



COVID-19 and the Cruise Ship Industry

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The cruise ship industry has been heavily impacted by coronavirus disease 2019 (COVID-19). Major cruise lines have canceled trips from U.S. ports over the [next month](#). In recent weeks, several cruise ships have been quarantined offshore and U.S. government health officials have [advised against](#) cruise ship travel for the time being. These events have raised questions about government oversight over the cruise industry, the potential economic harm the coronavirus could have on the industry, and whether the industry is largely America- or foreign-based.

Employment in the Cruise Ship Industry

While most of the major cruise lines are incorporated or otherwise domiciled in foreign countries, they have headquarters in the United States, with office staff who handle advertising, sales, bookings, and vessel planning. According to federal [government data](#), Miami has the largest contingent of workers employed by the cruise industry (North American Industry Classification System code 483112), with Los Angeles and Washington State as secondary centers of employment. In terms of number of cruise ship [port calls in 2018](#), Florida was the leading state with over 3,000 port calls, followed by Alaska with nearly 2,000, and California with over 500. Puerto Rico also had over 500 cruise ship port calls, and the U.S. Virgin Islands nearly 500. Ship chandlers are another significant employer in port areas, as they supply navigation-related parts and equipment as well as food, beverages, linens, and other passenger-related supplies.

Although U.S. nationals are employed in the “onshore” business segment of the cruise industry, in the offshore segment (aboard ships), foreign workers fill most positions. Almost all oceangoing cruise ships calling at U.S. ports are “foreign-flagged,” meaning they are registered in foreign countries, and particularly in “[open-registry](#)” countries such as Panama, Bermuda, Malta, the Bahamas, and the Marshall Islands. While [U.S. law](#) requires that passengers being transported from one U.S. point to another U.S. point be carried in only U.S.-built, -owned, and -crewed vessels, this law does not apply to cruise ship voyages that include foreign port calls or that embark and disembark passengers at the same dock. Plus,

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Puerto Rico and the U.S. Virgin Islands are exempt from this law. Open registries allow cruise ships to crew and staff their vessels with citizens other than from the registering country, and these registries generally assess lower fees and taxes. The Philippines is a popular home country for many ship crews, particularly sailors, engine room mechanics, and hotel and food service workers. U.S. nationals are more likely to be hired as entertainers on ships catering to American passengers. A cruise ship with thousands of passengers can have a staff and crew of several hundred or more on board.

Federal Oversight of Cruise Ships

Three federal agencies have the most direct interaction with cruise ships when they call at a U.S. port: the Coast Guard, Customs and Border Protection (CBP), and the Centers for Disease Control and Prevention (CDC). The Coast Guard's authority is largely in the areas of safety, security, and pollution prevention with respect to the ships and their harbor transits. CBP's authority comes into play mostly once a ship is docked, and is centered around screening the arriving passengers. The CDC focuses on the sanitary condition of the ship.

Ships must report to the Coast Guard four days prior to arriving at a U.S. harbor. The Coast Guard can board and inspect a ship before entering the harbor, but usually inspections and boarding take place at the dock. Ship anchorage areas are designated in or outside harbors for ships ordered into quarantine (42 U.S.C. 267, 33 C.F.R. §109.05(b)). For security reasons, the Coast Guard may escort a cruise ship in and out of a harbor, typically with a patrol boat (or boats). The Coast Guard "Captain of the Port" is the most senior Coast Guard official in a local port area, and has considerable discretion in making decisions related to the safety and security of harbor operations.

The Coast Guard [inspects cruise ships](#) for compliance with international safety, security, and pollution prevention standards established by the United Nations' International Maritime Organization (IMO), as well as those laws specific to the United States. Relevant IMO standards for safety and security include the Safety of Life at Sea (SOLAS) convention, the Standards of Training, Certification, and Watchkeeping for Seafarers (SCTW), and the International Ship and Port Facility Security (ISPS) Code. While the SCTW includes minimal requirements for medical-related training for some of the crew, the convention mostly concerns the training and qualifications of the navigation crew.

U.S.-specific law includes the Cruise Vessel Security and Safety Act of 2010 (P.L. 111-207). In response to concern over sexual assaults on cruise ships, this law requires cruise ships to have medical staff on board, to include either a physician or registered nurse, to attend to a victim of sexual assault (46 U.S.C. §3507(d)(3)(A)). The Coast Guard checks the qualifications of the medical staff during its [boarding examinations](#). The cruise industry has issued [medical staffing](#) guidance that exceeds current U.S. law. Bills introduced in the 116th Congress would expand the medical staffing requirements for cruise ships (H.R. 5096, S. 3124).

Ships entering and departing U.S. ports must report to CBP before doing so. CBP screens cruise ship passengers essentially in the same manner that it does for arriving international air travelers.

CDC conducts [sanitary inspections](#) of cruise ships seeking to prevent gastrointestinal and other illnesses pursuant to the Public Health Service Act (42 U.S.C. §269). This inspection program began in the [early 1970s](#). Cruise ships are subject to [two unannounced](#) CDC inspections per year. Cruise ships must report to CDC any sicknesses or deaths of crew or passengers that have occurred in the 15 days prior to a U.S. port arrival (42 C.F.R. §71.21). In their annual reports, cruise lines typically note disease outbreaks and concerns for the risk of illness as a risk factor for potential investors.

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