



March 29, 2021

The Honorable Andrew Cuomo  
Chair  
National Governors Association  
444 North Capitol Street, Suite 267  
Washington, DC 20001

The Honorable Asa Hutchinson  
Vice Chair  
National Governors Association  
444 North Capitol Street, Suite 267  
Washington, DC 20001

Dear Governors:

I write on behalf of the 14,000 members of the American Society of Travel Advisors (ASTA) and the more than 160,000 Americans who work at travel agencies in your states and across the country to request that support for these businesses be included in legislation to allocate the state fiscal relief funding provided by the federal American Rescue Plan Act of 2021 (P.L. 117-2).

According to the U.S. Census Bureau, the vast majority of travel agencies in this country (98 percent) are small businesses under the U.S. Small Business Administration's (SBA) size 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 60,000 self-employed travel advisors working as independent contractors (ICs). This includes 17,109 New Yorkers working at 1,425 agencies in New York and 398 Arkansans at 44 agencies in that state.

As a result of the coronavirus (COVID-19) pandemic and the governmental response to it, the average travel agency's business income was down 82 percent in 2020 as compared to 2019, according to ASTA member surveys. Even factoring in the relief programs created by the federal CARES Act and successor legislation, the average travel agency has laid off close to 60 percent of its staff. And due to industry economics (i.e., commission payment schedules), there will be a substantial time lag between a return of travel bookings and a corresponding return of business income – an anticipated average of eight months' delay.

Government action to mitigate COVID – here and abroad – has played a key role in this economic catastrophe. We understand that our country is facing the worst public health crisis in history, and understand as well the rationale behind many of these government restrictions. That said, we believe the government has a responsibility to provide support to those businesses harmed by its response to COVID-19. Sadly, financial support for the travel and hospitality industry in the various federal relief bills has been uneven, especially with regard to less visible sectors of the industry like travel agencies as compared with airlines and restaurants.

As such, we supported Section 602 (c)(1)(A) of the American Rescue Plan Act, which makes “assistance to small businesses...or aid to impacted industries such as tourism, travel, and hospitality” an allowable use for the \$195.3 billion in Coronavirus State and Local Recovery Funds the bill provided for the states and the District of Columbia. As you know, a number of states created small business assistance programs with their initial CARES Act allocations, which will likely be replenished with Rescue Plan funds. In our experience, travel agencies have qualified for most – but not all – of these programs and we have observed a similar pattern at the state level where the higher profile segments of the travel and hospitality industry are prioritized at the expense of less-visible segments experiencing the same or more severe levels of revenue loss, like ours.<sup>1</sup>

As you work with your state legislatures over the coming weeks and months to implement the Rescue Plan’s fiscal relief allocation, we respectfully urge you to ensure that travel agencies in your state are eligible for a meaningful portion of these relief funds. The most straightforward way to achieve this, in our view, is to include businesses under North American Industry Classification System (NAICS) code 5615 (Travel Arrangement and Reservation Services) as eligible recipients. If this is not feasible, we recommend you use an objective 2020-2021 revenue loss test to establish eligibility so as to ensure that less-visible sectors are not left behind.

Thank you for considering my views on this critical issue. If you have any questions about this or any issue related to the travel and tourism industry, please don’t hesitate to contact me or Eben Peck, ASTA’s Executive Vice President of Advocacy, at (703) 739-6842 or [epeck@asta.org](mailto:epeck@asta.org).

Yours Sincerely,



Zane Kerby  
President and Chief Executive Officer

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<sup>1</sup> For example, see [California’s grant program](#), which prioritizes NAICS codes 61, 71, 72, 315, 448, 451, 485, 487, 512, 812 and 5111 (but not 5615), and [Massachusetts’ program](#), which prioritizes restaurants, indoor recreation or entertainment establishments, gyms, independent pharmacies and others (but not travel agencies).