



March 2, 2022

The Honorable Charles Schumer
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 Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

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

I write on behalf of the American Society of Travel Advisors (ASTA) and the more than 160,000 Americans who work at travel agencies across the country at what we know is a challenging time for you given the state of the world. Our urgent request is that support for travel-reliant small businesses be included in the Fiscal Year 2022 government funding package (“omnibus”).

In normal times, travel agencies – online, “brick and mortar” and many hybrid business models in between – play a central 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* – 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 60,000 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.

As a result of the COVID-19 pandemic and the governmental response to it, this business (and any revenue associated with it) came to an almost complete halt in March of 2020 and remained there for a number of months. Since then, we have seen a succession of viral variants and complex, ever-changing government restrictions on and warnings against travel and now, the most consequential war in Europe since the end of World War II. As a result, our sector’s recovery has been painfully slow – with average travel agency revenue levels still down 71 percent compared to 2019 according to ASTA member surveys. Even when 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 more than 40 percent of its staff. And due to industry economics (i.e., commission payment schedules), there will be a substantial time lag between travel bookings and a corresponding return of business income – an anticipated average of over eight months’ delay. This state of affairs threatens to leave the traveling public without access to the critical services advisors provide, the value of which has grown as travelers grapple with ever-changing travel rules, and travel suppliers’ main distribution channel crippled.

While we understand that many sectors continue to face critical challenges related to COVID right now, we view the scenario described above as unacceptable. To prevent it, we respectfully request inclusion of the following items in the forthcoming omnibus package:

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Alexandria, VA 22314

- **Restore the Employee Retention Tax Credit** – The Employee Retention Tax Credit (ERTC), created by the CARES Act and subsequently extended, provided a refundable tax credit of up to \$7,000 per employee per quarter for businesses whose revenue has been reduced by at least 20 percent as compared to 2019. However, the Infrastructure Investment and Jobs Act (P.L. 117-58) moved up the ERTC’s expiration date by one quarter, from December 31 to September 30, 2021. With earlier relief programs long since expired, many travel agencies were counting on the ERTC to help them get through the fourth quarter of 2021 and its early termination stopped the recovery process in its tracks. We feel strongly that the credit should be not just restored but extended into 2022 and request that the omnibus, at minimum, include the language of the bipartisan Employee Retention Tax Credit Reinstatement Act (S. 3625/H.R. 6161), introduced in the House by Rep. Carol Miller (R-WV) and in the Senate by Sen. Maggie Hassan (D-NH), to retroactively reinstate the ERTC through the end of 2021. If changes must be made along with the credit’s restoration or extension, consider increasing the ERTC’s revenue-loss threshold back to the 50 percent level established when it was created in March 2020.
- **Include Travel Agencies in Small Businesses Relief Programs** – Given the severity and longevity of the financial losses suffered by our members and other travel-reliant small businesses, it is imperative that Congress include these businesses in any new or expanded small business relief programs in the omnibus (or any other legislative) package. In our view, this support should flow to all corners of the travel and hospitality industry impacted by COVID and not be limited the highest-profile sectors of the industry. Our favored approach to doing so is the Securing Access for Venue Equity (SAVE) Act (H.R. 2120), bipartisan legislation introduced by Rep. Mark Amodei (R-NV) to make travel agencies and other hard-hit businesses eligible for the Shuttered Venue Operators Grant program established at the end of 2020. Another way to do is through industry-neutral grant assistance to small businesses, either as part of the Restaurant Revitalization Fund or adjacent to it, based on an objective COVID-related revenue-loss threshold. For example, the Economic Bridge Coalition, which ASTA co-founded, has suggested that eligibility for assistance be established through a minimum revenue-loss threshold of at least 25 percent between the second quarter of 2020 through the first quarter of 2021 relative to the same quarters in 2019.

While it will take several years for our sector of the travel industry to return to health, we believe the steps outlined above, coupled with urgently needed regulatory relief such as [modifying the U.S. Centers for Disease Control and Prevention’s international air travel testing rule](#), will help speed this recovery and put travel agencies in a position to serve the traveling public once travel recovers to its pre-COVID trajectory.

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,



Zane Kerby
President and Chief Executive Officer