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### What the IATR and Transportation Regulators Are Doing to Respond to the COVID-19 Pandemic

Over the past several months, the COVID-19 pandemic has disrupted the global transportation economy by keeping billions of people around the world at home and decimating transportation ridership across all facets of the industry. Municipalities across the world are facing the same problems, as adequate cleaning methods, personal protective equipment distribution, and virus transmission prevention mechanisms have become priority items of government and private organizations around the world. Deciding where the government regulator needs to step-in to mandate new public health and safety requirements is a question on everyone's mind in the ground transportation industry. The most effective help for transportation agencies do not even have the power to solve some of these pressing issues, such as obtaining grants and loans, or insurance premium refunds. Most regulators, however, can lend a helping hand to waive fees and reduce costly red-tape and cumbersome licensing processes; and some regulators have gone outside their typical licensing and enforcement roles to help distressed licensees secure business through innovative food and package delivery programs.

It is important that government transportation regulators, especially at a time of crisis, share their approaches and best practices with their peers, as well as communicate effectively with their licensees. To facilitate this dialogue, the **International Association of Transportation Regulators ("IATR")** <u>www.iatr.global</u> has undertaken many initiatives to assist its government regulator members and the licensed ground transportation industry since the onset of the pandemic, including the following:

- *IATR COVID-19 Regulator Survey: Transportation Policy & Resiliency*: A comprehensive survey was undertaken detailing responses to the COVID-19 pandemic, including the sharing of best regulatory practices, innovations, and response mechanisms to service delivery, licensing, fees, insurance, and enforcement from their respective jurisdictions.
- IATR's <u>COVID-19 Resource Page</u>: An online resource with updated guidance from transportation and health organizations to help all regulators and operators stay informed. Information including resource guides from the United States Equal Employment Opportunity Commission, the Centers for Disease Control, and the World Health Organization provide detailed information regarding cleaning procedures, seating restrictions, passenger boarding protocols, and more.
- IATR's Daily COVID-19 Email News Blasts: As a service to our members, the IATR instituted and continues to provide daily COVID-19 news blasts since March 23, 2020 to provide a more comprehensive briefing of recent updates. To sign up, please email info@iatr.global.
- The IATR COVID-19 Task Force: A working group comprised of our committee chairs and select <u>advisory board members</u> to develop and draft *Emergency COVID-19 Transportation Model Regulations*.

• The IATR Webinar: "What Are Transportation Regulators Doing to Respond to COVID-19?" A 3-hour webinar was held on April 30, 2020, featuring leading regulators from around the world as well as national and international industry trade group leaders, which is available on demand at <a href="https://wimeo.com/417285017">https://wimeo.com/417285017</a>.

#### IATR COVID-19 Regulator Survey: Transportation Policy & Resiliency

The results from the IATR's regulator survey, which included almost every major city and/or state in the United States and Canada, provided much-needed context to the actions taken by agencies. This extensive survey covered many areas, but the key findings involve operational changes made at administrative agencies, safety and health related measures (emergency rules and enforcement), as well as government relief measures and innovative programs to help provide new lines of business for the industry that also helps the public during the pandemic.

#### **Operational Relief Measures**

Initially, regulators provided insight into operational relief measures taken by their respective agencies:

- 73% of respondents indicated their offices had closed, allowing employees to work from home. As agencies closed their offices, licensing procedures become increasingly difficult to manage;
- 64% of respondents reported relief measures for licensees, including measures taken for licensing, which included the extension of licenses, online license renewals, and termination of municipal licensing services during the pandemic;
- 45% of agencies also deferred fees to provide relief to licensees in their respective jurisdictions. Enforcement, however, has drastically decreased throughout the entire industry;
- 37% of respondents indicated they have suspended all enforcement measures;
- 17% of agencies have stopped enforcement measures taken concerning insurance;
- 18% of agencies reported increased enforcement on overcharging; and
- 27% reported increased enforcement of "clean vehicle" rules.

The survey results are set forth in the chart below.

