



First Congressional District Economic Recovery Task Force Recommendations

By Congressman Bradley Byrne Submitted April 22, 2020

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Introduction

What follows is a set of recommendations I am making to Governor Kay Ivey on how to reopen parts of the economy of Southwest Alabama which were affected by the State's orders in March and early April of this year responding to the health risks to Alabama citizens caused by the coronavirus known as COVID-19. Governor Ivey requested these recommendations on April 11, 2020 from each of the seven members of Alabama's delegation to the U.S. House of Representatives as to their respective districts. I am honored to have been asked by her to do so and hope she and the state find my recommendations helpful.

As she requested, I convened a task force comprised of business and community leaders from across Alabama's First Congressional District and consulted them about the recommendations made herein. The members of the task are listed in "Appendix A." I am grateful to each of them. Their input based upon their own expertise and experience, and their consultations with others in their industry areas and communities, has been invaluable. But these are my recommendations and do not necessarily reflect the precise views of all members of the task force.

In addition, my staff and I have carefully followed the data about COVID-19 at the state level and at the level of our congressional district.

State and national officials have agreed that Alabama's experience of new COVID-19 cases and deaths reached its peak late last week. As this report is transmitted, 5,342 Alabamians have tested positive for the disease, which is only .6% of all cases in the US, half of what it would be if proportionate to our population. National public health experts have repeatedly told us that there are far more cases than testing has confirmed, so there are more Alabamans with the disease than we know, but they are either asymptomatic or have such a mild form that they have not sought testing. We have tested 48,387 people, and our state's rate of positive results is 11%, which is far lower than the national rate of 19.8%. 730 of our citizens have been hospitalized since March 13, and 260 of them have been in an Intensive Care Unit. We have not come close to exceeding the number of available hospital or ICU beds in the state. Tragically, 191 Alabamans have died, for a case fatality rate of 3.6%, far better than the national rate of 5%. By way of contrast, the U.S. Center for Disease Control (CDC) shows that over the last seven years Alabama has averaged 961 deaths from influenza

From April 1 through April 15, Alabama averaged 216 new COVID-19 cases a day. Over the last five days, the average of new cases a day has fallen to 142. Moreover, the case growth rate is clearly on the decline, from an average of 10% per day for the week ending April 10, to an average of 6% per day for the week ending April 17. Alabama appears to be on the side of declining new cases as national and state officials had previously predicted.

In the First Congressional District, there have been 928 confirmed COVID-19 cases, 17% of the state total. We have tested 6,375 people down here and have a positive rate of 14.5%, a little worse

¹ Both the national and state rates are artificially high as we have generally tested those in the high-risk categories. Additionally, as noted by the Alabama Department of Public Health, statistics on total negative test likely do not contain complete numbers from all private laboratories.

than the state as a whole but far better than the nation. We have lost 45 people to the disease, for a case fatality rate of 4.8%, again worse than the state as a whole but better than the national rate.

From April 1 through April 15, the District averaged 41 new COVID-19 cases a day. Over the last seven days, the average of new cases a day has fallen to 35. Like the state as a whole, the First Congressional District appears to be on the side of declining new cases.

One last comment on the data. It is clear that national data has been driven by hotspots like the New York metro area, which accounts for more than half of all U.S. COVID-19 deaths. Confirmed cases and deaths have also spiked in Detroit and New Orleans and are projected to do so in Philadelphia and the Baltimore/D.C. metro area. We are just not seeing anything like a comparable outbreak in Alabama or the First District. National health professionals have been clear with us that the disease is playing out differently in different parts of the country. Much of that variation may be attributable to density of population. While the projections from the University of Washington's Institute for Health Metrics and Evaluation ("IHME") briefly showed Alabama as having a high per capita case fatality rate, the actual experience has been far different and IHME has dramatically changed its projections as a result. As of April 21, IHME is predicting 295 deaths in Alabama by August 4. That would be less than a third our average deaths per year from influenza.

My recommendations are also based on several general points of understanding gleaned from multiple briefings my staff and I have participated in and studies/analyses supplied to me as a Member of Congress.

First, I have consulted the Opening Up America Again Guidelines (the "Guidelines") issued by the White House and the Centers for Disease Control on April 16. More specifically, I have consulted those guidelines applicable to Phase One of their Proposed Phase Approach. I have concluded that we can begin to implement Phase One in Alabama's First Congressional District on May 1. I have also concluded that it is premature to discuss going beyond Phase One at this time. We have been warned by public health officials at the national level to expect COVID-19 to be seasonal, and to be prepared for a lessening of the disease this summer to some extent, only to be followed by something of a resurgence in the fall. This fact may require us to consider further actions or modification of present actions.

