



January 14, 2025

President Donald J. Trump
Washington, D.C.

Dear President Trump:

Congratulations on your reelection as the 47th President of the United States. The American Society of Travel Advisors (ASTA) shares your vision for fewer government regulations which will in turn allow businesses of all sizes to thrive. In this spirit, I bring to your attention several regulatory policies harming our nation's travel agencies of all sizes, from independent home-based small businesses to travel management companies (TMCs).

By way of background, ASTA is the world's leading professional travel trade organization, representing nearly 200,000 travel advisors across the country. Travel agencies – online, “brick and mortar” and many hybrid business models in between – play a critical role in the broader travel and tourism economy. Ninety-eight percent of travel agencies are small businesses as categorized by the Small Business Administration, and eighty percent of them are women-owned.

As travel becomes more complex, demand for travel advisors (formerly known as travel agents) continues to grow. These trusted professionals manage every aspect of a journey – whether leisure or business travel – from pre-trip planning to support during travel and follow-up upon return. Travel advisors are a lifeline, offering peace of mind in the event of an emergency or unexpected change in plans, and serve as strong advocates for their clients throughout the entire process. Likewise, corporations look to travel agencies and TMCs to efficiently manage their employees' travel requirements within budgets and in accordance with their travel policies.

ASTA's membership accounts for an annual payroll output of more than \$5.5 billion and annual revenues of \$17.7 billion. Gross travel agency bookings exceeded \$115 billion in 2023, and travel agency sales are expected to account for over a quarter of the travel market by 2026, for a total of \$141 billion. In 2023, travel agencies sold 735,000 airline tickets *per day*, totaling more than \$95 billion.

Despite economic pressures, these numbers are evidence that our members' services are very much in demand. Travel agencies experienced a 32 percent increase in bookings from 2022 to 2023. Final numbers from 2024 are expected to surpass pre-pandemic levels, with 2025 showing even greater promise. The Bureau of Labor Statistics is predicting consistent year-over-year increases in the profession over the next decade, and [LinkedIn's Jobs on the Rise](#) survey recently ranked travel advisor as the fifth (out of 25) fastest growing job.

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As travel agencies around the nation prepare to see unprecedented growth in 2025, I share with you a number of regulations that are currently hindering their progress. Before doing so, however, I want to offer ASTA's sincere appreciation for one of your first Administration's acts, namely, the removal of travel agencies from an arbitrary regulatory "blacklist" maintained by the Department of Labor (DOL). For fifty years, inclusion on this list had blocked travel agencies from utilizing an exemption from federal overtime rules designed for retail businesses. Travel advisors frequently work irregular hours to help clients face travel disruptions, as highlighted during the COVID-19 pandemic, and travel agencies deserved the same access to the exemption as any other retail business.

ASTA had been pressing this issue in Congress and within the Administration since 2016. This included meeting with senior DOL officials, filing a formal petition for rulemaking, and garnering support for legislation introduced by then-Congressman Francis Rooney to remove travel agencies from the blacklist. It also included coordinating a congressional coalition letter on the topic, and recommending the White House take action as a pro-business regulatory initiative at the outset of the COVID crisis. In 2020, the Administration rescinded the blacklist in its entirety, a landmark win for not only travel agencies but all businesses that had appeared on the list. On behalf of the travel advisor community, we thank you.

DOT Regulations Relating to Airline Ticket Refunds

Travel agencies are regulated by the DOT as sellers of air tickets ("ticket agents") and therefore have a vested interest in the actions of the Department. In April 2024, DOT published a [final rule](#) relating to airline refunds and consumer protections. ASTA was firmly opposed to one provision of the regulation which requires merchant of record ticket agents to pay refunds to consumers when a flight is cancelled or significantly changed, even when the agency is not in possession of the funds. Consequently, since October 28, 2024, travel agencies have been responsible for compliance with this requirement, a substantial hardship for small businesses to address situations they had zero control over.

