴ According to the American Society of Civil Engineers (ASCE), there are 926 ports in the United States, each essential to the Nation's competitiveness by serving as gateways through which 99 percent of U.S. overseas trade passes.²⁵ Ports are responsible for \$4.6 trillion in economic activity — roughly 26 percent of the U.S. economy.²⁶ The American Association of Port Authorities (AAPA) reports that, seaport activities alone accounted for \$378.1 billion in Federal, state, and local tax revenues in 2018.²⁷ More than 150 deep draft seaports are located along the Atlantic and Pacific Oceans as well as the Great Lakes, the Gulf of Mexico, Alaska, Hawaii, Puerto Rico, Guam, and the U.S. Virgin Islands.²⁸ Within the Nation's ports are more than 3,500 publicly or privately held marine terminals.²⁹ Marine terminals provide wharfage, dock, warehouse, or other facilities to vessels using the U.S. maritime transportation system public port authorities, or private operators who lease property from such authorities³⁰

According to the Organization for Economic Cooperation and Development (OECD), the global maritime industry has been severely impacted by COVID-19, leaving virtually no market segment spared.³¹ Ocean carriers across key trades, especially the trans-Pacific trades, enacted capacity cuts, either by increasing the number of blank sailings or by laying up vessels.³² According to recent reports, U.S. ports are projecting a 20 to 30 percent drop in container volumes in the first half of 2020 caused by general shutdowns across many key markets in nations affected by the COVID-19 pandemic.³³ Worse, the global cruise industry worth approximately \$150 billion in 2019 has suspended operations entirely through July with no certainty that operations will resume afterwards. ³⁴³⁵³⁴³⁵³⁴³⁵ International markets are also experiencing similar declines. A well-functioning global supply chain of critical medical supplies is necessary to obtain the Personal Protective Equipment (PPE) needed to keep U.S. maritime workers safe.

²⁵ ASCE, 2019 Infrastructure Report Card, Ports (Jan. 2017) available at https://www.infrastructurereportcard.org/wp-

²⁸ Global Trade Magazine, https://www.globaltrademag.com/us-ports/.

²¹ National Strategy for the Marine Transportation System: Channeling the Maritime Advantage 2017-2022 (Oct. 2017),

http://www.cmts.gov/downloads/National_Strategy_for_the_Marine_Transportation_System_October_2017.pdf; *Economic Contribution of the US Tugboat, Towboat, and Barge Industry* (June 22, 2017), https://www.marad.dot.gov/wp-content/uploads/pdf/Econ-Impact-of-US-Tugboat-Towboat-and-Barge-Industry-lh-6-22-17.pdf.

²² The U.S. Waterway System Transportation Facts & Information,

https://usace.contentdm.oclc.org/digital/collection/p16021coll2/id/1429/.

 ²³ Global Trade Magazine, 2020 U.S. Ports Summary (last accessed May 26, 2020) available at https://www.globaltrademag.com/us-ports/.
 ²⁴ Id.

content/uploads/2017/01/Ports-Final.pdf.

²⁶ Id.

²⁷ AAPA, The Economic Impact of U.S. Seaports (2019) available at http://aapa.files.cms-plus.com/2019_PortsFundingMap.pdf.

²⁹ MARAD, *Maritime Transportation System Summary* (2020) *available at* https://www.maritime.dot.gov/outreach/maritime-transportation-system-mts/maritime-transportation-system-mts.

³⁰ Fed. Maritime Com. *Marine Terminal Operators* (2020) *available at* https://www.fmc.gov/resources-services/marine-terminal-operators/ ³¹ OECD, *COVID-19 and International Trade: Issues and Actions* (2020).

³² DHL, *Global Freight Forwarding*, *Ocean Freight Market Update* (May 2020) *available at* www.dhl.com/content/dam/dhl/global/dhl-global-forwarding/documents/pdf/glo-dgf-ocean-market-update.pdf.

³³ WALL STREET JOURNA, U.S. Ports Likely to See Slump in Cargo Volume from Coronavirus (Mar. 3, 2020).