Second, my recommendation that we can proceed with Phase One on May 1 is predicated on the Guidelines' Regional Gating Criteria:

Symptoms: The Guidelines call for a 14-day downward trajectory in influenza like illnesses and COVID-like syndromic cases. Influenza cases have been falling in Southwest Alabama for some time now. COVID cases have been increasing, however, as we have reached the COVID-19 peak in Alabama. As stated above, case growth rates are now easing. Indeed, following the experience in other areas, we should expect a sustained fall in the number of new cases by May 1. To allow for the 14-day period to be reached, May 1 is my recommended begin date for Phase One.

Cases: As with symptoms, the Guidelines call for a 14-day downward trajectory in either documented cases or positive tests as a percentage of total tests. For the reasons stated above, that period should be reached by May 1, again my recommended begin date for Phase One.

Hospitals: The Guidelines call for area hospitals to be able to treat all patients without crisis care and for robust testing for at risk health care workers, our frontline against the disease. I have consulted our area hospital administrators. and they are presently treating all patients without crisis care. That doesn't mean they aren't treating COVID 19 patients, they are. But, they are able to do so without crisis care as the number of hospitalized patients has not reached the number feared, even as we are now at the peak of the disease. Testing, on the other hand, has been a challenge for everyone. As a result of conversations with the U.S. Department of Health and Human Services, I am informed testing availability has been enhanced, and it is anticipated that, before May 1, there should be an adequate number of tests for robust testing of our frontline health care workers. Dr. Anthony Fauci, the Director of the National Institute of Allergies and Infectious Diseases has verified this publicly. This further bolsters my recommendation for May 1 as the begin date for Phase One.

Third, my recommendation for beginning Phase One may be superseded by data differing from that expected above generated after today, or by the advice from public health professionals on whom Governor Ivey relies. In that case, the timeline by necessity would shift further into the future.

Fourth, there is no denying the abrupt and extreme economic pain caused by the need for extreme social distancing. Moody's Analytics recently reported that daily economic output in the U.S. has fallen 29%, and the U.S. Department of Labor has reported that 21 million Americans have lost their jobs in the space of five weeks, ironically coming after a February jobs report which indicated a continuance of the robust economy in evidence over the last several years. Economic contraction at that rate has never occurred before in the U.S., even during the Great Depression. Like the rest of the nation, the First Congressional District was experiencing an historic economic boom. Since the middle of March, however, many businesses have dramatically reduced payrolls, or have closed altogether, and a total of 42,366 workers in the District have filed for unemployment since the week of March 16th as a result. Every one of those job losses is a tragedy and reversing this trend is a pressing public policy priority. Though President Trump and Congress have acted to cushion the effects of this unprecedented economic downturn, particularly with passage of the CARES Act, federal fiscal and monetary policy are incapable of doing so for the long term. The U.S. either returns to work or this country ceases to exist as anything like the free and prosperous country we have been.

Fifth, we experienced this sort of abrupt economic downturn in our beach communities during the 2010 BP oil spill. One overlooked result was an uptick in mental health issues. Prolonged isolation, coupled with economic uncertainty, has led to increased cases of anxiety and depression, just as it did after the BP oil spill. On April 7, ABC News reported an 891% increase in calls to the National Helpline compared to this time last year, an indication that Americans across the country are experiencing anxiety related to the pandemic. Additionally, any mental health crisis

is especially hard on families. At the end of March, the Kaiser Family Foundation found that 57% of mothers and 32% of fathers with children under the age of eighteen reported worsening states of mental health. In the most severe circumstances, depression and anxiety can lead to suicide. Even prior the pandemic, the Journal of the American Medical Association notes the suicide rate in the United States has seen an increase over the past two decades and 2018 had the highest age-adjusted suicide rate since 1941. Mental health professionals have warned of this looming crisis, and I'm concerned about Alabama's ability to manage this public health emergency. With long-term cutbacks to mental health at the state level, Alabama is poorly equipped to manage an outbreak of mental health issues. I know I don't need to but let me emphasize that mental health is indeed a health issue. Reducing the coming impact of this health issue must be a pressing public policy priority both at the state and federal level.