#### Shared Mobility

In terms of shared mobility for vehicles, due to social distancing concerns, a significant minority of agencies responded that they have discouraged group riding, with some officially banning such practices:

- 60% of agencies reported that they have not discouraged, banned, or limited group riding or ridesharing services;
- 7% have officially banned ridesharing; and
- 33% of agencies have discouraged it.

#### Driver Health & Safety

Finally, regulators reported measures that licensed drivers are taking to stay safe during the pandemic:

- 87% of agencies reported that licensed drivers are cleaning vehicles before and after trips, or in-between trips; and
- 80% of those reported that drivers are bringing their own cleaning supplies.

#### IATR Model Regulations and COVID-19 Task Force

The IATR is drafting best practices and regulations that act as a guide for regulators around the world to implement in response to the COVID-19 pandemic in their respective jurisdictions. Our organization has already drafted model regulations for smartphone apps and accessible transportation with success, and we currently have model regulation projects in the works for autonomous vehicles, safety equipment, soft meters, digital advertising on taxicabs, transportation data access & privacy, and non-emergency medical transportation ("NEMT") certification. Our model regulations outline the accepted practices carried out by operators throughout the industry and provide language that can be drafted into applicable rules and regulations. Our most recent project, IATR Model Regulations for COVID-19 Health, Safety & Resiliency, will address scenarios that create contingency plans for future crises and prepare the industry for a second wave of COVID-19, should that present itself. In order to collect the best data, regulatory and policy information, and opinions of regulators from different areas of the world, the IATR formed a COVID-19 Task Force comprised of the chairs of our IATR committees. Representatives from the Technology & Innovation, Safety, Canadian Regulator, Accessible Transportation, and TNC Regulator committees will discuss the potential long-term implications of current regulations, and adapt them to present a plan that addresses the needs of all industry operators in the short- and long-term.

## IATR Webinar: "What Are Transportation Regulators Doing to Respond to COVID-19?"

On April 30, 2020, hundreds of regulators and industry members from around the world attended the IATR's COVID-19 webinar, including most every trade group, other government membership groups, and universities. Speakers included leading international regulators from jurisdictions that are COVID-19 hotspots who are responsible for overseeing taxicabs, limousines, buses, motorcoaches, transportation network companies, paratransit (NEMT), food and package delivery and other forms of ground transportation, shared/micro-mobility, and public transit. These leading transportation professionals presented their experiences and offered their perspectives on what is being done, what should be done next, and what post-COVID-19 regulations may be considered on an emergency or permanent basis relating to health, safety, and resiliency. The concluding portion of the webinar consisted of a panel of national and international trade group leaders from the ground transportation industry, who reported on how business owners, drivers, and passengers have been impacted, what the future may look like, and what government officials could be doing to better assist the industry and the riding public moving forward. Below is a summary of the various initiatives taking place around the world as detailed in the IATR's webinar.

#### U.S. Department of Transportation's Federal Motor Carrier Safety Administration ("FMCSA")

As the lead federal government agency for safety and oversight of commercial motor vehicles, the FMCSA's mission is to reduce crashes, injuries, and fatalities involving large trucks and buses. Hon. Jim Mullen, Acting Administrator of the Federal Motor Carrier Safety Administration ("FMCSA"), discussed the measures his agency has been taking to help the bus, limousine and motorcoach industries - which have been, and continue to be, some of the hardest hit sectors in the ground transportation industry. Electronic Logging Device ("EDL") requirement exemptions are extended to drivers who use short-haul, timecard exemptions, drivers conducting a drive-away-tow-away operation, and drivers of vehicles manufactured before the model year 2000. The FMCSA has been working with the Federal Emergency Management Agency ("FEMA") and United States Department of Homeland Security ("DHS") to distribute 1 million cloth masks to drivers at state rest areas in the U.S. and directly through the largest motor carriers. As states or regions begin to reopen, the FMCSA may issue declarations that are regional or statebased, but will likely defer to the CDC guidelines regarding vehicle cleanliness, face coverings, and temperature checks and not issue its own guidance - no final decision has yet been made yet. The FMCSA national directive addressing COVID-19 ended on Friday, May 15, and the FMCSA announced the Motor Carrier Safety Assistance Program on May 22, which amends two of the Agency's financial assistance programs. The program adopts a new funding formula, effective for fiscal year 2021, and includes changes that reduce redundancies, requires the use of 3-year commercial vehicle safety plans, and aligns the financial assistance programs with FMCSA's current enforcement and compliance programs.<sup>1</sup>

