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U.S. TRAVEL'S LEGISLATIVE PRIORITIES: IT'S TIME TO REVIVE THE TRAVEL INDUSTRY

Domestic business travel spending remained **56% below 2019 levels** in 2021 and international travel spending remained **78% below 2019 levels**. When travel thrives, so does America's economy. It is imperative that Congress does all it can to revive these critical sectors of the travel economy.

Prior to the pandemic, the U.S. travel industry experienced 10 straight years of growth due to the strength of the domestic leisure travel, domestic business travel and international inbound travel segments. Travel was a significant economic driver in every region of the country, representing 1 in 10 jobs and generating a travel trade surplus.

The U.S. travel industry suffered unparalleled losses amid the COVID-19 pandemic and the recovery remains uneven across travel sectors. Domestic business travel and international inbound travel spending remain depressed, dragging the overall industry's recovery.

We not only need to get back to pre-pandemic levels but also make up for **years of lost growth** and modernize antiquated systems and processes that pose both a near- and long-term challenge to economic prosperity. While we are years away from returning to 2019 levels, the right policies can **return us to the trajectory of growth**.

U.S. Travel has outlined our legislative priorities for the months ahead below.

REBUILD THE WORKFORCE ///-

Persistent labor shortage, particularly for seasonal workers, is threatening travel's recovery and will only prolong the economic pain of the pandemic—especially ahead of the busy summer travel season.

U.S. TRAVEL IS ENCOURAGING CONGRESS TO:

- HOUSE MEMBERS: Co sponsor the Returning Worker Exemption Act (H.R. 3897) which would provide the H-2B Cap relief the travel industry's workforce desperately needs. The bill would permanently increase H-2B visas by exempting returning workers from the cap.
- **SENATE MEMBERS: Introduce bipartisan companion legislation** to H.R. 3897 in the Senate.
- **Support language in FY23 appropriations** that require DHS to release supplemental visas and expedite rulemaking.
- **Encourage long-term structural reforms** to temporary worker programs that would provide the travel industry with dedicated, increased and predictable access to temporary seasonal work visas.

REIGNITE IN-PERSON BUSINESS MEETINGS AND EVENTS ///-

Business travel was still 56% below pre-pandemic levels in 2021 and remains depressed. This is having a disproportionate impact on the overall travel industry's recovery. Despite making up 20% of total trip volume, business travelers account for 40-60% of lodging and air revenue (pre-pandemic). It is time for corporate leaders and the federal government to get back to business to reignite these valuable face-to-face connections and restore this critical segment of the U.S. economy.

U.S. TRAVEL IS ENCOURAGING CONGRESS TO:

- Help revive business travel spending in restaurants and entertainement venues by ensuring any year-end tax extenders package:
 - **Restores the deductibility of entertainment business expenses** to spur recovery in the live entertainment and events sector.
 - Extends full expensing for business meals beyond 2022 to support recovery in the restaurant sector, similar to Senator Tim Scott's (R-SC) Supporting America's Restaurant Workers Act.

MODERNIZE VISITOR VISA PROCESSING

Inefficient visa processing acts as a deterrent to valid inbound international travel. Long visa interview wait times harm recovery by delaying or dissuading visitation by travelers whose spending supports millions of American jobs and billions of American exports. According to a January 2022 survey by Destinations Analysts, excessive visa wait times, the cost of visa fees and an overall cumbersome visa application process are some of the top reasons international travelers are discouraged from coming to the United States.

A significant portion of the world requires a visa to visit the U.S. Of the 79 million international visitors in 2019, 43% (35 million) required a <u>visitor</u> visa (B1/B2). Total travel exports from countries requiring visitor visas were approximately \$120 billion. Since country-based travel restrictions were lifted following the pandemic, **average wait times for the top 10 inbound markets requiring a visa have gotten worse; growing from 419 days in May 2022 to 442 days in July of 2022.** In May, 55% of U.S. consulates and embassies had a wait time over 365 days. In July, this number increased to 82%.

If the U.S. reduces average wait times for visitor visa interviews to less than 30 days, **the U.S. could generate an** additional 2.2. million visitors and \$5.2 billion in spending within the following six months.

U.S. TRAVEL IS ENCOURAGING CONGRESS TO:

- Modernize the security and efficiency of non-immigrant visa processing by:
 - **Developing a pilot program for the use of videoconferencing technology** in visa interviews with low risk, returning visa applicants and visa applicants with urgent or time sensitive travel.
 - Increasing staffing at the embassies and consulates in key inbound markets, beginning with Mexico, Brazil and India.
 - Waiving visa interviews for low-risk visa renewals, such as returning temporary workers and students.
 - Conducting group processing for medium-to-large group travelers.
 - **Delaying and resconsidering the proposed non-immigrant visa fee increase**, at least until international travel has recovered.

REIMAGINE THE **ROLE OF TRAVEL AND TOURISM** IN IMPROVING GLOBAL COMPETITIVENESS

The pandemic decimated the travel industry, resulting in a two-year loss of \$755 billion in travel spending from which the industry is not expected to fully recover until 2024. Proactive government planning will be necessary to shortening that timeline, restoring jobs more quickly and reclaiming significant losses in export income.

U.S. TRAVEL IS ENCOURAGING CONGRESS TO:

- SENATE MEMBERS: Cosponsor the Omnibus Travel and Tourism Act of 2021 (S. 3375), and support the Visit America Act (S.1947/H.R.6965), or any successor bill. The bill would establish an Assistant Secretary of Travel and Tourism at the Department of Commerce, focused on working across government to consistently develop strategies that increase travel to the U.S.— creating opportunities to increase America's export income while enhancing the country's global competitiveness.
- HOUSE MEMBERS: Cosponsor the Visit America Act (H.R. 6965), which would establish an Assistant Secretary of Travel and Tourism at the Department of Commerce.