Sixth, even with the relaxations of prior orders in Phase One, the Guidance is clear that certain things we are doing now should continue. Individuals must continue to practice good hygiene and stay at home if sick. Vulnerable individuals must continue to shelter in place. All of us should continue to practice individual social distancing and avoid groups of more than ten people. We should all continue to minimize non-essential travel. Employers are going to have to develop appropriate policies and practices following national, state and local orders and guidance, as well as industry best practices. They will also have to monitor employees for symptoms and not allow those with symptoms to return to work until approved by a physician. And, if an employee tests positive, employers will have to be able to conduct workforce contact tracing. Telework should continue where possible and workplace common areas where employees congregate should be closed if social distancing can't be enforced. Non-essential workplace travel should be minimized, and vulnerable employees provided accommodations in accordance with Federal law.

Finally, we must all acknowledge that enforcement of limitations still needed in Phase One is really up to all of us. Public law enforcement officials are not going to be able to enter every store, restaurant, hotel or condominium. If we are not self-enforcing and encouraging others to do the same, then we may expect the disease to begin spreading, with a renewed increase in new cases and a return to the extreme social distancing we are presently under. Entering Phase One does not mean we are out from under the disease. Public health professionals have been crystal clear that until we have a vaccine, which is unlikely before this time next year if then, we will have to monitor the disease carefully, practice appropriate hygiene and continue some, if diminished, social distancing. I am confident we can and will do that, but it doesn't hurt to remind one another.

Topline Recommendations

- A clear timeline, objectives, and protections are necessary to instill confidence in consumers and business owners alike during a phased reopening of the economy.
- Governor Ivey should announce the reopening timeline by Friday, April 24 to give businesses time to make the necessary arrangements. Advance notice is also important as it provides time needed to fully inform and educate the public of the upcoming changes.
- Subject to Phase 1 under the Opening Up America Again Guidelines, the following should occur:
 - Retail and personal services businesses should be permitted to reopen beginning on May 1.
 - o Restaurants can reopen for in-house dining beginning May 1.
 - o Beaches can reopen beginning May 1.
- Self-enforcement and reporting will be key. Closures should be implemented on an individual basis for businesses/organizations who fail to comply with guidelines instead of punishing an entire industry or community.
- Preparations should begin immediately to ensure local law enforcement and health department officials are prepared to handle oversight and complaints related to noncompliant businesses.
- The state must prioritize expanding testing capability and efficiency, increasing testing opportunities to include those with minor or no symptoms and working with employers to ensure access to workforce contract tracing.
- The state must continue boosting the supply of Personal Protective Equipment (PPE), for both medical and other uses.
- The state must continue making improvements to ensure better and more timely reporting
 on the status of testing in order to provide a better and more realistic understanding of the
 evolution of the virus and the health care community's response. If more authority is
 needed to collect testing information from providers, the state legislature should act to give
 that authority.
- The state needs to boost mental health programs as Alabamians cope with the societal, economic, and personal impact of this pandemic.

Next Steps:

- The task force should reconvene in one month to make a second round of recommendations, including the potential transition to Phase 2.
- We should not set a date for moving to Phase 2 under the Opening Up America Again Guidelines until we see more thorough and updated case data.

Instill Consumer and Business Confidence in Reopening

The months of March and April of 2020 have been an experience unlike any in living memory for Alabamians. We have gone from one of the most prosperous times in our history to a time when approximately one quarter or more of the Alabama economy is idle. Thousands of Alabama businesses are currently shuttered, leaving hundreds of thousands of Alabamians without a job and business owners struggling to think of a way forward. Many Alabamians are scared to leave their homes for fear of contracting COVID-19. Others are on the brink of violating existing public health orders, mostly out of fear and frustration for the severe economic cost of extreme social distancing.

These very real struggles have led to divergent and often extreme viewpoints with some calling for an immediate end to social distancing while others have advocated a virtual lockdown until a vaccine can be developed. Of course, neither extreme can be the path forward. Public health policy is always a careful balance between economic harm and loss of liberty verses safety and security. The phased reopening of the economy is nothing more than a reset of this balance.

The balance, while an undeniable reality, is a difficult concept at an emotional level, particularly when many are harboring serious fears of sickness, economic peril, or both. For that reason, measures to instill consumer and business confidence in Phase One of the reopening plan will be a critical and essential first step. This will help to ensure public buy-in, which will in turn promote both public safety compliance and prevent unnecessary and prolonged economic stagnation.

Consumer Confidence and Protection Measures

Set Clear Expectations for Reopening the Economy – Many Alabamians are understandably confused about the objectives of the present stay-at-home order and other public health measures. Over the last eight weeks, there has been a growing public perception that the objective of current measures is more of an eradication of COVID-19 rather than flattening the curve of the illness for the preservation and scaling up of resources. Thus, the adoption of any reopening plan must begin with reminding Alabamians the objectives of existing measures that are being relaxed and assurances backed by data that those objectives have been accomplished (revised modeling of infection, declining case numbers, adequate hospital capacity, necessary supplies, etc.). Moreover, the plan must assure Alabamians that every measure is being taken to reduce cases and that the necessary health resources are available if they do get sick.