#### New York City

Aloysee Heredia Jarmoszuk, the newly-appointed Commissioner/Chair of the New York City Taxi & Limousine Commission (the "TLC"), spoke about the TLC's actions taken to address the needs of licensees. Most notably, the TLC has coordinated a massive informational campaign, assisting licensees with applications for NYC small business assistance programs and providing them with information on other public assistance programs, including food assistance, unemployment, and mental health programs. The TLC also created an innovative TLC food delivery program called "Get Food NYC," which has recruited drivers for food delivery services at \$53 per delivery route (\$40 for the 6 food deliveries in each route, plus \$13 for fuel). The program has helped provide income to struggling drivers through public service and has coordinated the delivery of more than 9 million meals as of April 30.

#### District of Columbia

In Washington D.C., *David Do, the Director of the D.C. Department of For-Hire Vehicles* ("*DFHV*"), indicated that taxi trips are down 96%, and TNC trips are down 84%, since March 2020. To combat the massive dip in ridership, the DFHV has focused on providing income to struggling drivers. The DFHV repurposed its microtransit program to provide trips to hospital workers in partnerships with taxi companies and Via for a \$3 fare. The DFHV also coordinated

<sup>&</sup>lt;sup>1</sup> <u>https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2020-05/FMC-P-200131-</u>001% 202126 AC02Part350RevisionFinalRuleforsignature05.. 0.pdf

with Uber to donate 20,000 free rides to hospital workers, and bolstered the agency's paratransit services by updating the "Transport DC" same-day service to include grocery store trips. Similar to NYC, the DFHV is facilitating more work for struggling drivers by allowing them to sign-up with commercial food delivery companies while collaborating with the D.C. Department of Health and the D.C. Department of Aging and Community Development to subsidize their food delivery programs with more drivers.

#### Chicago, Illinois

In Chicago, *Rupal Bapat, the Deputy Commissioner of the Chicago Department of Business Affairs and Consumer Protection ("BACP")*, discussed the emergency assistance provided by the City of Chicago to struggling businesses. A \$100 million loan program was started by Chicago, which provided relief to small businesses affected by the pandemic. Additionally, the city took quick action to help the most vulnerable populations in Chicago by implementing financial support specifically geared towards wheelchair accessible transportation services, and eliminated the passenger portion of all paratransit taxicab fares as a way to encourage ridership. Of note, BACP demonstrated its service to the public by partnering with Uber and Lyft to provide free rides to victims fleeing domestic violence.

#### Los Angeles, California

Jarvis Murray, Esq., Policy & Enforcement Administrator for the Los Angeles Department of Transportation ("LADOT") spoke of his agency's focused response on Non-Emergency Medical Transportation ("NEMT") Taxicabs, as well as dockless scooters and bikes. Assisting those with medical and physical needs has been a priority for many agencies during the pandemic; LADOT has taken action to streamline vehicle additions and driver permitting for Ambulance Companies in order to ensure adequate services are being provided to those who must attend crucial appointments. Companies in this sector have remained busy, but employee retention has been a struggle during the pandemic. Additionally, in response to the dockless micro-mobility trend involving scooters and bikes, LADOT updated required cleaning protocols for these services and is actively monitoring vehicle deployment.

