

Testimony of Bill Lupfer
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“Investing in America’s Tourism and Hospitality Workforce and Small Businesses”
Before the
United States Senate
Committee on Commerce, Science, and Transportation
Subcommittee on Trade, Tourism and Export Promotion
May 25, 2021

Good afternoon Chairwoman Rosen, Ranking Member Scott, members of the Subcommittee. I thank you for your leadership in addressing the pandemic’s devastating economic damage, specifically to our nation’s hardest hit sector, travel and tourism. I’m honored to participate in this hearing on Investing in America’s Tourism and Hospitality Workforce and Small Businesses.

About the Florida Attractions Association

Founded in 1949, the Florida Attractions Association, or “the other FAA” is Florida’s trade association representing the tourist attractions industry. Florida’s heritage as a vacationland has evolved through the decades. As our state’s natural wonders continue to attract visitors from around the world, our state’s manmade attractions have evolved from kitschy roadside attractions to now include the world’s most popular theme park destinations.

Today, the FAA is comprised of 250 member businesses. The state’s largest attractions, Walt Disney World, Universal Orlando Resort, SeaWorld Parks and Merlin Entertainments are members; however, most of our members are small businesses. Only 10% of our members are publicly traded companies. Many of our members represent 3rd and 4th generation owner/operators of their family’s attractions. Forty percent of our members have an annual paid attendance of under 100,000 guests.

The Florida Attractions Association links the passion and creativity of Florida’s attractions industry. We provide leadership training and professional development, advocacy, networking and communication channels as we promote and protect the interests of the Florida Attractions industry and connect our Attraction members to each other and industry thought leaders.

Florida Attraction Association's Pandemic Response

Florida's non-essential businesses, including our attractions, closed around March 15, 2020. The uncertainty of the virus, its methods of transmission, and consequences to vulnerable populations were unknown. As we moved from "15 days to slow the spread" to 30 days to "flatten the curve" we collected the best information available to share with our members.

In April 2020, the Florida Attractions Association published for its members a *Guide for Reopening Florida Attractions*. Creating reopening protocols for our industry was a challenge. As most business types share similarities in their operation – hotels, restaurants, campground, retail stores, for example, each attraction is unique. Consider these types among our members - Adventure Parks, Agritourism, Airboat Ride, Alligator Farms, Amusement Parks, Aquariums, Archaeological Park, Boat Cruises, Canoes, Kayak, Cycling Rentals, Destination Resorts, Dinner Theaters, Drive-through Safaris/Animal Parks, Family Entertainment Centers, Farms, Gardens, Go-Karts, Karting, Historic Sites/Homes/Lighthouses, Iconic Wheel, Indoor Flying, Marine Parks, Off-road adventure courses, Open-air trains and trolleys, Science Centers, Space Center, Springs, Swamp Buggy Rides, Theme Parks, Trampoline Parks, Waterparks, Zip Lines, and Zoos.

In a tourism economy and an attraction environment, these protocols require unique approach to ensure the safety of our guests and employees.

During this time, the actions of Congress to provide support and relief to small businesses was a great help. The Paycheck Protection Programs and SBA's Economic Injury Disaster Loans were the bridge needed to maintain an employee base and cover ongoing expenses through the closure.

Governor DeSantis began the process of reopening Florida's businesses and a pathway to reopen Florida's tourism economy, including attractions, by an Executive Order on May 18, 2020.

The Florida Attractions Association worked with our members and their respective county governments to define best practices in a tourist attraction environment to provide protection

for guests and employees from viral transmission. The objective was clear and the goal unmistakable – reopening safe, smart and step-by-step.

Reopening Florida Attractions

As the industry began to reopen, there was initially a tepid response as travelers needed assurance that their safety was paramount to our industry. As the summer of 2020 progressed, Florida experienced a “staycation” season as Floridians travelled to other Florida destinations, often within a day’s drive from their homes.

Outdoor facilities were particularly popular, as National Parks, State Parks and outdoor attractions such as zoos and gardens had the benefit of providing guests fresh air and sunshine.

Over the last year, a general pattern has developed, as the public’s trust in travel returns, confidence in safety protocols proven, and the desire to “get out and go” inspired Americans to travel once again. Florida has seen an increasing return of the domestic traveler, and while it’s not at a pre-COVID levels, it is encouraging to see attractions, hotels, campgrounds and restaurants begin to experience recovery. Our state’s tourism marketing office reported a 14% decline in travel to Florida in the first quarter of 2021 compared to 2020.

Ultimately, the full recovery will be realized with the return of two market segments. First, the international traveler. In your hearing last Tuesday, you heard expert testimony from three industry professionals. It was clear this subcommittee recognizes the unique characteristics of the international traveler. Emergency funding of Brand USA to stimulate international travel will reap broad benefits for America’s economy. Second, the return of the business traveler. The Meetings and Convention industry has been severely impacted, but we are now seeing a slow return of that market segment.

What We Need

- Clear policy coordination between agencies such as the CDC, Department of Transportation, OSHA and other public-facing agencies with timely guidance on defeating the pandemic is needed. Recent changes in the CDC’s guidance were a welcome development to our members. Those who have chosen to receive vaccines

should have more freedom and flexibility. However, the swiftness of the changes left many businesses scrambling to interpret the new guidance and assess the impact on their businesses. Even today, guidance from the CDC, Department of Transportation and OSHA can be viewed as conflicting.

- Florida and much of the nation is experiencing a labor shortage and it is acute in Florida's hospitality industry. There are many facets to this problem and I'm not an expert on the labor economy. We know that many of our members are experiencing this in part because of the continued payment of state unemployment insurance benefits and federal unemployment relief programs (FPUC and American Rescue Plan). Though anecdotal, former employees are specifically stating this as a reason for not returning to work. Fortunately, Governor Ron DeSantis has directed the Florida Department of Economic Opportunity to discontinue waiving the work search and work registration requirements on May 29, 2021. Reigning in of the Federal program with work search requirements will assist us with our collective efforts to get America back to work.
- As discussed in your last hearing, the cruise industry - an industry I have no direct, professional role in - is still waiting for clear guidance from the CDC. The cruise industry and the attraction industry are fierce competitors - attractions desiring to keep travel dollars in Florida, the cruising industry sending travel dollars to other cruise destinations, but we need each other to achieve our individual and collective business objectives.

Addressing these issues, along with your support of Brand USA will help us move our tourism economy forward, prepared for post-pandemic success. Thank you for your leadership in supporting America's hospitality workforce and small businesses. I am happy to answer your questions.