³⁴ Smith, Jen Rose, CNN, *What's in Store for the Cruise Industry* (May 1, 2020), https://www.cnn.com/travel/article/cruise-industry-coronavirus-aftermath/index.html.

³⁵ The LoadStar, https://theloadstar.com/no-bounce-back-in-demand-for-container-shipping-this-year/.

To protect maritime workers from the virus and subsequent transmission while on duty on vessels or at work in port, the U.S. Coast Guard (USCG), in cooperation with the Centers for Disease Control and Prevention (CDC), issued Maritime Safety Information Bulletins reminding vessel operators of notice requirements for any ill passengers or crew before vessels arrive in the United States. The CDC also adopted protocols for the assessment, isolation, quarantine, transportation, and medical treatment of passengers and crew members afflicted by the virus while at sea. Similarly, the USCG has implemented revised boarding procedures for its service members who must board private vessels to conduct compliance, inspection, law enforcement or safety activities, including "virtual boardings," and distribute PPE to limit exposure of USCG personnel while conducting operations. Commercial carriers and maritime and longshore unions have adopted new practices to avoid transmission, such as adjusted work shifts to limit exposure, time for cleaning and disinfecting workspaces, and isolation of crews prior to departure to reduce the risk of transmission during crew rotations.³⁶

U.S. ports, Marine Terminal Operators (MTOs), and stevedores are seeking Federal help to shoulder additional costs tied to COVID-19 and to weather the bigger impact from the loss of containerized, breakbulk, bulk, and Ro-Ro cargoes, as well as losses from the cruise industry which is completely shut down in the U.S. through July. The National Association of Waterfront Employers (NAWE) on behalf of its MTO members requested a one-time grant program of \$400 million to go toward cleaning supplies and PPE, including plexiglass shields between truck gate operators and drayage drivers.³⁷ AAPA has asked Congress to consider a \$1.5 billion grant program for ports, allowing them to maintain their workforces and weather financial shocks that could reportedly trigger the direct loss of up to 130,000 jobs.³⁸

Scores of U.S. mariners who serve aboard U.S.-flag cargo ships that operate overseas are unable to take leave or return home due to COVID-19 lockdown measures imposed by foreign governments. U.S. mariners, serving aboard these vessels which are part of the Maritime Security Program, typically serve a four-month assignment on ship and then rotate home by air to the United States for time off while awaiting their next assignment. A fresh crew flies in to relieve them. Right now, foreign governments are refusing to allow U.S. mariners to leave their ships, to enter overseas airports, or to use hotels or any other form of accommodation or transport which would allow them to return home. The longer they are at sea without relief, the more difficult it becomes to guarantee the safe and efficient delivery of the vital food, medicine, military supplies and other cargo, and may threaten the essential supply chain for some 200,000 active U.S. military personnel now serving overseas. Six national maritime unions have recently written to the Secretaries of State and Defense asking them to enter negotiations as quickly as possible with foreign government to allow these important crew rotations to occur as expeditiously as possible³⁹.

³⁶ President and CEO, Eric P. Ebeling, American Roll-On Roll-Off Carrier Group, On Behalf of USA Maritime Testimony before the House Committee on Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation (May 29, 2020). ³⁷ See U.S. Coast Guard, Marine Safety Information Bulletin, MSIB Number: 07-20, March 18, 2020; Marine Safety Information Bulletin, MSIB Number: 08-20, March 19, 2020; Marine Safety Information Bulletin, MSIB Number: 09-20, March 26, 2020; and Marine Safety Information Bulletin, MSIB Number: 13-20, April 3, 2020; see also Letter from NAWE to House Committee on Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation, May 6, 2020, Assistance for Marine Terminal Operators, Operating Ports and Related Companies.

³⁸ Letter from AAPA to House Committee on Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation, April 16, 2020, *COVID-19 Relief Package*.

³⁹ Maritime Unions, Letter to the Administration, received by Secretary Mark Esper and Secretary Mike Pompeo (May 28, 2020) at <u>https://bridgedeck.org/latestnews/Unions_Letter_To_Administration.pdf</u>.