#### Canadian COVID-19 Response

Sylvain Tousignant, Directeur général adjoint Bureau du taxi de Montréal, Quebec, Canada, discussed emergency actions taken by Canada to address the pandemic. At its early stages, the Canada/US border was closed to all non-essential travelers, and all non-essential travel outside of the country was suspended almost immediately, forcing all travelers to Canada to selfisolate for 14 days upon entry. The Canadian government has taken action to provide federal relief to struggling transportation organizations by immediately increasing online services, extending licenses, and maximizing communication with taxi companies. Increased requirements for social distancing measures, partition installments, promotion of touchless payment methods, and disinfection measures have been at the forefront of the Canadian Urban Transit Association's ("CUTA's") response. In terms of funding, cities have announced financial aid packages specifically designed to support the taxi and transportation industry. For example, *the City of Montreal* announced a \$260,000 financial assistance program that facilitated access to preventative equipment, including partition installment, acquisitions of cleaning products, and offering a dry-steam eco-friendly decontamination center to the city's taxi drivers. Saskatoon, *Saskatchewan* implemented a delivery service for food, prescriptions, and other items that charges clients similar fares to taxi service. This innovative program utilized existing dispatch and app infrastructure to charge clients similar fares to taxi service, allowing smaller/new taxi companies to compete.

#### Europe, Asia, Middle East & Australia

There is no doubt that COVID-19 has decimated the global transportation economy. *Jaspal Singh*, representing *The International Association of Public Transport* (*"UITP"*), a sister group and member of the IATR's Advisory Board, explained the effects of the global pandemic in countries outside North America, including Europe, Asia, Australia and the Middle East.

In general, revenue is down by 80-90% in these countries, and very few cities are giving direct compensation to the drivers. Most cities are relaxing permit fees and statutory levies over a period of 6 to 9 months. Key measures taken so far include the installment of plastic shields, vehicle sanitization and barcode scanning for passengers. In Asia, several countries - such as India, the Philippines, Malaysia, Vietnam and Thailand – have deemed taxi and ride-hailing services as non-essential and therefore stopped services altogether. In Dubai, fares have been reduced by 30% to keep the industry afloat. In London, the ubiquitous black cabs have partnered with the National Health Service to transport patients for free, allowing passengers with vital medical appointments to continue treatment and implemented guidelines to help prevent the spread of the coronavirus. In Italy, strict policies that do not allow more than 2 passengers to enter a vehicle have been implemented. In Spain, policies have been put in place to prioritize transportation service for health care workers. In terms of financial assistance, Singapore has provided \$197 million to taxi and private-hire car drivers for 3 months, with an additional \$25 million in private funding from the industry. The City of Delhi in India has created a one-time financial assistance package of \$75 to every holder of a PSV Badge for taxi and tuk-tuk vehicles. In Australia, a total of AU\$14.2 million was devoted to the taxi industry in metropolitan areas across Southern and Western Australia to support the taxi and on-demand transport industry.

Other noteworthy examples include Taipei (Taiwan), which has launched a tailored 'epidemic-prevention taxis,' which look like ordinary cabs, but are catered only for those only going to/from hospitals. The vehicles are disinfected after each trip and are not allowed to take passengers. Drivers are paid an additional TW\$116 per day to discourage them from taking other passengers. Drivers must, importantly, go into self-quarantine (along with their vehicles) for 14 days after one month. Their vehicles must be parked in a designated area and be GPS-equipped to allow surveillance. In Moscow, Mosgortrans, a main operator of ground urban transport, has launched an initiative to recruit taxi drivers (who have lost their jobs during the crisis) to work as bus drivers. Many taxi drivers are applying for the positions. The only problem encountered is that applicants often have bad driving records. The compensation (wage + social package) is the same as for all Mosgortrans drivers. If they do not have a special bus category license – they are trained to meet the licensing standards.