Maximize Public Safety Measures – Consulting with public health officials and experts, all reasonable and economically justifiable safety precautions to prevent the spread of COVID-19 should be maintained or enhanced, including maximizing distancing between consumers and employees, limiting public admissions to buildings, required wearing of face coverings by both consumers and employees whenever practical, and required hand-washing/sanitation to the maximum extent practical. Not only will these measures help prevent or slow a second waive but they will give consumers increased confidence in resuming a more normalized routine. Public service announcements should be used to consistently remind citizens of the best practices to stop the spread and to maintain good hygiene. The public service announcements should also strongly encourage anyone feeling sick to stay home from work and to immediately seek medical attention.

Use Key Office Holders and Community Leaders to Explain and Instill Confidence in Public Safety Measures – While law enforcement and public health offices will play a key role in compliance, transitioning to a phased reopening of the economy will require significant voluntary compliance with safety measures to lower the risk of the spread. Consequently, it will be essential for the state government in partnership with local and federal officials to provide consistent and clear guidance reminding the public of what is expected of them in the path forward. This is best achieved by having multiple key officials and leaders push out and explain simple to follow state instructions and publications and through leadership by example.

Enhance and Enact Specific Measures to Protect the Most Vulnerable – Relaxing current public health measures even under the most stringent circumstances will lead to some increased risk for the most vulnerable and necessarily exclude some of our citizens from the enjoyment of some newly reopened activities. Alabamians must justifiably have confidence that these individuals are properly protected and accounted for in the reopening plan. Consideration of their needs and wellbeing must be an essential component of every part of the phased reopening plan. Moreover, the recommendations from the Guidelines for these populations, including the continued closing of nursing facilities, must be followed.

Establish Long-Term Recovery Programs – Modeling from a natural disaster response, the state, likely through the Alabama Emergency Management Agency, should work with federal, county, and other local partners to develop case-management programs and processes to help Alabamians navigate available government assistance and other available support from social services organizations.

Business Confidence and Protection Measures

Necessary Confidence in the of Reopening – For most business owners, forced closures or slowdowns related to COVID-19 were unexpected and financially devastating. Similar to a recovery from a natural disaster, reopening for many will be financially difficult and stressful. Many Alabama businesses are teetering and are considering whether they should reopen at all or close permanently. Moreover, a consistent theme of many owners is that once they reopen, a second forced closure could be financially ruining, mean the end of their business. For this reason, like consumers, it will be critical to ensure the business community that the plan to reopen is feasible, properly timed, economically viable, and backed by medical professionals. A plan that lacks these things will fail to achieve the robust economic recovery and lead to the loss of additional businesses.

Clear Guidance on Safety Requirements and Practices – Most of the businesses we have talked to in Southwest Alabama have expressed concerns that what is necessary to protect their employees and customers from COVID-19 exposure is still unclear. To instill confidence, reopening should include clear guidance and requirements for different types of industries developed in consultation with federal and state officials, medical professionals, and industry and trade groups.

Liability Protections for Compliance with Protocols – Not surprisingly, concerns regarding litigation risk are currently very high among businesses. Businesses fear that even if they follow best practices and applicable guidelines, they will be sued if employees or customers contract

COVID-19 on their premises. To mitigate this risk, the Governor should work with the Alabama legislature to immediately enact premise liability protections for those who are implementing required practices. Additionally, the Governor and the Legislature should clearly define how workers compensation plays into COVID-19 exposure for employees, providing certainty for both employers and employees of their rights and protections.

Take Steps to Ensure Workforce Participation – A significant concern of many employers is that they will be unable to bring back their workforce due to the large unemployment benefits provided by Congress under the CARES Act. This could lead to labor shortage and difficulty of businesses receiving needed forgiveness for Paycheck Protection Program (PPP) loans due to many employees attempting to continue receiving unemployment compensation benefits. Consequently, the Alabama Department of Labor should work proactively to ensure the requirements that employees may only receive unemployment benefits if unemployed through no fault of their own is strictly enforced.

Retail

Retailers, particularly small businesses, have been significantly affected by social distancing guidelines. Since March 30, home-furnishing, clothing, jewelry, department, sporting goods, book, craft, and music stores have been closed. COVID-19 has exacerbated existing trends of Alabamians to shop for items from online retailers. Moreover, given that we are likely facing a long-term recovery, retail will undoubtedly suffer from declining consumer spending.

