

U.S. TRAVEL ASSOCIATION®

April 29, 2020

The Honorable Jovita Carranza
Administrator
Small Business Administration
409 Third Street, SW, Suite 7000
Washington, DC 20416

Dear Administrator Carranza,

We write with urgency to forestall further job loss and economic pain by ensuring Economic Injury Disaster Loans (EIDLs) provide sufficient relief to the travel-related nonprofits and businesses that are ineligible for the Paycheck Protection Program (PPP). As you may know, the travel and tourism industry was one of the first to be impacted by the economic effects of COVID-19 and continues to face a disproportionate share of the damage—accounting for a full third of all jobs lost in the U.S. since the beginning of the crisis.¹

We are glad that Congress provided additional funds for loans and grants through the EIDL program. However, similar to the last installment of EIDL funding, we remain concerned that this next installment may be insufficient to address the needs of vulnerable travel businesses and organizations, particularly those without access to the PPP or any other means of help.

In the previous installment, many applicants received loan amounts that were too small to prevent massive job loss or cover basic expenses. This unfortunate reality was exacerbated for the small nonprofits that couldn't access other forms of relief under the CARES Act, such as 501(c)(6) destination marketing organizations (DMOs). To address this challenge, we ask that the EIDL program focus attention on the businesses and organizations that do not currently qualify for the Paycheck Protection Program, such as 501(c)(6) organizations, by—

- Prioritizing and expediting their applications, including requests to increase the size of previously provided loans;
- Ensuring they are provided with the maximum grant of \$10,000;
- Ensuring their loan sizes are big enough to sustain them as long as possible, up to the maximum \$2 million allowed by law;
- Providing them with a lower interest rate to ensure they are not stuck with the kind of debt that makes it hard to rehire and recover with speed; and
- Providing upfront clarity on whether personal guarantee requirements apply to nonprofit organizations.

¹ [“The Impact of COVID-19 on the United States Travel Economy.” Oxford Economic, April 2020](#)

Immediate action is needed to prioritize support for travel businesses and organizations, which are forecasted to lose at least 8 million jobs by the end of April, putting a giant drag on the economy that will take a long time to undo.

While we understand the task at hand is large and riddled with challenges, we remain confident that with the right policy choices and actions, the economy can come back bigger and better than before. We look forward to working with you to make sure that happens and stand ready to help in whatever way we can. Thank you for your time and attention.

Sincerely,

A handwritten signature in black ink that reads "Tori Emerson Barnes". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Tori Emerson Barnes
Executive Vice President
Public Affairs and Policy