

December 22, 2020

The Honorable Joe Biden President-Elect, United States of America Washington, DC

# Dear President-Elect Biden:

I am writing on behalf of the American Society of Travel Advisors (ASTA) and the more than 140,000 Americans who work at travel agencies across the country to congratulate you and Vice President-elect Harris on a successful campaign while presenting our industry's views on critical policy issues that will soon be under the purview of the Biden Administration.

In normal times, travel agencies – online, "brick and mortar" and many hybrid business models in between – play a critical role in the U.S. travel and tourism industry. In 2019, travel agencies sold the majority of airline tickets in the U.S. – close to 830,000 air tickets *per day* in 2019 – as well as two-thirds of cruises and 68 percent of tour packages. According to the latest data from the U.S. Census Bureau, there are close to 15,000 retail travel agency locations in the U.S. employing over 108,000 people, plus an additional 40,000 self-employed travel advisors. The vast majority of these businesses (98 percent) are small according to the Small Business Administration's size standards, and over two-thirds of them are owned and operated by women.

Due to COVID-19, this business (and any revenue associated with it) has come to an almost complete halt and has remained there since March. Government action – here and abroad – has played a key role in this catastrophe and while public health is paramount in addressing this crisis, we believe governments have a responsibility to provide some level of support to those harmed by the steps they've taken in response to COVID-19. The many government restrictions travel advisors have had to contend with while struggling to keep their businesses alive since March include the European Union's ban on inbound American travelers, the U.S. Centers for Disease Control and Prevention's (CDC) "No Sail Order" effectively halting cruise ship travel for at least a year, the U.S. State Department and CDC's recently-lifted guidance against international travel of any kind and ever-changing state-by-state quarantine requirements for domestic and international travelers.

As a result of COVID-19 and the governmental response to it, according to member surveys, more than 9 in 10 travel agencies' business income is down at least 75 percent compared to 2019. Further, even factoring in the relief programs created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), close to 64 percent of travel agencies surveyed have laid off at least half their staff. And this financial pain has fallen the hardest on small travel agencies. According to the U.S. Bureau of Labor Statistics, small travel arrangement and reservation services shed nearly 39 percent of their workers between February and November, more than five times as many as bigger firms in the same sector and the second-largest negative differential between large and small

employers in the country.<sup>1</sup> This state of affairs threatens to leave the traveling public without access to the critical services travel advisors provide to consumers and travel suppliers' main distribution channel crippled.

While we understand that many industries are facing critical challenges right now, the scenario described above is plainly unacceptable. In our view, since most of the CARES Act relief programs have long since run dry, the first priority of the federal government should be to provide additional financial support to businesses most harmed by COVID-19, a sentiment we know you share. As of this writing, Congress has sent President Trump a year-end deal on COVID relief legislation. While this will provide some "breathing room" for our members, we believe that next year a more comprehensive package targeted at the travel industry and others like it hit hardest by COVID will be needed beyond this temporary "bridge" to March 2021.

Beyond relief legislation, there are numerous regulatory actions that can also be taken in support of the travel industry as a whole and the travel agency sector in particular. As such, we respectfully urge consideration of the following as you and your team prepare to take the reins of the myriad agencies and departments of the federal government in the midst of this crisis.

### **Harmonization of International Travel Restrictions**

Today, for understandable reasons, virtually every country on the planet has some sort of travel restriction in place. According to the travel metasearch site KAYAK, 50 nations are completely closed, 92 are partially open (including the U.S.), 5 are reopening soon and 73 are currently open (though most require mandatory testing or quarantines upon arrival).<sup>2</sup> While a few countries are beginning to loosen restrictions, such as the United Kingdom,<sup>3</sup> and others experiment with "air bridge" concepts allowing inbound travelers to "test out" of mandatory quarantines, such as Delta and Alitalia's Atlanta-Rome initiative,<sup>4</sup> the situation remains complex and ever-changing, and the ongoing uncertainty continues to depress demand for travel. Untangling this situation will take many months and much diplomatic energy, but, as a recent *Wall Street Journal* article put it, "the U.S. could reclaim some world-wide leadership by implementation of rules on testing, quarantines, vaccination requirements and passenger screening. Getting countries to agree on rules for entry, similar to what the U.S. did with passenger-screening requirements after the 2001 terrorist attacks, will be key to restarting international air travel."<sup>5</sup>