Many retailers have justifiably complained that their consumers are buying the products they sell from big box retailers that have remained open as essential. This dynamic appears to have also unexpectedly contributed to clustering shoppers together at big box stores in many cases when they would have been more easily spread out if more shopping options were available. This contributes to my recommendation that retailers be allowed to open May 1.

Moreover, over the last two months, Alabamians have become accustom to practicing social distancing at essential retailers, including maintaining appropriate distances, wearing masks, washing/hand sanitizing, and waiting in line outside to lessen building capacity. Consequently, expanding these practices to all retailers should not be difficult. Any retail business that does not comply with social distancing guidelines would be subject to closure.

- All non-restaurant retail stores should be allowed to reopen on May 1, regardless of size or product.
- Businesses must put in place necessary protocols and make adjustments to ensure six feet distancing, in line with CDC guidance.
- Distancing, capacity limits, and/or reasonable anti-spread requirements should be recommended by medical professionals and required at stores regardless of size.
- Businesses should encourage employees and customers to wear masks or similar face coverings. Required wearing of masks or face coverings by employees and customers should also be evaluated in consultation with health officials for some or all retailers.
- Stringent cleaning and maintenance procedures should be mandated.
- Anti-spread protocols mandated by public health order should be rigorously enforced by all levels of state government.
- Retailers should be encouraged or strongly required to maintain specific hours for vulnerable populations and continue non-entry pickup options.

Personal Service Industry

Like retailers, barber shops, hair salons, waxing salons, threading salons, nail salons and spas, body-art facilities and tattoo services, tanning salons, and massage-therapy businesses have been closed since March 30. Moreover, many of these businesses had already voluntarily shut their doors prior to this date in an attempt to protect their employees and customers.

Often, these businesses have very thin margins and limited cash reserves, making them some of the hardest hit by the current public health order. Moreover, many Alabamians are in need of many of these services. For these reasons, we propose allowing these businesses to reopen on May 1, subject to an appointment only model and other stringent guidelines designed to slow the spread of COVID-19.

- Personal Service Industry providers should be allowed to reopen on May 1, based on a limited, appointment only model. Walk-in clients should be barred.
- The Governor and State Health Officers should develop requirements for appropriate maximum occupancy and spacing between customers to minimize the spread of COVID-19.
- When practical, consumers and employees should wear masks or other appropriate face coverings during service appointment should be strongly considered, based upon the best available medical data
- Specific hours or other accommodations for high risks individuals should be strongly considered.
- Providers should implement remote waiting procedures to keep customers waiting in their vehicles instead of waiting inside for their appointment.

Restaurants and Bars

Restaurants of all sizes are struggling due to closure of in-house dining. Many restaurants have taken advantage of delivery and take-out options, but those sales have not been enough to make up for traditional in-house dining, particularly in restaurants who are dependent on alcohol sales for profitability.

Restaurants should be encouraged and allowed to continue providing take-out options with to-go alcohol sales. However, beginning May 1, restaurants should be allowed to open up for in-house dining customers, subject to specific guidelines and best practices issued by the Alabama Department of Public Health. These guidelines and best practices should include specific spacing requirements, table maximums, and, potentially, employee face covering requirements, based upon feedback from medical professionals. Any restaurant that does not comply with the guidelines would be subject to closure.

For many restaurants, removing tables to ensure appropriate distancing will make it extremely difficult to operate in-house dining at a profitable level. To help address this issue, expanded outdoor seating should be encouraged and restaurants should be allowed to expand outdoor options with alcoholic beverage sales.

Consistent with the President's Guidance, bars and bar seating should remain closed during this phase of reopening. Bars should be allowed and encouraged to transition to dine in setting during this period.

- Take Out service, including alcoholic beverages, should be encouraged and allowed to continue.
- Restaurants should reopen for in-house dining beginning May 1 under strict spacing requirements, table maximums, and other hygienic requirements developed per the guidance of the Alabama Department of Public Health.
- Consistent with the federal <u>Opening Up America Again Guidelines</u>, bars and bar seating should remain closed, unless such seating can be accomplished consistent with six feet distancing guidelines. Bars should consider a transition to seated dining options during Phase One with government at every level assisting in removing any regulatory barriers to this transition.
- Businesses should encourage employees to wear masks or similar face coverings, and requirement of such coverings should be evaluated, in consultation with medical professionals.
- Strong cleaning and maintenance procedures must be implemented, based upon best available medical advice

Banking and Other Service Business

Many businesses that provide various services do not fall under the previous categories. Some of these services – such as lawn care and housekeeping – have continued during the stay-at-home order. Others were forced to cease or fundamentally alter their operations. These businesses should begin reopening on May 1 while ensuring all relevant safety protocols are met. Any business that does not comply with the guidelines would be subject to closure.

