

The Honorable Mitch McConnell

Majority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi

Speaker of the House of Representatives
United States House of Representatives
Washington, DC 20510

The Honorable Charles Schumer

Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy

Minority Leader
United States House of Representatives
Washington, DC 20510

The Honorable Steven Terner Mnuchin

Secretary
U.S. Department of Treasury
Washington, DC 20220

May 28, 2020

Dear Secretary Mnuchin, Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

On behalf of U.S. Travel Association, I write in strong support of efforts in the House and Senate to improve the Paycheck Protection Program (PPP). It is critically important that Congress enact reforms as soon as possible to increase the flexibility of loan forgiveness, extend the rehiring period for loan forgiveness to 24 weeks, and expand program eligibility to destination marketing organizations (DMOs), regardless of their tax filing status.

Many of these reforms are included in H.R. 7010, the “Paycheck Protection Program Flexibility Act of 2020,” as amended, which is why U.S. Travel strongly supports the bill. At the same time, U.S. Travel urges Congress to make additional changes to the bill as it moves through Congress to allow DMOs to access PPP loans.

Ensuring DMOs—which are 501(c) nonprofits or quasi-governmental organizations—can remain afloat through this crisis will not only save countless jobs, but also help the broader travel industry recover from this crisis.

The travel industry workforce has been disproportionately harmed by the economic slowdown caused by COVID-19—accounting for more than a third of all job loss through April. More than half (51%) of travel industry jobs have been lost, which is more than twice the national unemployment rate during the worst point of the Great Depression.

Without sensible reforms to the PPP, not enough travel businesses and organizations will be around to help restore what was lost once this storm passes.

To avoid a worst-case scenario for the industry, Congress should extend the PPP’s loan forgiveness period from 8 to 24 weeks and provide more flexible terms for loan forgiveness. This will help small travel businesses better manage their unique cashflow issues and provide extended relief if demand is slow to recover due to continued physical distancing orders or weaker consumer confidence. Second, Congress should ensure all DMOs have access

to PPP loans. Most DMOs cannot access other forms of relief provided under the CARES Act and will be forced to shut down permanently if left out of PPP for much longer. Without DMOs, consumer demand will be slower to rebound to pre-crisis levels—leading to an extended recession, more job loss and tepid recovery.

Fundamentally, help for small travel businesses must go hand-in-hand with help for DMOs. Any legislation to improve PPP should extend the loan forgiveness period, provide more flexible terms for loan forgiveness, and expand eligibility to all 501(c) and quasi-governmental DMOs.

Thank you for your continued and tireless work to keep Americans healthy and keep our economy strong during this devastating pandemic.

Sincerely,

A handwritten signature in black ink, appearing to be 'Tori Emerson Barnes', with a long horizontal flourish extending to the right.

Tori Emerson Barnes
Executive Vice President
Public Affairs and Policy