



MARITIME EXCHANGE

for the Delaware River and Bay

Leading the Way to Port Progress

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Sent to entire tristate Congressional delegation

November 3, 2020

Dear Senator / Representative:

This letter is to inform you of a little-known but far-reaching effect the coronavirus has had on the Delaware River maritime industry. The Agriculture Plant and Health Inspection Service (APHIS) is facing a severe shortfall in revenues in its user-fee funded Agricultural Quarantine Inspection (AQI) program. This has the potential to jeopardize the \$143 million fruit trade and the other perishable cargoes moving through Delaware River ports.

The Issue: The AQI program is designed to prevent animal and plant pests and diseases from entering the U.S. In FY19, APHIS identified over 100,000 foreign pests at border ports of arrival.

The primary source for program funding is the air passenger processing fee, although fees are also assessed against all cruise ship passengers, cargo vessels, rail carriers, and trucks arriving at U.S. ports. Importers pay a further fee for supervision of fumigations and cold treatments. Since March, there has been no cruise ship activity, international air passenger arrivals have decreased by 95% or more, and international cargo is down across modes. As a result, APHIS expects a \$650 million decrease in AQI user fees for FY21 compared to FY20.

The Effect: Approximately 1,280 full-time employees staff the AQI program. Of concern is that APHIS would be compelled to furlough or lay off senior employees with specialized training, such as entomology and plant pathology. A staff reduction would slow the rate at which pests can be processed, identified, and confirmed. Further, once the economy rebounds, it could take years to replace this expertise, which could cause long-term trade disruptions.

The effect of the pandemic on the AQI program is undeniable. Unless Congress steps in to provide additional funding, two things will happen: the federal government will no longer be able to safeguard American agriculture and long delays in cargo processing will result in the loss of perishable products as they degrade while awaiting inspection.

On behalf of the 300 members of the Maritime Exchange, we request your help to ensure that emergency supplemental funding is made available to support the program. Specifically, we ask you to support the \$350 million included in the House-passed COVID-19 emergency relief bill. USDA requires this funding amount if it is to remain effectively operational.

Thank you for your consideration of this request. Please feel free to contact me at 215-925-2615 or at dennis.rochford@maritimedelriv.com with any questions or for additional information.

Sincerely,

Dennis Rochford
President

cc: Lisa Himber