

U.S. TRAVEL ASSOCIATION*

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

April 8, 2020

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

Thank you for your leadership in enacting the Coronavirus Aid, Relief and Economic Security (CARES) Act. While the CARES Act is a start, it is critical to provide relief to sectors of the travel industry that were not adequately covered under the Act—particularly for 501(c) organizations and local travel-related quasi-governmental organizations, which are the engines of the travel economy. We are asking that you prioritize these businesses and amend the CARES Act quickly to ensure that all 501(c) organizations are eligible under the Paycheck Protection Program (PPP) and receive adequate relief in the next coronavirus relief package being discussed now.

The travel industry provides 15.8 million jobs across the country, fuels \$1.1 trillion in traveler spending and generates \$2.6 trillion in economic output annually. Destination Marketing Organizations (DMOs), conventions and visitors' bureaus and state tourism offices are some of the primary drivers of these economic benefits, enhancing brand awareness and promoting sales and marketing efforts both domestically and internationally that inspire travel. Many of these statewide and regional DMOs are small, 501(c)(6) or 501(c)(4), nonprofit organizations that provide marketing and critical economic support for both the travel industry and the communities they serve. Their efforts drive customers to local small businesses and supports local jobs—placing them at the forefront of economic development for communities nationwide. Their work will be especially critical when we look toward recovery from the coronavirus pandemic.

As of now, DMOs and other 501(c) (4) and (6) nonprofits and local travel-related quasi governmental organizations are ineligible for much of the relief offered in the CARES Act, most notably the loan forgiveness available under the PPP. Without access to this program, DMOs across the country—which are among the hardest hit by the significant declines in travel spending—are being forced to lay off thousands of employees, which will only lengthen our country's recovery from this crisis. As civic-oriented nonprofits, it will be difficult for them to qualify for other types of SBA loans, and this will only reduce what they can reinvest back into their community's economic recovery. Without these DMOs, recovery will inevitably take a much longer time. We must secure the immediate relief they so desperately need to ensure they can continue to deliver for our communities.

Without additional assistance, millions more workers across the country will be impacted by these layoffs. We know you are working around the clock, as we all are, to support the travel workforce and businesses who are among the most severely impacted by the crisis. We are grateful for your continued support of our industry and urge you to act quickly to rectify this issue for all DMOs of all structures.

Signed,

Identical Letter Sent to:

The Honorable Marco Rubio
The Honorable Ben Cardin
The Honorable Nydia Velazquez
The Honorable Steve Chabot