A special note regarding the important role that banks and credit unions play during the recovery process. These financial institutions are vital to ensuring small businesses have access to capital and much needed funding. It is important we ensure our bank and credit union employees have adequate PPE and are able to maintain their workforce.

- Any business that was closed may be reopen beginning May 1.
- When practical, businesses should continue to use telework for their employees.
- In offices, workstations must be spaced at least six feet apart and the use of PPE should be encouraged.
- Appointments should be utilized to avoid crowding the places of business.
- Gyms may open if they adhere to strict physical distancing and sanitation protocols.
- Waiting areas must be spaced six feet apart. Additionally, waiting in vehicles could be utilized to further minimize the number of people in the same building at one time.

Manufacturing

The First Congressional District has a significant presence of manufacturing which ranges across many industries and size of companies. Almost all of these manufacturing sites have been deemed "essential business and operations" in Governor Ivey's orders. Despite the ability for these sites to remain open during the COVID-19 pandemic, there is significant economic ripple effects on these businesses. The economic downturn is creating a lack of demand for products thus bringing into question the longevity of current business models.

The unexpected decline in industry demands for manufacturing has already led to decreased salaries, reduction of work hours, and layoffs. Businesses are considering further efficiency measures to stay operational while maintaining a sustainable business model. Depending on the length of the downturn, it is anticipated more plants will turn to temporary and/or voluntary furloughs, partial shutdowns, staff cuts, capital investment suspension. Drastic reduction in workforce will result in significant delays in returning to full capacity.

As manufacturing is labor intensive keeping employees healthy and on the line is key to continued production. Many plants have modified work processes and configurations for employee safety. The two limiting factors of ensuring employee safety is PPE and testing. Availability of PPE is necessary to ensure safe working environment is limited by access to PPE supply. In the event employees are exposed or show symptoms of the virus testing with quick returns must be available to get them safely back on the line.

- Protect the health of the workforce by increasing access to PPE and testing.
 - o Centralize PPE management for manufacturing businesses.
 - o Increase testing of non-symptomatic employees who have been exposed with a shorter timeline for results to allow them to get back to work in a timely manner.
- Increase demand for manufacturing by encouraging counties and municipalities to identify public
 works projects that can be brought forward to meet production needs and incentivize local
 material sourcing.
- Implement local procurement incentives (tax benefits, loan guarantees, expedited permitting, etc.) to stimulate Alabama supply chains.
- Enhance programs to help displaced businesses and workers by coordinating with local businesses to identify re-purposing opportunities, classes of workers to support those opportunities, and link re-purposed businesses with potential customers.

Shipbuilding

The shipbuilding industry is a major part of the manufacturing base in the First Congressional District. There are about 6,000 shipyard workers in the District working at large employers such as Austal USA with about 3,700 employees to Master Boat Builders with 130 employees as well as many smaller yards. This industry includes new ship construction and repairs of a wide range of vessel size and types. Shipbuilding was deemed "critical manufacturing" in Governor Ivey's initial response to COVID-19. Yards have continued work with additional precautions and personal protective equipment recommended by CDC. The nature of this type of manufacturing requires individuals to work in close proximity to others and appropriate PPE is necessary to protect employees from the spread of COVID-19.

It is expected that the economic effects of this pandemic will be most felt by the shipbuilding industry 9 to 12 months from now. Disruption of the supply chain is a major factor of this slow down. Worldwide shutdowns are creating significant delays on long lead time materials, which will lead to delays in vessel deliveries once yard's stockpiles are depleted. Furthermore, business development has come to a halt as buyers are not willing to invest significant capital into new vessels during uncertain economic times. Shipyards will realize downturn in profitability in the months to come as workflow is impacted.

- Ensuring PPE is accessible to the workforce is paramount to keeping public health practices. This industry relies on a healthy workforce thus the actions taken to open the economy should take into account maintaining adequate health of the "critical manufacturing" workforce.
- Recognizing the economic impact to shipbuilding and repair industry will lag compared to other
 industries. Long term recovery plans and access to funding for manufactures should be made
 available in the months to come as business slows.
- Prioritize testing for "critical manufacturing" employees to ensure the workforce remains healthy and able to work.