Highways and Transit:

The COVID-19 pandemic has changed the way Americans travel, commute, and purchase goods impacting sectors including public transportation, trucking, and construction. Transit agencies nationwide have experienced declining ridership, with some systems sustaining ridership losses of nearly 90 percent, causing transit agencies to reduce their hours of service.⁴⁰ Many transit operators, drivers, station managers, and maintenance employees continue to report to work, providing critical transportation services to essential workers. To increase the safety of both frontline workers and passengers, transit agencies have implemented social distancing safety measures on buses and trains, including limiting capacity, suspending fare collection, and requiring rear-door bus boarding.⁴¹ Transit workers, however, continue to report challenges accessing personal protective equipment (PPE).⁴² In an effort to help protect these essential workers, the DOT announced that nearly 5 million cloth face masks will be provided to public transportation workers.⁴³ Serious risks remain for transit workers; to date more than 50 members of the Amalgamated Transit Union alone have died from COVID-19 and countless more have been infected or exposed.⁴⁴

Further efforts to improve worker safety, passenger health, and system reliability will be required in order for transit to support a broader return to work and economic recovery. Transit advocates forecast a long financial recovery with fare revenues and local tax receipts predicted to be depressed through fiscal year (FY) 2021. To aid transit agencies, workers, and riders, Congress provided \$25 billion to support public transportation throughout the Nation in the *CARES Act*. The House of Representatives has also passed the *HEROES Act*, which seeks to provide an additional \$15.75 billion to transit agencies that serve the most populated urban areas, would require passengers to wear masks, and would ensure transit workers on systems with the highest ridership have access to PPE.

Meanwhile, the trucking industry and its drivers have kept Americans supplied with food, medicine, and other necessities throughout the COVID-19 pandemic. The Nation's truck drivers have risked their own health and safety in order to ensure the continued movement of goods. By transporting PPE, food, and consumer goods, truck drivers have kept products moving and have played a vital role in the immediate response to the coronavirus. While some trucking sectors have seen demand drop abruptly, drivers delivering essentials such as medical supplies, safety equipment, and food to restock grocery store shelves have continued to work in order to make these critical deliveries. On March 13, 2020, the Federal Motor Carrier Safety Administration (FMCSA) issued Emergency Declaration No. 2020-002 waiving hours-of-service regulations for motor carriers and drivers transporting essential supplies and equipment to aid in emergency relief efforts. ⁴⁵ The Emergency Declaration was subsequently extended until June 14, 2020.⁴⁶ Besides risks to their health and safety, truck drivers making essential deliveries during the

⁴⁰ Khurana, Mansee, NBC News, *Transit Systems in Free Fall Beg for Federal Help over Coronavirus* (March 24, 2020), https://www.nbcnews.com/politics/politics-news/transit-systems-free-fall-beg-federal-help-over-coronavirus-n1165256.

⁴¹ The American Public Transp. Ass'n, *The COVID-19 Pandemic Public Transportation Responds: Safeguarding Riders and Employees*, (April 13, 2020) *available at* <u>https://www.apta.com/wp-content/uploads/COVID-19</u> <u>Transit Guide FINAL 04132020.pdf.</u>

⁴² Select Subcommittee on the Coronavirus Crisis, Hearing: Heroes of the Coronavirus Crisis: Protecting Frontline and Essential Workers During the Pandemic (May 21, 2020).

⁴³ Dept. of Transp., *Trump Administration to Distribute over 15 Million Cloth Facial Coverings to America's Transportation Workforce*, (May 28, 2020) *available at* <u>https://www.transportation.gov/briefing-room/trump-administration-distribute-over-15-million-cloth-facial-coverings-americas</u>.

⁴⁴ Amalgamated Transit Union, *As States Reopen, Transit Worker Death Toll Reaches Grim Benchmark* (May 27, 2020) *available at*<u>https://www.atu.org/media/releases/as-states-reopen-transit-worker-death-toll-reaches-grim-benchmark</u>.

