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April 8, 2020

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

Dear Speaker Pelosi:

Thank you for your leadership in passing the CARES Act and the Paycheck Protection Program (PPP). This program offers important assistance to small businesses, including most U.S.-flag passenger vessel operators who are members of the Passenger Vessel Association (PVA). The U.S. passenger vessel sector has been literally shut down because of the coronavirus. Our industry's vendors and suppliers, such as shipyards, engine manufacturers, electronics suppliers, naval architects, and others are equally affected.

Despite the important funding provided by the current PPP, we believe that this funding will far short of the emergency assistance that is necessary to prevent the impending failure of small businesses in the passenger vessel industry. Congress must act immediately to infuse sufficient additional funds into the PPP.

The effects of the coronavirus on the U.S. passenger vessel industry will be long lasting and will extend far beyond PPP's current scheduled termination date of June 30.

In addition, numerous U.S. small passenger vessel operators who operate seasonally will surely lose their entire operating season for 2020 and most likely will go into their 2021 seasons—should they actually survive—dramatically weakened financially. This situation will negatively impact employment and purchasing of products and services.

We urge you to consider the following in future emergency assistance legislation:

- Increase funding levels dramatically.
- Extend the period for forgivable PPP payroll expenses from eight weeks to 24 weeks or more.
- Eliminate the arbitrary 25 percent limit on spending on costs other than payroll for purposes of loan forgiveness.
- Specify that vessel insurance and fuel are allowable costs for which to use PPP funds and ensure that they are forgivable.
- Authorize a U.S. passenger vessel company that operates vessels in more than one geographic area to be able to participate in PPP if there

are fewer than 500 employees in each location (as is the case for hotels and restaurants).

- Extend the loan re-payment period from two to five years or more.

The domestic U.S.-flagged passenger vessel industry is a solid contributor to the Nation's travel and tourism industry and economy. It employs thousands of U.S. workers and carries more than 200 million passengers each year aboard U.S.-flagged small passenger vessels. The U.S. passenger vessel industry at-large also includes important suppliers including U.S. shipyards, engine manufacturers, electronics suppliers, naval architects and others who are equally impacted by this coronavirus outbreak.

We appreciate your generous support thus far but urge you to help prevent the failure of many U.S. small business in the passenger vessel industry by providing additional and more flexible necessary emergency assistance.

Sincerely,



Colleen Stephens
PVA President, 2020