✓ <u>Request</u>: Focus the diplomatic assets of the U.S. government toward working with international counterparts to restore a free flow of travel across borders subject to appropriate public health measures.

<sup>&</sup>lt;sup>1</sup> Simon, Ruth. "For small firms, Covid-19 cuts deeper: 'It's getting worse every day." Wall Street Journal. 2020, December 19. Retrieved from <a href="https://www.wsj.com/articles/for-small-firms-covid-19-cuts-deeper-its-getting-worse-every-day-11608354002">https://www.wsj.com/articles/for-small-firms-covid-19-cuts-deeper-its-getting-worse-every-day-11608354002</a>.

<sup>&</sup>lt;sup>2</sup> KAYAK.com. "Travel restrictions by country." 2020, 8 December. <a href="https://www.kayak.com/travel-restrictions">https://www.kayak.com/travel-restrictions</a>
<sup>3</sup> Frary, Mark. "U.K. to allow quarantine exemption for some business travelers." Business Travel News. 2020, December 3. Retrieved from <a href="https://www.businesstravelnews.com/Global/UK-to-Allow-Quarantine-Exemption-for-Some-Business-Travelers">https://www.businesstravelnews.com/Global/UK-to-Allow-Quarantine-Exemption-for-Some-Business-Travelers</a>.

<sup>&</sup>lt;sup>4</sup> Noack. Rick. "Delta announces quarantine-free flights to Rome, raising hopes for more travel corridors." 2020, 27 November. Retrieved from <a href="https://www.washingtonpost.com/world/2020/11/27/quarantine-free-flights-between-europe-and-us/">https://www.washingtonpost.com/world/2020/11/27/quarantine-free-flights-between-europe-and-us/</a>.

<sup>&</sup>lt;sup>5</sup> McCartney, Scott. "How the Biden Administration will tackle travel." Wall Street Journal. 2020, 18 November. Retrieved from <a href="https://www.wsj.com/articles/how-the-biden-administration-will-tackle-travel-11605695401">https://www.wsj.com/articles/how-the-biden-administration-will-tackle-travel-11605695401</a>.

### **Harmonization of State Travel Restrictions**

As mentioned above, in addition to federal and international government COVID restrictions, advisors have also had to deal with complex and frequently-shifting quarantine requirements implemented at the state level. The state "default setting" seems to be a mandatory, two-week quarantine for anyone arriving from out-of-state (including the state's own residents). In effect, this means that residents returning from a business trip or a sorely-needed vacation to Florida or the Caribbean would need to observe a strict two-week quarantine upon arrival, regardless of COVID infection status. This transforms a hypothetical weeklong trip into a three-week ordeal, and serves as a strong disincentive to undertake travel of any kind – at the worst possible time for our members' businesses. In recent months, a number of states, including Connecticut, Hawaii, Massachusetts and New York, have adopted exemptions to the quarantine requirement for those who test negative – either before or after arrival, or both. Depending on the state, this negative test is required before arrival (as Hawaii and Massachusetts do) or either before or after arrival (Connecticut). While shortages in the availability of rapid testing could present challenges to this approach, it is far preferable to a mandatory, across-the-board and difficult to enforce two-week quarantine.

✓ <u>Request</u>: Direct the CDC to issue standards with regard to state-level **travel restrictions** allowing returning travelers to "test out" of any quarantine requirement.

