



March 20, 2020

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 20515

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 20515

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

As you work to put together an unprecedented economic package in response to the unfolding coronavirus pandemic, I write 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 present our industry's views on steps Congress can do to protect our member companies through and after this crisis.

The vast majority of U.S. travel agencies (98 percent) are small businesses according to Small Business Administration's (SBA) standards, and over two thirds of them are owned and operated by women. At last count, there were close to 15,000 retail locations in the U.S., employing over 108,000 people, plus an additional 40,000 self-employed travel advisors working mostly as independent contractors (ICs). Due to the coronavirus crisis and its impact on travel, new business has largely come to a halt in the past few weeks and layoffs and agency closures have begun in earnest. As of March 19, 77 percent of ASTA members surveyed predicted they will be out of business in six months or less if current conditions hold.

We understand that many industries are facing critical challenges right now, and that requests specific to the travel sector range from \$58 billion for passenger and cargo airlines to \$10 billion for U.S. airports. With respect to travel, we feel strongly that any targeted relief for the sector should be open to travel agencies and not simply limited to the largest companies in the industry. A scenario where the largest travel companies survive and recover from this crisis while the thousands of overwhelmingly small businesses that distribute their products are allowed to fail is an unacceptable outcome.

Our requests to Congress, some specific to travel and some relating to general support for U.S. businesses, are as follows:

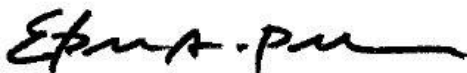
- **Airline Sector Grants** – As part of any airline assistance package, we respectfully request the inclusion of grants to ticket agents as defined in 49 U.S.C. 40102(45) in the aggregate amount of \$7.7 billion to compensate for reduced liquidity (net of financing) – from December 31, 2019 through December 31, 2020 – attributable to coronavirus concerns. This amount represents projected 2020 revenue loss based on a wide-ranging survey of over 1,500 ASTA members conducted on March 5 and 6, 2020, and is almost certainly conservative.

- **Airline Sector Loans** – We also request a voluntary liquidity facility program in an aggregate amount up to \$6 billion pursuant to which the Federal Reserve would purchase financial instruments from or provide zero interest unsecured loans or zero interest unsecured loan guarantees to ticket agents as defined in 49 U.S.C. 40102(45). This amount takes Airlines for America's request for loans for passenger airlines and adjusts it proportionally based on passenger airline 2019 employment (according to the Bureau of Transportation Statistics) versus 2017 travel agency employment (according to the U.S. Census Bureau, latest available).
- **Small Business Interruption Loans** – We strongly support The Keeping Workers Paid and Employed Act, Division A of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, a \$300 billion small business emergency economic relief plan that will help small businesses impacted by the coronavirus pandemic make payroll and cover expenses. In order for relief to flow to the largest part of our membership, we request that a provision that appeared in an early draft of this “Rubio-Collins” proposal expanding eligibility for relief to businesses up to 300 percent of the applicable SBA size standards be re-inserted. In the same vein, we ask that self-employed individuals are explicitly included as eligible recipients of this aid.
- **Travel Employment Grants** – While Division C of the CARES Act includes \$150 billion in loans and loan guarantees for distressed sectors of the American economy beyond the airlines, it is not specific to travel. As such, we request that Congress include the U.S. Travel Association's (USTA) proposal to provide \$150 billion in grants through the Treasury Department to travel-dependent businesses to maintain employment at pre-coronavirus levels. Travel was the first sector heavily impacted by this crisis and recovery will come slow after it passes. According to USTA, 4.6 million Americans – 50 percent of the travel industry's workforce – could lose their jobs by the end of April if targeted travel industry relief is not provided.
- **Unemployment Benefits for the Self-Employed** – As mentioned, there are currently around 40,000 independent contractors working in the travel agency industry, and their business income has seized up along with every other part of the industry. However, these self-employed individuals typically do not have access to federal and state unemployment benefits, as laid-off W-2 employees do. As such, we request that the final coronavirus response package incorporate the Coronavirus Worker Relief Act (H.R. 6207/S. 3476), bipartisan, bicameral legislation will provide disaster unemployment assistance to people who are unable to work due to the current coronavirus outbreak, including self-employed individuals and ICs.

While it will take years for the travel agency industry to recover from this crisis, taken together we believe the steps outlined above will help speed that recovery and put travel agencies in a position to serve clients once the economy rebounds.

Thank you for work so far to help our country prepare for this crisis and to lay the groundwork for our eventual recovery, and for considering our views at what we know is a challenging time for you. We stand ready to provide any information necessary to bring to fruition the items outlined above.

Yours Sincerely,



Eben Peck  
Executive Vice President, Advocacy  
American Society of Travel Advisors (ASTA)