AMERICA’S TRAVEL INDUSTRY SUPPORTS ADJUSTING THE PFC CAP

TRAVEL IS AN ECONOMIC ENGINE

- **Travel is America’s seventh largest industry in terms of employment.** In 2018, travel:

  | Generated $2.5 trillion in economic output | Supported 15.7 million American jobs | Served as a top-10 employer in 49 states and the District of Columbia |

- **Travel is America’s leading service export.** In 2018, total travel exports reached $256 billion, generated $69 billion in international travel trade surplus. Of total travel exports in 2018, international visitors spent $157 billion in the U.S. on travel-related goods and services, which directly supported 1.2 million jobs.

AIR TRAVELERS ACCOUNT FOR HIGHER PERCENTAGE OF OVERALL SPENDING

- **Domestic air travelers spent $289 billion during their U.S. domestic trips in 2018,** which directly supported 2.4 million American jobs. While domestic air passengers account for only 12% of total domestic trips, they generate 31% of the total domestic travel spending in the U.S.

- **In 2018, more than 51 million international visitors arrived in the U.S. by air.** These visitors spent more than $144 billion in the U.S. and directly supported 1.1 million jobs in the U.S. travel industry.

THE PROBLEM

- **U.S. airports cannot efficiently handle current demand.** In 2018, one-in-five flights in the U.S. was delayed or canceled, and not a single U.S. airport ranks among the top 25 in the world.

- **Airport hassles caused Americans to avoid 32 million trips in 2016,** which cost travel businesses $24 billion in spending—enough to support 200,000 travel industry jobs.¹

- **U.S. airports will be unable to handle future demand, unless improvements are made.** Within the next several years, the top 30 U.S. airports will experience Thanksgiving-like congestion at least one day per week. The FAA predicts that 12 airports will not have enough capacity to meet demand by 2030.

- **Airline consolidation limits flight options and drives up prices:** Due to airline mergers, just four U.S. carriers control 80% of available seat capacity (down from 11 airlines in 2005), and 75% of all routes are dominated by a single airline. Airline consolidation has funneled more traffic through large hub airports, causing congestion and limiting access to essential facilities for competitor airlines.

THE SOLUTION

- **A PFC cap increase would provide airports with the option to adjust user fees to fund projects that:**
  - Enhance safety and security;
  - Reduce congestion or increase capacity;
  - Enhance airline competition; or
  - Reduce airport noise.

- **The U.S. Travel Association and its membership strongly support Congressional action to adjust the PFC cap, which would accelerate airport modernization and expansion.**

- **While only a handful of airlines are opposed, more than 120 travel industry organizations, including hotels, gaming companies, convention bureaus, restaurants and more, signed a 2018 letter urging Congress to enact a PFC cap increase.**