## **The Honorable Charles Schumer**

Minority Leader United States Senate Washington, DC 20510

July 30, 2020

Dear Leader Schumer,

The U.S. travel industry has been hit harder than any other industry by the pandemic. In 2019, there were 15.8 million travel dependent jobs. As of May, 8.1 million of those jobs have been lost. Traveler spending is forecast to decline by \$519 billion by the end of this year.

We write as dedicated servants of the businesses and workers who depend on travel and tourism in towns and regions throughout New York. Significant and immediate relief is absolutely necessary to bring back jobs in New York and provide for the economic well-being of those who are suffering greatly as a result of the COVID-19 pandemic.

It will be challenging for travel to rebound from the current downturn without real assistance and meaningful help from Congress. Thankfully, there are several critical pieces of Senate legislation that could enable a faster recovery for those who have already lost so much.

A critical provision for the travel industry in the HEALS Act, that expands upon a key HEROES Act provision, and would be instrumental for the strong and safe return of travel, is:

• Paycheck Protection Program relief for destination marketing organizations (DMOs). DMO budgets have been catastrophically impacted by the drop in tourism revenues, but our work will be crucial for rebuilding consumer demand for travel—which is the only way to sustain job growth, especially to lesser-known destinations. DMOs also play a key role in disseminating information for the safe reopening of travel and are pivotal for the economically vital and highly competitive pursuit of large meetings, conventions and events. The HEALS Act Eligibility extends PPP eligibility to a DMO with 300 employees or less and is designated a 501(c) or quasi-governmental entity, plus other beneficial details.

Another key lifeline for regional travel and tourism is S. 4299, the Sustaining Tourism Entities through the COVID Pandemic (STEP) Act introduced by Senators Cortez Masto, Blunt, Cramer and Klobuchar. We are hopeful that you will advocate for including the STEP Act as part of the final HEALS Act. Important elements include:

- Establishing a tourism and events recovery grant program within the Economic Development Administration. The STEP Act directs the Secretary of Commerce to establish within 90 days a grant program within EDA to promote economic recovery in communities affected by a decline in tourism and events due to COVID-19.
- Allowing STEP Act grants to be used for tourism promotion, cleaning services, and salaries. Grants may be used for tourism promotion and marketing, providing health and safety information, cleaning and sanitation services, and salaries of employees that would perform these services.

• Authorizing \$10 billion to be appropriated for STEP Act grants. The bill sets aside 2% of these funds to hire additional staffing to carry out the program to help EDA administer the grants in a timely manner.

There are several other important provisions included in the HEALs Act, such as: an expanded employee retention tax credit; refundable tax incentives for PPE, testing and sanitation as well as full deductibility of meals and beverages for businesses; \$10B in airport funding; and the inclusion of the TEST Act authored by Senators Bennet, Sinema, Gardner and Romney, which would provide the necessary federal leadership desperately needed regarding testing and contact tracing.

However, we cannot underscore enough how critical the DMO eligibility in PPP and passage of the STEP Act are for the ultimate recovery of New York. Without help, many more jobs will be lost.

We are grateful for your longtime support and recognition of travel and tourism as a cornerstone piece of the economy both in New York and across our country. Please let us know any way we can assist in advancing these crucial pieces of legislation as Congress moves into final negotiations over coronavirusrelated relief.

Sincerely,