Tourism/Beaches

Tourism is critically important to the economy in Southwest Alabama, making this a unique area of concern for the First Congressional District. After the shutdown of our beaches on Thursday, March 19, customers began to depart in mass. There have been massive cancellations of rentals and hotels throughout the current year, including cancellations of conferences and sporting events. It is important we start the process of reopening Alabama's beaches, in a responsible manner and following appropriate public health guidelines.

The period between Memorial Day and Labor Day is vital to tourism-based businesses. In our most recent year, Baldwin County hosted over 6.6 million guests who spent over \$4.7 billion. The months of May through August normally account for over 60% earned revenue for the year.² In Mobile County, travel & tourism accounts for 17,000 jobs, and 3.2 million visitors annually that spend over \$1.2 billion.³ With the loss of the second half of March and almost all of April, many business owners are on the peak of collapse. Advance notice of reopening timelines and clarity is very important for the tourism industry as people need time to plan their trips.

Clarity in guidelines and rules will be critical to the success of reopening the beaches. A public information campaign will be needed to inform the public of the rules in a clear and straightforward way. Additionally, we will need strong enforcement presence from the onset to send a clear message to visitors about the importance of following all guidelines. As a part of this recommendation, we spoke with the leaders of Alabama's beach communities, municipal and county law enforcement, and state and federal conservation officials to ensure they had the resources needed to enforce the necessary social distancing guidelines. We were reassured they were prepared for this mission.

Recommended Action Steps:

- Beaches should reopen on May 1, with strict guidelines ensuring no groups larger than ten and that all groups are a minimum of six feet apart.
- For public beaches, municipal and county officials will be responsible for enforcing the guidelines.
- For private beaches, the homeowner, business, or condominium association will be responsible for ensuring all guidelines are followed. They should provide for clear communications with their guests and arrange for strict enforcement. Any private area that violates the guidelines would be subject to closure.
- Charter boat businesses would be allowed to reopen on May 1, as long as they comply with the six feet distancing guidelines and ensure stringent cleaning and sanitation procedures.
- Special consideration will need to be made for fishing tournaments including the Alabama Deep Sea Fishing Rodeo based on future medical data and guidelines. Advance notice will be needed to ensure appropriate precautions can be met.
- In later phases as appropriate, it will be helpful for targeted state marketing campaigns to publicize that Alabama's beaches are clean and open, especially to drive-markets. Areas with an active

² Data provided by Gulf Shores & Orange Beach Tourism.

³ Data provided by Visit Mobile.

- outbreak should be excepted from any advertising. An additional marketing campaign will be needed to inform visitors of the new requirements and to emphasize that every person has a personal responsibility.
- Amusement parks, water parks, attractions, and movie theaters may reopen under strict physical distancing protocols. The burden is on the business or venue to ensure they can meet the strict standard in order to remain open.
- Sporting venues should be allowed to reopen under strict physical distancing protocols. Of note, sports tourism is a key piece of our coastal tourism economy.

Medical Providers and Hospitals

While our hospitals and many medical providers have been critical in the fight against COVID-19, they are unfortunately facing some of the worst economic effects of the pandemic. Since March 28th, hospitals have been asked to not perform elective surgeries and many non-essential medical appointments and procedures have been canceled. These drastic actions were primarily an effort to PPE due to worldwide shortage, and to preserve resources for the fight against COVID-19. However, as we approach the peak, there has been no bed, ICU, or ventilator shortage in Alabama. Supply chain issues regarding PPE continue to be resolved and will only improve in the coming days. But, much of our hospital and other healthcare capacity continues to remain idle.

Alabama providers already face extremely low reimbursement rates, particularly for Medicare and Medicaid patients. Although some relief was provided this year with increased Medicare reimbursement due to reforms to the Wage Index and through recent federal stimulus, many hospitals and providers struggle financially. Loss of elective surgery – the primary source of revenue for our hospitals – has been economically devastating, and continued lack of profitable operation is a severe threat to some of our hospitals even surviving, particularly ones located in rural Alabama. Many hospitals and other providers have already laid off or plan to lay off members of their workforce.

Every South Alabama hospital that responded to our survey reported no issues related to reopening the healthcare economy. Most are ready and in desperate need to resume elective surgery immediately. Similarly, many physicians and other medical providers are facing serious economic strain and need an immediate return to seeing patients. Given the need and lost health benefit to Alabama by a continued healthcare shutdown, we recommend allowing hospitals and medical providers to ramp up their operations as soon as practical.

