

## TRANSPORTATION BRIEFING: Week-Long Wait for Airline Payroll Aid

By Katrice Eborn and Courtney Rozen | April 10, 2020 06:07AM ET | Bloomberg Government

Financially struggling U.S. airlines are now being told they'll have to wait at least another week for federal aid to help cover payrolls, as the U.S. Treasury Department makes its way through applications, people familiar with the matter said.

Treasury officials told at least some of the carriers yesterday that it won't provide funds until negotiations over conditions for the grants are complete and there will be no advance payments, said the people, who asked not to be named because the talks are private. The agency thinks it should complete some applications by the end of next week, they said.

The delay builds on the frustration of airlines that initially expected to receive funds earlier this week but instead were asked by federal officials for additional, detailed information on finances and operations. Some of those carriers are depending on federal funds to meet payroll obligations next week and face the prospect of furloughing workers. That action would render them ineligible for a grant, Mary Schlangenstein and Saleha Mohsin [report](#).

**Mnuchin to Provide Draft Details on Loans, Grants:** Treasury Secretary Steven Mnuchin yesterday said the agency would provide preliminary details to airlines on how to access the grants and an additional pool of government loans starting today and over the weekend.

Mnuchin [yesterday said](#) the government will not bail out airlines. He said the government wants to make sure airlines "have the liquidity to keep their workers in place."

The preliminary data that Treasury will provide will be for passenger and cargo carriers and will focus on the payroll support grants, according to a person familiar with the matter.

Speaker [Nancy Pelosi](#) (D-Calif.) said she has been speaking to Mnuchin and she believes progress is being made. "To your question, I think we are in good shape in terms of the airlines," Pelosi said during yesterday's telephone press conference.

Meanwhile, President Donald Trump at a press conference last night said he may unveil a bailout proposal for the beleaguered U.S. airline industry this weekend. The

president said he met with Mnuchin and Transportation Secretary Elaine Chao to work on details of the proposal. Trump said he expected to offer “a very acceptable package” and may hold talks with the carriers. [Read more from Mario Parker.](#)

**Airlines to Hold Onto Slots:** Airlines who typically fly out of John F. Kennedy International, New York LaGuardia, and Ronald Reagan Washington National won't lose their slots if they cancel flights due to coronavirus through Oct. 24, the FAA said in a [statement](#). Under normal circumstances, airlines who don't use slots at congested airports at least 80% of the time lose them. The FAA previously said it would suspend those rules through May because of coronavirus cancellations.

**Pausing Flight Attendant Demos:** Flight attendants don't have to demonstrate how to use life preservers and oxygen masks on flights through the end of June, the FAA [said](#) late Wednesday night. The agency is trying to protect flight attendants from contracting the coronavirus. Officials also said that attendants can sit far apart from each other, instead of in their typical seats, so they can socially distance from each other.

**Air Traffic Controller Shifts:** Air traffic controllers will start working in the same groups on each shift, limiting cross-contamination of employees, the FAA said in a [statement](#). If one group member is infected by coronavirus, the only people exposed would be the other teammates. The goal is to protect the country's air traffic control system.

**TSA Food Pantry & Toy Station:** TSA agents at Washington Dulles International Airport have built a food pantry and children's toy station for airport contractors making fewer dollars due to the coronavirus. The agents are repaying the favor to contractors who bought meals for them during the 2019 federal government shutdown. Anyone can donate, even if they don't work at the airport, the agency said in a [statement](#).

**Coronavirus Grounding Pilots, Attendants:** Hundreds of pilots and flight attendants at major U.S. airlines have tested positive for coronavirus infection, according to unions representing the workers. Airline flight crews should be considered first responders with priority for protective equipment, said Dennis Tajer, a spokesman for the Allied Pilots Association. Airlines also need to beef up health screenings for flight crews and passengers, including priority testing for crew members, said Tajer, whose union represents about 15,000 pilots at American Airlines. [Read more from Louis C. LaBrecque.](#)



Photo courtesy of the Transportation Security Administration  
TSA officers Cissy Myers and Denise Mesina at the toy table.

**Free Flights for Medical Workers to New York:** Delta, JetBlue, Southwest Airlines, and United are all offering free travel to New York for Covid-19 medical workers, Gov. Andrew Cuomo (D) said in a [statement](#).