While ticket agent merchant of record transactions may be limited, less than 10 percent of travel agency bookings according to the Department, for those it affects, it affects them greatly. We've heard from numerous members whose businesses specialize in large group bookings with all-encompassing itineraries who spend tens of thousands of dollars on airline tickets per booking, to the tune of millions per year. These travel agencies do not and will not have the capital to provide airline refunds to these clients without first receiving the refund from the airline. In the rule, the Department failed to address how and when airlines must reimburse ticket agents when they are responsible for issuing the refund.

Recognizing this, the FAA reauthorization bill ([P.L. 118-63](#)) directed DOT to issue a final rule to apply refund requirements to ticket agents. Throughout the process, we maintained our position

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that airlines should be required to refund ticket agents within the same seven-day timeframe it requires the airlines to refund the consumer. Instead, in August, DOT issued a final rule that stated airlines must “promptly transfer the funds to the ticket agent” but failed to specify a timetable for doing so.

Travel agencies should not be required to refund their clients until they receive the funds from the airline. As you review DOT regulations, we respectfully ask that you consider modifying this rule to ensure travel agencies receive payment from airlines within seven days and be permitted an additional seven days to refund their clients.

Independent Contractors

Travel agencies rely heavily on the services of independent contractors (ICs), an arrangement that provides substantial benefits for both workers and agencies in situations where a traditional employment relationship is impractical or uneconomical. An estimated 85,000 ICs work in our industry, nearly 50 percent of the total industry workforce, and those numbers are only likely to grow.

In 2021, regulations issued by your Department of Labor took effect that streamlined the process for classification of workers for federal purposes, narrowing a number of factors down to two that would be the most predictive of a worker’s status. These were identified as “core factors,” namely: (i) the nature and degree of the individual’s control over the work; and (ii) the individual’s opportunity for profit or loss. These, we believed, were rightly entitled to both greater scrutiny and greater weight when determining the proper classification of the worker as an employee or an IC. Accordingly, ASTA supported the rule, as it provided greater certainty for businesses when classifying workers. For ASTA’s comprehensive views on the subject, you can access our original response to the NPRM on this topic [here](#).

In January of 2024, President Biden’s DOL issued a new rule on ICs, withdrawing the previous rule, and restoring the Obama administration’s economic realities test with six unweighted factors. The rule created more decisional inconsistency and confusion around classification. Courts interpret the rules differently, leaving travel agencies to wonder if their contracted worker relationships would be upheld should they be challenged. Furthermore, this rule, de-emphasizing the primacy of the control factor, conflicts with the common law test long used by the Internal Revenue Service, thus creating a greater likelihood that a worker could be considered an IC for income tax purposes but an employee under the Fair Labor Standards Act.

ASTA urges you to revert to the standard set forth in the 2021 rule enacted under your first presidency, thereby creating more certainty in determining IC status. Additionally, we strongly encourage you to adopt a single standard across agencies to determine worker status for all federal purposes.

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DOL Overtime Rule

On November 15, 2024, the federal district court hearing the case of *State of Texas v. U.S. Department of Labor, et al.*, entered an order invalidating the Department of Labor's April 2024 [final rule on overtime](#), holding that the DOL exceeded its authority in issuing it. ASTA was opposed to the rule, having [submitted comments](#) during the draft rule phase, and this decision was welcomed news to the association and the travel agency businesses – large and small – we represent.

The case was one of three actions brought in the federal courts challenging the validity of the rule which, among other things, increased the minimum salary for overtime-exempt workers to \$43,888 beginning on July 1, 2024. The final rule would have also implemented a further salary increase to \$58,656, effective January 1, 2025, and automatic updates every three years beginning in 2027. In light of the court's decision, the minimum salary threshold for overtime-exempt workers returns to the 2019 level, namely, \$35,568.

To our surprise, the Biden administration has chosen to appeal this decision. It is our request that you abandon the DOL's appeal once you take office.

Implementation of FAA Reauthorization Legislation

Last year's FAA reauthorization legislation created a Passenger Experience Advisory Committee within DOT to advise the Transportation Secretary on ways to improve the passenger experience in air transportation. This committee would be comprised of representatives from at least 17 segments of industry, including one representing ticket agents. The legislation directs the Secretary to establish the committee within one year of the date of the enactment (May 16, 2024).