⁴⁵ Fed. Motor Carrier Safety Admin., *Expanded Emergency Declaration under 49 CFR § 390.23 No. 2020-002 (Relating to COVID-19)* (April 8, 2020) *available at* https://www.fmcsa.dot.gov/emergency/expanded-emergency-declaration-under-49-cfr-ss-39023-no-2020-002-relating-covid-19.

⁴⁶ Fed. Motor Carrier Safety Admin., *Extension of Expanded Emergency Declaration No. 2020-002 Under 49 CFR § 390.25,* (May 13, 2020) *available at* https://www.fmcsa.dot.gov/emergency/extension-expanded-emergency-declaration-no-2020-002-under-49-cfr-ss-39025.

COVID-19 pandemic have also had to contend with restaurant and business closures that have left them without options for hot meals or access to clean restrooms while on the road. In March, FMCSA encouraged States to allow public and private rest areas to remain open so that drivers transporting essential supplies could stop to rest and use the bathroom.⁴⁷ And while commercial activity is ordinarily prohibited in interstate highway rest areas, on April 3, 2020, FMCSA issued a notice that the agency was suspending enforcement against commercial food trucks operating in Federally funded interstate highway rest areas until the national emergency declaration is lifted.⁴⁸

In response to recommendations from the CDC, many States have closed government offices to help slow the spread of COVID-19. These closures included State Driver Licensing Agencies (SDLA) which are responsible for testing and administration of commercial driver's licenses (CDL). In order to ensure an adequate supply of commercial motor vehicle drivers are able to deliver essential supplies, FMCSA issued a series of waivers for drivers who are unable to obtain, renew, or be tested for their CDL due to SDLA closures.⁴⁹ The waivers are set to expire on June 30, 2020.⁵⁰

Finally, the transportation construction sector has been deemed essential in most States and continues to operate despite the COVID-19 crisis. Many States have used the period of reduced traffic and ridership to accelerate highway and transit projects in order to decrease costs and project delivery timelines. Even in States and localities which have halted construction due to COVID-19, some transportation-related construction has been allowed to continue. However, COVID-19 can pose serious health and safety risks to construction workers whose jobs require them to work in close proximity to others while on a job site. To help combat virus spread, certain areas have adopted precautions such as screening for symptoms, social distancing requirements, and staggering work schedules to reduce the total number of employees present at one time.

Rail Transportation:

Like airlines and public transportation, Amtrak has been affected by the COVID-19 crisis. In a recent letter to Congressional leadership, Amtrak stated that service is around five percent of normal levels (as of May 2020).⁵¹ This reduced ridership has contributed to lower revenues and higher costs for Amtrak and its state-supported route partners.⁵² Congress provided \$1.018 billion in the *CARES Act* to support the national passenger railroad, of which \$239 million was made available to cover the increased costs to States. The *CARES Act* also required Amtrak to report weekly on the number of employees furloughed as a result of the pandemic and to provide such employees the opportunity to be recalled to their previous positions when Amtrak restores service levels.

Currently, Amtrak projects a 50 percent reduction in system-wide revenue for FY 2021 compared to its original projections for the full year.⁵³ According to its letter to Congress, to help offset revenue losses in FY 2021, Amtrak will take steps to reduce operating costs by approximately \$500 million.⁵⁴ This includes reducing \$150 million by shifting all long-distance routes to less-than-daily service, significantly reducing Northeast Corridor

⁴⁷ Nason, Nicole, Letter to AASHTO, Received by Patrick McKenna, (March 23, 2020), https://www.fhwa.dot.gov/media/aashto.cfm. ⁴⁸ Fed. Highway Admin., Notice of Enforcement Direction: Operation of Commercial Food Trucks in Federally Funded Interstate Highway Rest Areas During the Public Health Emergency (COVID-19) (April 3, 2020) available at https://www.fhwa.dot.gov/media/noe.cfm.

