



March 23, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable John Thune  
Majority Whip  
United States Senate  
511 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Senator Susan Collins  
Co-Chair, Small Business Liquidity Task Force  
United State Senate  
413 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Chuck Grassley  
Chairman, Committee on Finance  
Financial Assistance to Americans Task Force  
United States Senate  
219 Dirksen Senate Office Building  
Washington, D.C. 20515

The Honorable Senator Mike Crapo  
Co-Chair, Small Business Liquidity Task Force  
United States Senate  
239 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Senator Marco Rubio  
Co-Chair, Small Business Liquidity Task Force  
United States Senate  
284 Russell Senate Office Building  
Washington, D.C. 20510

Dear Leaders McConnell and Schumer, Whip Thune, Chairmen Grassley, Collins, Crapo and Rubio:

**Statement by The Airforwarders Association to the White House and US Congress**

The Airforwarders Association stands in full support of measures being taken by federal, state and local authorities to flatten the curve and minimize additional transmission of new cases from as yet undiagnosed or asymptomatic Americans.

Our members are freight forwarders who play a vital role in the nation's commerce, moving essential shipments such as medical equipment, pharmaceuticals, fresh food and

manufactured goods by air and by truck day and night. We utilize the domestic and foreign passenger airlines and trucking systems as our primary means of transportation.

The reality is most manufacturers use freight forwarders to arrange truck, air, rail, and ocean transport. Only the largest manufacturers contract directly with those asset-based companies. Just as manufacturers rely on us to arrange transportation, carriers rely on us to feed them business. We are no different than travel agents for freight in this respect.

We applaud the first legislation passed by Congress and signed by the President. As additional steps are being contemplated for further legislation that would provide additional financial aid, amend or suspend standing regulatory processes and take steps to ensure continuity of business, we ask them to consider the following.

**Domestic air travel must not be interrupted or suspended and international services must be restored as soon as possible.**

We urge Congress and the White House to avoid the grounding of domestic passenger flights at all costs and to expedite the restoration of international services between the United States and Asia, Australia / New Zealand, Europe and the Middle East as soon as possible. The continued cancellation of these flights will have a significant and lasting impact on manufacturers, forwarders and the economy overall.

**“Shelter in place” orders by cities and states must not shutter freight forwarders, warehouses and truckers.**

The Department of Homeland Security has identified sixteen critical infrastructure sectors, one of which is the Transportation Systems Sector. Within that sector, AfA members operate in more than half of the seven sub-sectors including aviation, highway and motor carrier, freight rail and postal and shipping.

Congress and the White House must continue to clearly communicate and allow our members to operate and to play a critical and important role in the delivery of goods to companies servicing the grocery, food delivery, consumer and medical sectors.

**Financial relief should include both access to low-interest loans, working capital and delayed or deferred government-mandated deadlines.**

While some of our members are large, global companies, most are small to medium sized enterprises, independently owned and operated and in need of the financial support that Congress must act upon immediately.

Freight forwarders collect money from shippers and remit to underlying service providers such as airlines, express carriers, truckers, warehouses and other companies within the supply chain. Their position as an industry which passes through the majority of the funds

they receive places them in a position of extraordinary exposure to payments which decrease or are not made.

The AfA seeks a commitment from Congress that freight forwarders will be able to secure:

- Access to direct financial support to compensate for reduced revenues and therefore support their liquidity. This assistance should include direct cash payments, and access to guaranteed loans with low interest rates.
- Relief in the form of delayed loan repayment terms, and long-term payment options.
- The opportunity to defer the payment of payroll tax deposits, employment taxes and delayed corporate tax filing deadlines.
- Rebates and /or suspension on all employer-imposed payroll taxes paid to date
- Deferral or reduction in income taxes to date in 2020
- Waiver of any government-imposed levies.

On behalf of our members, we also seek delays in deadlines for filings or registrations and extended response periods to government requests for information or cases involving proposed fines or penalties.

In addition to essential products mentioned, freight forwarders depend upon several industries for their livelihoods including trade exhibitions, automotive manufacturing, retail stores and restaurant delivery. Today, 90% of these businesses are no longer shipping products, resulting in over 40% of our members indicating that employee layoffs are underway or imminent. As the coronavirus crisis continues, this number is likely to significantly increase without government financial help.

**Urge airlines to consider scheduled freight-only flight operations to ensure an adequate supply of affordable air cargo for shippers.**

With the near-total suspension of domestic and international passenger service by US and foreign airlines, the ability for shippers to secure space for the critical goods which need to move within the United States and between the United States and other countries has been severely constricted, leading to space shortages and a lack of affordable options in a time of crisis.

US airlines have passenger aircraft within their fleets capable of carrying up to 100,000 pounds of cargo, making them both an eligible means to move large amounts of cargo and without restricting access to cargo which must move, but is more price-sensitive.

A reliable, planned schedule of flights between origin and destination points that are driven by cargo demand and not by passenger demand would ensure forwarders the ability to access needed lift on behalf of their customers proximal to the cargo's beginning and endpoints, speeding critically needed raw materials and finished goods to their destination.

The members of the Airforwarders Association appeal to Congress and the White House to take immediate action on these recommendations to preserve this valuable industry in supporting our nation's essential commerce.

Sincerely,

A handwritten signature in black ink, appearing to read "Brandon L. Fried". The signature is fluid and cursive, with the first name "Brandon" written in a larger, more prominent script than the last name "Fried".

Brandon Fried  
Executive Director  
The Airforwarders Association  
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