ASTA encourages you to quickly establish this committee and appoint a representative from the travel advisor community to serve as the ticket agent representative. As evidenced by the disappointing rule on airline ticket refunds, the travel advisor voice is sorely lacking within conversations on air travel, despite accounting for 40 percent of all air ticket sales.

Additionally, the legislation directed the Department of Transportation to streamline "offline disclosures" when consumers are booking air travel. This is applicable to travelers who book with travel agencies by means other than electronic – on the phone and in person, for example. The law directs DOT, within 18 months of enactment, to update the required process by which an air carrier or ticket agent fulfills the disclosure obligations in these transactions. We ask your administration to move quickly on this provision.



Nominating an Assistant Secretary for Travel and Tourism at Commerce

As part of a larger spending bill, at the end of 2022, President Biden signed into law provisions of the Visit America Act/Omnibus Travel and Tourism Act (H.R. 6965/S. 3375), which, among other things, created an office for an Assistant Secretary for Travel and Tourism at the Department of Commerce.

During the COVID-19 pandemic, travel advisors had a front-row seat to the scattered nature of federal oversight of the travel industry. Contending with numerous federal agencies and ever-changing, and sometimes conflicting, rules regarding travel, all while struggling to keep their businesses alive, imposed unnecessary and avoidable hardships on travel advisors. Creating a high-level leadership position within a single agency of the federal government focused on travel industry concerns would protect the industry from unnecessary setbacks in the future.

Surprisingly, the U.S. is the only G20 country without a federal agency or cabinet-level official in charge of tourism policy. We ask you to nominate a qualified travel professional for this position once the nominee for Commerce Secretary is confirmed.

Implementation of Travel Bans

Travel advisors infuse millions of dollars into the United States travel and tourism economy. Many advisors work in corporate travel – including on government contracts – to facilitate business travel worldwide.

Any restrictions on travel to, from or within the United States would create tremendous uncertainty in an industry that is highly vulnerable and reactive to uncertainty. Further, any ban or complicated restriction on travel to the United States would negatively affect our country's position to fight for its share of the international travel market. As you and your Cabinet deliberate policies to support an expanding economy, we encourage you to consider that any burdensome policies put in place would only harm the ability for businesses to thrive in a sector that has proven its potential for exponential growth.

We respectfully request you resist the imposition of travel bans, as it could negatively affect our standing as a leader in the global economy, and we urge you to ensure that the freedom to travel across the globe continues to be allowed.

Junk Fees

Lastly, I wish to draw your attention to a [recent rulemaking](#) by the Federal Trade Commission regarding lodging and event-related “junk fees.” While ASTA was largely in support of the overall rule, it fell short in two areas. First, in the event a travel agency receives inaccurate

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information from a hotel, the advisor's client could still file a complaint against the travel agency. As a matter of fairness, we stated in [our comments](#) to the draft rule that intermediaries who reasonably rely on erroneous information provided by the entity charging the fee should be relieved of liability for the error. To that end, ASTA requested that the final rule include either an outright exemption for intermediaries or a "safe harbor" mechanism to protect an innocent third-party seller from enforcement action in this scenario. Neither was provided for in the final rule, but the FTC committed to further examine these "nuanced situations" where imposing a penalty would be unfair, and we hope you will continue with such an examination.

Secondly, TMCs manage their corporate clients in a vastly different manner than travel advisors who primarily serve leisure travel clients. Booking systems used by travel managers are behind the scenes, and not subject to varying prices on various websites. Additionally, fees can be waived based on contractual agreements or differ based on the nature of business-related travel. As such, we believe TMCs should be exempt from FTC enforcement altogether, much in the way they were for the DOT [rule on ancillary fees](#).

Conclusion

Thank you for considering our views on these critically important subjects. I invite you to use our association as a resource for any questions you and your staff may have concerning the travel and tourism industry and the travel agency business in particular. We would be happy to provide any additional information you require to move forward with your policy priorities. Please do not hesitate to contact Jessica Klement, ASTA Vice President, Advocacy at (703) 739-8711 or jklement@asta.org.

Yours Sincerely,

Zane Kerby
President and Chief Executive Officer