February 24, 2021

South Florida Congressional Delegation Washington, D.C.

Dear Senators and Members of Congress:

We write on behalf of the more than 14,000 Floridians who work in the travel agency sector in our state and the broader Florida travel and tourism industry to request immediate assistance to help our businesses survive and recover from the catastrophic impact of the coronavirus (COVID-19) crisis.

As a result of COVID-19 and the governmental response to it, average travel agency business income was down 82 percent in 2020 as compared to 2019 according to American Society of Travel Advisors (ASTA) survey data. Even factoring in the relief programs created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) and successor legislation, the average travel agency has laid off close to 60 percent of its staff. And due to industry economics (i.e., commission payment schedules), there will be a substantial time lag between a return of travel bookings and a corresponding return of business income – an anticipated average of eight months' delay.

Government action – here and abroad – has played a key role in this catastrophe, the most recent examples being the Centers for Disease Control and Prevention's (CDC) requirement of a negative COVID test for entry to the U.S., and the Canadian government's announcement that it is closing its ports to cruise ships through early 2022. We understand that our country is facing the worst public health crisis in history and understand the rationale as well behind these government restrictions. That said, we believe the government has a responsibility to provide some level of support to those businesses harmed by its response to COVID-19. Financial support for the travel industry has been uneven so far, especially with regard to less visible sectors of the industry like travel agencies.

As leaders of the travel industry here in Miami-Dade, Broward & Palm Beach Counties heavily dependent on the safe resumption of cruising from PortMiami, Port Everglades and other ports in the State of Florida and elsewhere, we are particularly concerned with the Canadian government's decision to keep its ports closed for another year. As you know, the Passenger Vessel Services Act (PVSA) prohibits foreign-flagged vessels from sailing between U.S. domestic ports, which means that Canada's decision (unless soon reversed) imperils any chance to execute the 2021 Alaska and Canada/New England cruise seasons.

Again, we believe that when government action, taken in the interest of protecting public health, has a disproportionally negative impact on a specific industry, as is the case here, it is a matter of fundamental fairness that the government provide targeted relief to the businesses most severely affected. As such, we respectfully ask you to support the following priorities in any upcoming COVID-19 relief and recovery legislation:

• Create a \$9.3 billion travel agency grant program akin to those created by the Continuing Appropriations Act of 2021 (P.L. 116-159) for performing arts venues, movie theaters and

museums (\$15 billion) and motorcoach, ferry and private school bus operators (\$2 billion). This amount represents projected second through fourth quarter 2021 revenue loss based on a wide-ranging survey of over 1,500 ASTA members conducted on January 28 and 29, 2021, and is almost certainly conservative.

- Expand eligibility in the Shuttered Venue Operators Grant Program (referenced above) to include attractions, meeting and event organizers <u>and</u> travel agencies who promote, plan and book travel to those attractions and events. Such an expansion would be similar in spirit to the original shuttered venue program, which includes not just venue operators but also promoters, producers and talent representatives.
- Include NAICS Code 5615 (Travel Arrangement and Reservation Services) in the Continuing Appropriations Act's provision allowing certain businesses to receive a PPP loan of 3.5 times their average monthly payroll versus 2.5 times for other applicants.
- Support any and all efforts to mitigate the impact of the Canadian government's decision to suspend cruise operations in Canadian waters through February 2022 and to otherwise ensure the cruise industry in Alaska can resume operations as soon as possible.

Without this support from Congress, the very future of the travel agency is in doubt. The vast majority of U.S. travel agencies (98 percent) are small businesses under the Small Business Administration's (SBA) size standards, and over two-thirds of them are owned and operated by women. These women and men – your constituents – are at risk of losing their livelihood and desperately need your support.

Thank you for considering our views on this critical issue at what we know is a challenging time for you and for our country. We stand ready to provide any information or assistance required to bring the items above to fruition.

Sincerely,

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