# **Mandate Mask-Wearing on Commercial Flights**

In July, ASTA called on the federal government to mandate mask-wearing on all commercial flights, and thus welcomed your campaign promise to institute a mask mandate on public transit and airlines. As we noted at the time, "In the absence of reliable, non-invasive, rapid-response virus testing, it's clear that when it comes to flying, more consumers need the assurance that those they are in close quarters with will act responsibly. Most airline carriers have required a mask for all employees and passengers. But, their authority to enforce mask compliance rests with the Federal Aviation Administration...Is it high time for the FAA to require the use of masks for all flights? In our view, yes." This straightforward and relatively painless step would increase consumer confidence in the safety of air travel and would also reduce the burden of enforcing mask policies on frontline workers and others in industry.

✓ <u>Request</u>: Direct the CDC to use its authority to require masks on commercial flights and the Transportation Security Administration (TSA) to require mask usage as a part of the airport security screening process.

# **Preserve the Conditional Sailing Order for Cruise Ships**

On October 30, the CDC replaced its draconian "No-Sail Order," in place since March, with a framework for a phased resumption of cruise ship operations. This was welcome news, as the cruise industry is vital to the financial health of the travel agency sector. According to the research firm PhocusWright, 60 percent of travel advisors nationwide specialize in selling ocean cruises, and

<sup>&</sup>lt;sup>6</sup> See "<u>Coronavirus (COVID-19) Transportation Related Information and Resources</u>," Hawaii Department of Transportation; Exec. Order No. 9C: "<u>Revisions to Self-Quarantine for Certain Travelers</u>" (Sept. 16, 2020); and "<u>COVID-19 Travel Order: International Travel</u>," Massachusetts Department of Public Health.

<sup>&</sup>lt;sup>7</sup> American Society of Travel Advisors. (2020, July 31). For Americans to Return to the Skies, It's Time for an FAA Mask Mandate [Press release]. Retrieved from

https://www.asta.org/About/PressReleaseDetail.cfm?ItemNumber=30409&navItemNumber=539.

<sup>&</sup>lt;sup>8</sup> U.S. Centers for Disease Control and Prevention. "Cruise Ship Guidance." 2020, October 30. https://www.cdc.gov/quarantine/cruise/index.html

in 2019, travel agencies and advisors sold approximately \$13 billion worth of cruises in the U.S. – two-thirds of the market. With the No Sail Order in place, all of this economic activity came to a halt, with agency staff furloughs and terminations in its place. The current "Conditional Sailing Order" requires extensive cruise line coordination with federal, state and local public health authorities and other cruise community stakeholders before sailings are permitted and thus in our view is the appropriate regulatory framework for cruising between now and when a COVID-19 vaccine becomes widely available.

✓ <u>Request</u>: Direct the CDC to maintain the current framework for a phased resumption of cruise ship operations.

Although there are a number of other policy issues your administration will consider in the coming months and years of concern to ASTA and its members, including overtime and independent contractor regulations and Cuba travel, we ask that you focus on the regulatory priorities identified above, which will help the travel agency sector survive the COVID-19 crisis. While it will take several years for our part of the travel industry to return to health, taken together with the urgently-needed additional relief legislation from Congress, we believe the steps outlined above will help speed the recovery and put travel agencies in a position to serve the traveling public once the economy rebounds.

On behalf of our 14,000 member companies across the country, we invite you to use our association as a resource for any questions you or your staff may have concerning COVID-19 and travel, the industry generally and the travel agency business in particular. As you proceed to the next stages of the transition, we would welcome the opportunity to discuss these issues and other industry priorities with you and the transition team staff.

Thank you for considering our views on these critical issues, and if we can ever be of assistance please do not hesitate to contact me or Eben Peck, ASTA's Executive Vice President, Advocacy, at (703) 739-6842 or epeck@asta.org.

Yours Sincerely,

4 Bhl

Zane Kerby

President and Chief Executive Officer

<sup>&</sup>lt;sup>9</sup> Phocuswright: <u>U.S. Travel Agency Distribution Landscape</u>: <u>2016-2021</u>.