

JAXPORT

May 5, 2020

Port Canaveral

The Honorable Nancy Pelosi
 Speaker
 U.S. House of Representatives
 Washington, DC 20515

The Honorable Kevin McCarthy
 Republican Leader
 U.S. House of Representatives
 Washington, DC 20515

Port Everglades

Dear Speaker Pelosi and Leader McCarthy:

Port of Fernandina

Port of Fort Pierce

Port of Key West

PortMiami

Port Manatee

Port of Palm Beach

Port of Panama City

Port of Pensacola

Port of Port St. Joe

Port St. Pete

Port Tampa Bay

Thank you for your efforts to invest in and support this nation's seaports. Florida seaports are one of the state's greatest economic assets, positively affecting every region and every resident. Whether moving over a hundred million tons of cargo annually or millions of U.S. and international cruise passengers, Florida's seaports generate and support a vast array of commerce. These seaports are the gateway for shipment of goods into and out of Florida, and link our state to vital international markets. Our seaports have a \$117.6 billion economic impact on the state and account for more than 900,000 direct and indirect jobs.

We understand that the initial focus of the President, Congress and the state of Florida has been on health care, small businesses, payroll, and unemployment but the impact of COVID-19 on the movement of cargo and passengers through Florida and the U.S. is also having a negative impact on our nation's economy. We urge you to either consider a direct investment/recovery program specifically for seaports (similar to what was created for airports using the existing Port Infrastructure Development Program) or an allocation of funds directly to the states specifically for investment/recovery of the nation's seaports (using something similar to section 5001 of the current CARES Act that specifically identifies seaports authorities as eligible entities and preferably identifies a specific allocation of funds for seaports that can be used by eligible states).

Total negative economic impacts in the state of Florida include the potential loss of almost \$700 million in direct spending, a loss of more than 40,000 Florida jobs and \$620 million in earned wages by maritime businesses. The economic impact on operations at our seaports to respond and recover from the virus has already been dramatic as well. The fiscal constraints have not only affected our ability to conduct normal cargo and passenger operations, but ports are also dealing with ensuring the safety of workers and citizens and the sanitation of property and facilities. To underscore this reality, we have outlined the impacts for your information and use:

- Initial operational and material costs to ensure that maritime workers and citizens are protected from COVID-19 are in excess of \$10 million.
 - Examples of these costs include sanitation, personal protective equipment (PPEs), and payroll expenses related to furloughs, as well as mitigation response including capital infrastructure retrofitting equipment, improved HVAC filters, and hands free building access.
- Projected lost revenue to seaports, as well as to federal, state and local governments, from the impacts of COVID-19 on cargo and passenger operations are in excess of \$330 million through December 2020.
 - This includes lost revenues from vessel calls, all cargo and passenger losses, and federal, state and local taxes/fees not received.
- Anticipated additional costs that may be necessary to recover and resume operations that ensure that cargo and passenger operations meet federal and state COVID-19 guidelines exceed \$12 million.
 - Examples include new safety and sanitation costs, operational expenses, terminal modifications, and additional maintenance staff.

Again, thank you for your continued support of Florida's seaports. Your support of an investment/recovery program for Florida and this nation's seaports will have a substantial impact on the state's and nation's recovery through the continued flow of goods and commerce throughout the U.S. and abroad. If we can provide any further information or answer any questions to help in the development of any program for U.S. seaports please contact us contact me at Doug@Flaports.org or by phone at 850.322.8850.

Sincerely,



Doug Wheeler,
President & CEO