**CDC Extends ‘No Sail Order’ for Cruise Ships:** The Centers for Disease Control and Prevention extended its “No Sail Order” for all cruise ships by at least 100 days—or until Covid-19 is no longer considered a public health emergency. The CDC said there are 100 cruise ships at sea off U.S. coasts, with 80,000 crew members on board. Twenty ships at port or anchorage in the U.S. have known or suspected Covid-19 among crew, according to the agency’s statement yesterday. [Read more from Jonathan Levin.](#)

#### More Headlines:

- [Airlines Are Blocking Off the Middle Seat as Social Distancing Becomes a Priority in the Skies](#) (Washington Post)
- [How to Secure a Refund for a Flight Canceled Due to Coronavirus, According to the Experts](#) (Washington Post)
- [Airline Travel Has Dropped 96% Amid Coronavirus](#) (The Hill)

## Trucking Industry Debates Hours of Service Waiver

The Federal Motor Carrier Safety Administration, which oversees the nation's professional drivers, extended an [exemption from certain rules](#) thru May 15 to contend with the nationwide coronavirus emergency. Included among the rules is a safety law aimed at making sure [drivers stay alert](#) on the roads.

The agency said it will waive laws that limit drivers' working hours if they are moving goods "in support of emergency relief efforts related to the COVID-19 outbreaks."

But, since drivers and carriers don't always know if everything they're carrying is included on the federal government's emergency list, the waiver should apply regardless of what they're hauling, said Lewie Pugh, executive vice president of the Owner-Operator Independent Drivers Association.

Pugh's association wants all items to be added to the emergency supply list, so that drivers don't have to worry about the rules of what they're carrying and can keep driving.

- "There's a lot of questions and gray area in what exactly is emergency supplies," Pugh said, Courtney Rozen reports.
- **Background on Hours of Service Rule:** The Federal Motor Carrier Safety Administration [said](#) Wednesday that truckers carrying emergency supplies such as masks, gloves, and food can ignore the agency's rules on how many hours they can drive until May 15. The agency previously suspended the regulations through mid-April. The regulations are in place to prevent driver fatigue. Truck drivers are twice as likely to crash if they've been behind the wheel more than eight hours, the Insurance Industry for Highway Safety [found](#).
- **Bathrooms, Meals Scarce for Truckers:** However, the drivers helping to restock coronavirus-barren store shelves, are running up against two of the most basic human needs: food and bathrooms. [Courtney Rozen relates the conditions that are straining driver health](#).

### Additional Rule Changes:

- **Drug, Alcohol Testing:** The Department of Transportation [relaxed drug and alcohol testing requirements](#) for truckers because employers may not be able to conduct the tests as easily as before, John Dunbar reports.
- **Worker Hours:** The Nuclear Regulatory Commission allowed plants dealing with staffing problems to require workers to [put in more hours](#), which has alarmed some watchdogs and people who live near the plants.
- [Full list of Waivers](#)

**Restricting Food Truck Placement:** Even as truck drivers say there are limited food options available to them because of coronavirus restrictions, the commercial truck stop industry is pushing back against DOT's effort to place food trucks at public and private truck stops.

Groups representing convenience stores, commercial truck stops, and franchise restaurants are asking the Federal Highway Administration to only allow food trucks at places that aren't close to commercial truck stops and travel plazas because the trucks could hurt business for their vending machines and restaurants, according to a [letter](#) they sent to the Federal Highway Administration.

The Federal Highway Administration [said](#) earlier this week that it would temporarily waive the ban on food trucks at federally-funded highway rest stops to better feed truckers. Truck drivers have said they're often unable to find hot meals outside of truck stops, as most restaurants are limited by coronavirus restrictions. The agency usually doesn't allow food trucks at truck stops, but loosened the restriction to help feed drivers during the coronavirus pandemic.

## What Else to Know

**Brokers Try Again for Security Bond Waiver:** The Federal Motor Carrier Safety Administration wants the [public to weigh in](#) on the Small Business in Transportation Coalition's petition to exempt small-business brokers and freight forwarders from a \$75,000 bond requirement for five years. FMCSA denied a similar petition in August 2013 from the Association of Independent Property Brokers and Agents, which merged with SBTC in 2016.

**Railing Against Demands for Oil Storage in Rail Cars:** Despite expectations that most U.S. onshore oil storage capacity will be filled by May, railroads — including Union Pacific and Warren Buffett's BNSF — are telling oil shippers that they do not want them to move loaded crude trains to private rail car storage facilities on their tracks due to safety concerns, Reuters [reports](#).

## More Headlines:

- [Boeing Considers Potential 10% Cut to Workforce: Dow Jones](#)
- [Tesla Prices Longer-Range Model 3 to Attract More China Buyers](#)
- [Spain Deaths Slow; Italy Could Extend Curbs to May: Virus Update](#)

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