

GUIDANCE FOR SPEAKING WITH YOUR MEMBER OF CONGRESS

The following background and talking points are designed to help you communicate with your members of Congress our specific asks for future relief and the stimulus measures that will safely restart travel.

If you are asked any questions for which the answer is not outlined in these talking points, U.S. Travel staff will be available to respond or follow up with your members of Congress.

TRAVEL: THE HARDEST-HIT INDUSTRY

The U.S. travel industry has been devastated by the coronavirus pandemic with catastrophic declines in 2020 compared to 2019. No sector within our industry has been unaffected and travel and tourism in every community across the country has suffered.

- Travel spending is down nearly \$500 billion, costing the U.S. economy \$1.1 trillion.
- The total number of travel-supported jobs fell by 34%, from 17 million in 2019 to just 11 million in 2020.
- Prior to the pandemic, total travel-supported jobs accounted for 11% of the U.S. workforce, but in 2020, total travel-supported jobs accounted for a staggering 65% of unemployment.
- Business travel spending (domestic and international) fell 70% in 2020, a loss of \$245 billion for the U.S. economy.
- Visits from international travelers were down by 76% in 2020, causing a similar decline in international spending.
- At our current pace, the industry is not expected to fully recover until 2025.
- Here in [STATE], travel spending was down [INSERT YOUR STATE %]. Federal, state and local tax revenues declined by [INSERT YOUR STATE %], which helps fund public programs.

To find your state and congressional district economic impact data, visit our Economic Impact Map.

TOGETHER, WE CAN BRING BACK THE TRAVEL ECONOMY ACROSS ALL SECTORS

The relief provided through the CARES Act, COVID-19 Emergency Relief Bill and the American Rescue Plan is helpful for travel businesses to stay afloat—but much more is needed to protect and rebuild the U.S. workforce and revitalize communities.

Here's how:

PROVIDE RELIEF FOR TRAVEL BUSINESSES

The Paycheck Protection Program (PPP) expires in two weeks and travel businesses continue to need the relief provided by this critical program.

Destination marketing organizations, many of which are small businesses, were unable to access PPP loans until late 2020, providing them only three months to help recover nine months of damage. Their work will be essential to rebuilding the economy and rehiring workers in communities by driving visitors, and their spending, to local businesses.

PPP loans have been a lifeline for many travel businesses but as the hardest-hit industry in the U.S., we are still struggling. Allowing for a 3rd draw loan will help keep doors open and staff employed as we navigate the road to recovery.

ASK: Support the PPP Extension Act of 2021 in the Senate (S.723), and the Paycheck Protection Program Extension Act in the House (H.R. 1799), that would push the deadline for PPP fund applications to May 31, 2021. While this extension will help, a third draw for hardest-hit businesses and further extension is still necessary.

ADVANCE STIMULUS MEASURES TO DRIVE TRAVEL DEMAND

Every sector of the U.S. travel ecosystem has implemented enhanced health and safety measures, but **federal stimulus** measures are necessary to help spur travel demand.

Stimulus measures like those outlined in the recently introduced **Hospitality and Commerce Job Recovery Act (S.477 and H.R.1346)** will help to restart domestic leisure and business travel, which will lead to the rehiring of American workers.

The Hospitality and Commerce Job Recovery Act:

- · Provides a temporary business tax credit.
- · Restores the entertainment business expense deduction.
- Provides an individual tax credit (50% of qualified travel expenses up to a maximum of \$1,500 per household plus \$500 for each qualifying child. The credit begins phasing out for individuals making over \$75,000 per year (\$150,000 for married couples).
- Provides tax relief for restaurants and food and beverage companies.

BILL CO-SPONSORS	
U.S. Senate	U.S. House of Representatives
Sen. Catherine Cortez Masto (D-NV)	Rep. Steven Horsford (D-NV)
Sen. Kevin Cramer (R-ND)	Rep. Darin LaHood (R-IL)
	Rep. Tom Rice (R-SC)
	Rep. Jimmy Panetta (D-CA)

The bill will:

- Directly add nearly 1.5 million jobs back to the economy, contributing over \$599 billion to the country's GDP.
- Boost federal, state and local tax revenue by \$43 billion.