⁴⁹ Fed. Motor Carrier Safety Admin., FMCSA Coronavirus (COVID-19) Information & Resources, (last accessed June 2, 2020) available at https://www.fmcsa.dot.gov/COVID-19.

⁵⁰ *Id*.

⁵¹ Flynn, William J., *Amtrak Supplemental FY21 Funding Letter to Congress*, Received by The Honorable Mike Pence and The Honorable Nancy Pelosi, (May 25, 2020), at <u>https://media.amtrak.com/wp-content/uploads/2020/05/Amtrak-Supplemental-FY21-Funding-Letter-to-Congress-Final-Signed-5.25.20.pdf.</u>

⁵² Id.

⁵³ *Id.*

⁵⁴ Id.

(NEC) frequencies, and working with State partners to determine the level and type of service they can sustain.⁵⁵ Amtrak also predicts cutting labor costs by \$350 million through attrition, voluntary separation programs, hiring restrictions, and other measures.⁵⁶ Some reports indicate a potential 20 percent reduction in the workforce.⁵⁷ Even after making these service and workforce reductions, Amtrak is requesting an additional \$1.475 in supplemental aid, on top of its annual appropriations request, to make up for lost revenue and to cover costs associated with COVID-19 in FY 2021.

The impact of the pandemic on consumer demand and trade levels have also affected the freight rail industry and its workers. The U.S. railroads reported measuring 14.3 percent and 11.3 percent lower volumes of carloads and intermodal units, respectively, over the same period in 2019.⁵⁸ The April Surface Transportation Board's monthly employment data report shows that employment within Class I railroads has reduced by 13 percent from the year prior.⁵⁹ Across the entire passenger and freight railroad industry, the number of unemployment and sickness claims under the Railroad Unemployment Insurance Act have increased - unemployment claims in May 2020 total 29,273 (versus 4,953 in May 2019) and sickness claims in May 2020 total 10,007 (versus 8,598 in May 2019).⁶⁰

The freight railroads have undertaken various levels of efforts to provide needed PPE to its workforce, while Amtrak recently began requiring all customer-facing employees (and all customers) to wear facial coverings.⁶¹

⁵⁵ Id.

⁵⁶ Id.

 ⁵⁷ Ted Mann, *Amtrak Prepares to Cut 20% of Workforce*, WALL STREET JOURNAL (May 26, 2020) available at https://www.wsj.com/articles/amtrak-prepares-to-cut-20-of-workforce-11590529328.
 ⁵⁸ Ass'n of American Railroads, *Weekly Rail Traffic for the Week Ending May 23, 2020 (May 27, 2020) available at*

⁵⁸ Ass'n of American Railroads, Weekly Rail Traffic for the Week Ending May 23, 2020 (May 27, 2020) availab https://www.aar.org/news/weekly-rail-traffic-for-the-week-ending-may-23-2020/.

⁵⁹ Surface Transp. Board, Employment Data, (last accessed June 2, 2020) available at https://prod.stb.gov/reports-data/economic-

<u>data/employment-data/</u>. Note that most of the Class I railroads have implemented precision scheduled railroading (PSR), which has led to cutting its workforce. STB date does not make a distinction between reductions caused by PSR and the pandemic. ⁶⁰ Railroad Retirement Board, Staff Briefing (June 1, 2020).

⁶¹ Amtrak, Amtrak: Ready for Our Customers (last accessed June 2, 2020) available at https://www.amtrak.com/coronavirus.

WITNESS LIST

Mr. Larry Willis President Transportation Trades Department of the AFL-CIO

> Mr. LaMont Byrd Director of Health and Safety International Brotherhood of Teamsters

Ms. Susannah Carr Flight Attendant United Airlines, on behalf of the Association of Flight Attendants – CWA

Mr. Tom Shaw

Transit Operator Southeastern Pennsylvania Transportation Authority on behalf of the Transportation Workers Union

Mr. Randy Guillot

President

Triple G Express, Inc. and Southeast Motor Freight Inc., and Chairman, American Trucking Associations, on behalf of the American Trucking Associations