- Allow hospitals, doctor offices, dental offices, vision practices, pharmacists, podiatrists, chiropractors, and other providers to resume their pre-COVID-19 services, including elective surgeries, at the earliest practical date they can do so safely, based upon available staff, PPE, and other resources. In light of the serious financial difficulties facing Alabama hospitals, consider not limiting elective surgeries in Phase One to outpatient care as called for in the Guidelines. Instead, allow hospitals to set their own limitations based upon available equipment, bed space, and other considerations.
- When applicable, continue to support the use of telemedicine appointments, including continuing any applicable regulatory relief.
- State procurements of PPE as a state stockpile to help with shortages and a potential second wave of infection. Also encourage state manufacturing of PPE to provide a ready and nearby source for Alabama hospitals and providers.

Agriculture/Seafood

Farmers, foresters, and seafood producers and processers have faced their own set of challenges due to the significant decrease in demand. While many have not had issues with their actual product or commodities, the shutdown of the restaurant industry in particular has caused many issues including layoffs. Seafood has taken a particularly significant hit as most seafood is eaten in restaurants. It is important we reopen restaurants to alleviate the problem, although additional assistance and support for the agriculture and seafood industries will be necessary.

- Farmers, foresters, and seafood producers must continue to follow guidelines related to PPE and social distancing.
- Reopening restaurants should help increase demand for food, although there will continue to be a lag in demand.
- Still, additional government aid and assistance will be necessary to keep farmers and seafood producers in business and ensure the integrity of our food supply.
- Consider a program to help connect farmers and seafood producers with excess supply with grocery stores, food banks, or charitable organizations.
- Ensure that state unemployment programs do not create a disincentive for individuals to work, which could hamper the workforce needed to support our farmers and seafood producers.

Religious Services

Religious institutions are critically important to ensuring the well-being of society. They have and also continue to serve as important partners with government officials in supporting those in need and sharing information. We commend the many faith leaders who have made the best of the current situation by quickly standing up online services. We also commend Governor Ivey for her innovative solution of allowing drive-in services, which a number of churches in our state have successfully already used. Nevertheless, these are imperfect solutions. Many institutions lack the funding and capacity to implement online or drive-in services. More fundamentally, it is critical that individuals have access to their places of worship, faith leaders, and the sacraments, if called upon by the tenants of the believer's faith.

Phase 1 of the Opening Up America Again Guidelines clearly states that "places of worship" can operate under strict physical distancing protocols. As such, we recommend that the Governor immediately assemble a diverse group of faith leaders to provide specific recommendations to phase-in religious services. These challenges are best addressed by those leaders who will have to implement them. We also note that different denominations have different requirements and therefore social distancing parameters for reopening religious services may look different depending upon the form and style of worship used by the religious organization. Some denominations may be able to implement a greater number of smaller services. Some may be able to accommodate large, outdoor worship where groups are spaced far apart. Some will need a plan for administering communion. Therefore, any plan for religious services should allow for diversity by individual groups in meeting public health goals. Finally, it is imperative that government and public health officials have open and clear communication with churches and church leaders as to best practices for protecting those who attend services.

Mental Health

Mental health professionals have warned of the severe mental health affects Americans are experiencing due to the COVID-19 outbreak, isolation, economic loss, fear and anxiety. Mental health related effects of the virus are almost certain to cause an entirely separate public health crisis from the current one. Without properly addressing mental health, anxiety, depression, and suicide will increase. Unfortunately, community mental health centers are suffering a cash shortage due to limited hours, and most mental health patients have currently been left to cope on their own. Alabama must work to provide better care for those suffering from mental health issues during this pandemic.

- Develop and implement a publicity campaign focused on COVID-19 to destigmatize mental health disorders and inform citizens of resources to seek help.
- Provide resources to businesses, organizations, churches, and other organizations to learn the
 warning signs of anxiety, depression, loneliness, and other conditions that may lead to further
 mental health issues and suicide.
- Increase funding for community health centers with emphasis on telehealth.
- Work with insurance providers to ensure coverage, access, and knowledge of available mental health services via telemedicine.

Appendix A: Task Force Members

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Art Sessions, Mobile County Farmer

Beth Whitehead, Health Actions

Bill Sisson, Mobile Area Chamber of Commerce

Billie Jo Underwood, Baldwin County Commission

Bob Jones, United Bank

Bob Omanisky, Wintzell's

Chris Bell, Three Circles Church

Chris Nelson, Bon Secour Fisheries

Chuck Schmitt, SSAB

Corrine Mutchler, Think Outside

David Clarke, Visit Mobile

Dan McConaghy, McConaghy Drug Stores

Garrett Rice, Master Boat Builders

Gene Brett, Brett/Robinson

Herb Malone, Gulf Shores and Orange Beach Tourism

Jackie Greer, Greer's Markets

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