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June 10, 2020

The Honorable Marco Rubio
Chairman
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510

Dear Senator Rubio:

Members of the Passenger Vessel Association (PVA) are still being acutely harmed by the economic catastrophe caused by the coronavirus pandemic. PVA member companies are for the most part completely shut down. Those few who have started operating are doing so with as much as 90% reductions in passengers carried. They need Congress and the Executive Branch to provide long-term financial relief to enable them to survive a business recession that will clearly last many months. Without further help, many of these small businesses will not survive, and the thousands of workers that they normally employ will have no jobs to return to.

PVA represents owners and operators of U.S.-flagged passenger vessels of all types such as ferries, sightseeing vessels, dinner boats, small overnight cruise vessels, charter yachts, and whale watching vessels. PVA's membership also includes shipyards that build these vessels and companies that sell them equipment, products, and services. These companies, most of which are small businesses, have also been severely affected.

Even though government restrictions on businesses are just beginning to be relaxed, the travel, tourism, hospitality, and public transit sectors have been particularly hard hit and will likely be the last to experience a "return to normal." Customers will come back only gradually, and our member companies will incur substantial costs related to prevention of Covid-19 (reduced passenger capacity to enable social distancing, special measures to clean and disinfect vessels, actions to protect employees and passengers). In short, a period of no revenue at all will be slowly replaced by an extended period of lost revenues and higher costs.



Paycheck Protection Program Shortfall

The Paycheck Protection Program (PPP), including the amendments just enacted, has provided valuable short-term assistance, and PVA thanks you for it. However, the funding provided to many PVA companies in earlier rounds has been completely used up. Our seasonal businesses are still waiting to start their operations without any hope of receiving additional PPP funding. These companies are in dire need of additional PPP funding to assist them in bridging the gap between the ongoing Covid-19 shut down and start up. Will you consider allowing companies in need to apply for additional loans under the PPP?

EIDL Inefficiency

The Economic Injury Disaster Loan (EIDL) program of the Small Business Administration (SBA) has been poorly administered and has been a huge disappointment. In theory, it might have provided long-term survival assistance for small businesses, but in practice it has not done so.

Main Street Lending Program

Another highly touted initiative – the Main Street Lending Program – has not even been put into effect even though two months have gone by since enactment of the CARES Act. What has happened to it?

Our political leaders in Washington cannot assume that the economic crisis is over or that measures taken thus far are sufficient to address the problems. PVA's members need assurance that long-term financial relief will be available to them soon.

We ask for your help and thank you for your consideration.

Sincerely,



Colleen Stephens
PVA President, 2020