#### Transportation Trade Associations' Response to COVID-19

For the IATR webinar, we were fortunate to be joined by the leaders of 3 of the largest transportation trade associations in the United States, including Peter J. Pantuso, President of The American Bus Association ("ABA"), Robert M. Alexander, President of The National Limousine Association ("NLA"), and Thomas Arrighi, President of The Transportation Alliance ("TTA"). As the various hardships of each respective industry were presented, two matters surfaced as prudent issues applying to all: changes need to be made to the Paycheck Protection Program ("PPP") loan requirements, and personal protective equipment ("PPE") mandates should not be allowed. While loan programs, such as the PPP and Economic Injury Disaster Loans ("EIDLs"), provide transportation businesses with needed cash to cover expenses, it does not make sense for companies to bring back their employees if the businesses are not generating revenue due to the shutdowns. As a result, the business leaders want Congress to extend the 8-week window to hire back employees for the PPP to allow more time for ridership to recover, extend the payback period for the PPP loans as well to give operators a more realistic window to generate enough revenue to pay back these loans, and open the EIDL program again for new applicants. With the possible imposition of PPE for transportation providers, the industry would face additional costs – assuming the availability of PPE – at a time of limited revenue while these companies are trying to return to the same business operation levels prior to the pandemic.

President Pantuso outlined the effects of COVID-19 on the motorcoach industry. The ABA has been a major resource for motorcoach companies around the United States due to its efforts to provide updated information to its members; the ABA created a Coronavirus Recovery Toolkit on its webpage to assist all its members in the crisis. The motorcoach industry has a massive economic impact in the United States - \$236 billion is generated annually as a result of tourism activities stemming from motorcoach travel. Prior to the pandemic, motorcoaches provided approximately 600 million trips annually, while airlines provide 700 million. Currently, almost every motorcoach company in the United States is either temporarily closed or permanently closed. Industry members were hoping for federal relief from the third round of stimulus funding, but it did not come; \$76 billion was allocated to airlines, transit buses, and Amtrak, but zero funds were dedicated towards motorcoaches. Industry leaders are asking Congress for a total of \$15 billion in aid; \$10 billion in grants, and \$5 million in long-term, low-interest loans. As the motorcoach industry operates at only 25% of its regular capacity, this money would support these companies until tourism begins to recover. The motorcoach industry held a rally at the U.S. Capitol on May 13 to express their unified call for congressional action and equal treatment for assistance that is similar to what the federal government provided for the airline industry.

President Alexander reported that the NLA's member limousine companies are struggling due to a sharp decrease in their two largest sources of revenue: corporate travel and tourism. As businesses continue to keep the majority of their employees at home and air travel continues to remain low, luxury limousines are challenged to earn the revenue necessary to continue operating. The NLA is actively helping its members through informational campaigns, including its <u>COVID-19 info page for its members</u>. Additionally, the NLA has assisted its members with information regarding the PPP and EIDL programs, ensuring that smaller operators are able to survive by accessing these programs. The organization has hosted webinars outlining strategies to cut costs and keep operators afloat while facing the immense ridership decline. President Alexander discussed certain regulatory changes that could allow limousine operators to recoup lost revenue, such as out-of-state licensing regulations; these licensing restrictions limit limousine operators'

operational capacity, which, during a time of crisis, would provide much needed flexibility for providers to survive.

President Arrighi discussed the challenges presented by COVID-19 to the taxi, executive sedan and shuttle industries, focusing on the sanitizing procedures of providers. As a result of travel stopping on a worldwide basis, ridership is at an all-time low throughout the industry. Many transportation providers are attempting to make their vehicles safe for travel by installing plastic shields between drivers and passengers, including the NEMT providers. The TTA created a *private work app* dedicated to its fleet operators where members can collaborate and share ideas with one another in order to facilitate the best, unified response to the pandemic and ensure that transportation providers return to work as soon as possible. The TTA is pushing for certain regulatory changes that would cut costs for companies in the for-hire vehicle sector; for example, operators are harmed by the costs with paying their insurance premiums without their vehicles/fleets operating. So, the industry is seeking regulatory changes for insurance rules that allow fleets to cut costs by stopping insurance payments for vehicles not in use. The TTA also asked that their member-companies should not be required to surrender license plates in order to avoid insurance payments; reforming these regulations would provide much-needed cost reductions to transportation companies that have been devastated by the pandemic.

# **IATR** What Are Transportation Regulators **Doing To Respond to COVID-19**?



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