Without stimulus to drive travel demand, it will take five years for jobs to recover to 2019 levels.

ASK: Please cosponsor and advance the Hospitality and Commerce Job Recovery Act (S. 477, H.R. 1346) to accelerate rehiring by driving demand to travel through temporary tax credits.

POSITION THE U.S. TO WELCOME BACK INTERNATIONAL INBOUND TRAVEL

International inbound travel is considered a U.S. export and historically generated a large surplus for the economy. In 2019, travel exports totaled \$233 billion and delivered a \$51 billion surplus.

However, in 2020, overseas travel to the U.S. declined by 81%, while travel from Mexico was down by 62% and Canada by 77%—causing a loss of \$146 billion to the U.S. economy.

The U.S. has a real opportunity to accelerate recovery by safely welcoming back international inbound travel.

We are urging the administration to **establish a timeline for reopening based on a science-driven approach**. We cannot have a zero-risk tolerance or we will never reopen this country.

The importance of Brand USA

Brand USA is the public-private partnership charged with welcoming travelers to explore all the U.S. has to offer—from big cities to small towns. **With borders closed for over a year, their work will be more important than ever** to rebuild our communities and economy, and will help position us on the world stage.

The top 30 countries have travel promotion entities and will be looking to grow their share of global long-haul travel—we must ensure we can compete.

ASK: Work with Sen. Klobuchar (D-MN), Sen. Blunt (R-MO), Rep. Welch (D-VT) and Rep. Bilirakis (R-FL) on their solution to protect the future of Brand USA.

A FUNDING MODEL IN JEOPARDY

With international borders closed, the lack of inbound travel has resulted in very little collected through the Electronic System for Travel Authorization (ESTA), which helps to fund Brand USA along with a match from the private sector. Several of our congressional champions are working on a solution and we will follow up with you on next steps, but protection of this program will be critical for our industry.

SAFELY RESTORE BUSINESS TRAVEL, MEETINGS AND EVENTS

Full recovery requires the return of business travel, which offers a disproportionate impact to the U.S. economy, accounting for more in total travel spending than leisure travel (30% compared to 20%), and nearly 40% of lodging and air revenue.

In 2020, a devastating **decline of 70%** was projected for business travel spending—**a loss of \$245 billion for the U.S. economy**. Spending related to meetings, conferences and events **fell by 77%** in 2020 to just \$32 billion.

Professional Meetings and Events (PME) are distinct from social or mass gatherings and occupancy limits should be adjusted to permit a safe restart of meetings and events. The structured environment of a professional business meeting or event, where physical distancing and other safety practices can be enforced, is distinct from other forms of social gatherings, meaning it should be possible to safely conduct business events that adhere to healthy and safe gathering guidelines.

There should be a separate definition of professional meetings and events from mass gatherings. With appropriate health and safety practices in place, elected officials should allow for larger gathering limitations throughout the U.S. in an effort to build the economy back.

ASK: U.S. Travel is developing a Plan to Restore Professional Meetings and Events through a science-driven approach to executing meetings and events based on a consistent health and safety framework. We look forward to the opportunity to share more about this plan in the coming weeks.

ADDITIONAL BACKGROUND AND TALKING POINTS

The following background on the role of vaccines and testing in restarting travel can help provide important context for your conversations.

THE ROLE OF VACCINES AND TESTING IN RESTARTING TRAVEL

Widespread vaccination and testing will help safely restart travel. Any federal policies enacted **should not delay, deter and impede recovery**. Traveling can be done safely—especially when implementing a science-driven, risk-based and layered approach.

Testing will be key to opening international inbound travel. However, testing should **negate the need for quarantines**—a known deterrent for travelers. Eight in 10 international travelers will not fly if they have to quarantine upon arrival but 88% are willing to be tested for COVID-19.

Conversely, a domestic testing requirement for air travel should not be instated, as confirmed recently by the Centers for Disease Control and Prevention. This action would pose significant challenges with scalability and feasibility—necessitating a 42% increase in testing capacity—as well as have potential negative consequences to the industry and economy.

The U.S. travel industry is highly supportive of providing robust funds for vaccine distribution. However, we do not believe a vaccine should be a requirement to travel.

Support TRAVEL • Support RECOVERY • Support JOBS