

**U.S. TRAVEL**  
**A S S O C I A T I O N<sup>®</sup>**

**WRITTEN STATEMENT**

**OF**

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**ON**

**“LEGISLATIVE SOLUTIONS TO REVIVE  
TRAVEL AND TOURISM AND CREATE JOBS”**

**BEFORE THE SENATE COMMERCE, SCIENCE, AND  
TRANSPORTATION COMMITTEE’S  
TOURISM, TRADE AND EXPORT PROMOTION SUBCOMMITTEE  
SEPTEMBER 21, 2021**

Chair Rosen, Ranking Member Scott, Chair Cantwell, Ranking Member Wicker, and members of the subcommittee, good afternoon.

I am Tori Emerson Barnes, executive vice president of public affairs and policy for the U.S. Travel Association. Thank you for inviting the travel industry to participate in this critically important hearing.

While I always prefer to meet face-to-face, I am thrilled to be testifying virtually from Las Vegas, Nevada, where the U.S. Travel Association is hosting its annual tradeshow, IPW. In fact, IPW is the perfect example of why today's hearing is so important.

IPW is the leading inbound travel trade show in the U.S., where international travel buyers and tour operators from around the globe come to purchase future travel bookings to the U.S. At IPW, American travel businesses and destinations showcase and sell the hospitality services and diverse cultural attractions that make the United States the best country to visit in the world.

Travel bookings purchased at IPW produce substantial economic benefits – for both the host city, like Las Vegas, and the entire country. In 2018, international travel buyers at IPW purchased nearly \$5.5 billion in direct bookings with U.S. suppliers and destinations. These bookings were estimated to have brought more than 11.6 million international visitors to the U.S. over a 3-year period, which generated an additional \$29 billion in travel spending. The total economic impact of the 2018 IPW supported 83,000 American jobs.<sup>1</sup>

This trade show demonstrates travel's substantial economic power. It also highlights two vital segments of the industry that have been decimated by the pandemic and have yet to fully recover: Business and international travel.

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<sup>1</sup> [https://www.ustravel.org/system/files/media\\_root/document/2.3.14\\_The\\_Economic\\_Impact\\_of\\_IPW.pdf](https://www.ustravel.org/system/files/media_root/document/2.3.14_The_Economic_Impact_of_IPW.pdf)

## Business Travel Remains Immobile

Prior to the pandemic, business travel – which includes professional meetings, events, and conferences like IPW – accounted for just 20 percent of all trips within the U.S. Yet, business travel spending generated 40 to 60 percent of airline and hotel revenue.

Once the pandemic hit, business travel dropped to historic lows. In 2020, business travel spending fell by 69 percent. Spending on travel for large, in-person professional meetings and events declined by 76 percent, for a total loss of \$97 billion.<sup>2</sup>

Today, there is little hope for a near-term recovery in business travel spending without innovative federal policy solutions. Research by Deloitte found that, by the end of June 2021, the vast majority of corporate travel budgets were still 75 percent or more below 2019 levels.<sup>3</sup> According to Tourism Economics, domestic business spending in 2021 is projected to be just 57 percent of 2019 levels and will not fully recover until 2024.

## International Travel Restrictions are Crippling Recovery

International travel to the U.S. also remains severely depressed, due largely to the continuation of section 212(f) entry restrictions and border closers for Canada, the United Kingdom (UK), the European Union (EU), and several other nations.

In 2020, international travel spending in the U.S. declined by 79 percent, leading to the loss of 1.1 million American jobs.<sup>4</sup> For each week that travel restrictions on Canada, the EU, and the UK remain in place, the U.S. economy will lose another \$1.5 billion in international visitor spending, which is enough to support 10,000 American jobs. If nothing is done to ease entry

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<sup>2</sup> [https://www.ustravel.org/system/files/media\\_root/document/Research\\_Fact-Sheet\\_Industry-Table.pdf](https://www.ustravel.org/system/files/media_root/document/Research_Fact-Sheet_Industry-Table.pdf)

<sup>3</sup> <https://www2.deloitte.com/us/en/insights/focus/transportation/future-of-business-travel-post-covid.html?id=us:2el:3pr:4di7303:5awa::MMDDYY:&pkid=1007740>

<sup>4</sup> [https://www.ustravel.org/system/files/media\\_root/document/Research\\_Fact-Sheet\\_Industry-Table.pdf](https://www.ustravel.org/system/files/media_root/document/Research_Fact-Sheet_Industry-Table.pdf)

restrictions before the end of this year, economists project that the U.S. will lose a total of \$262 billion by the end of 2021 and international visitation will not fully recover until at least 2024.<sup>5</sup>

## Data and Scientific Studies Show Travel is Low Risk

The good news is that we can reopen international travel and encourage the return of business travel without compromising public health and safety.

Research from the Mayo Clinic shows that with right protections in place – such as pre-departure testing, proof of vaccination, and mask wearing – the risk of a person infected with COVID-19 boarding a flight from the UK to the U.S. is 1-in-10,000. The same research shows that the risk of an infected passenger transmitting the virus while flying is even lower, at 1 out of 1 million passengers. Additionally, the Aerospace and International Airline Medical Associations found that the risk of contracting COVID-19 during air travel is lower than contracting the virus while in an office building, classroom, grocery store or commuter train.

Professional meetings and events have been shown to be equally low risk. According to analysis by the Ohio State University, professional meetings and events “have not been super-spreader events.” Modeling by the research firm Epistemix found that the risks of infection at events can be eight times less than within the local community where the event was held. The same analysis found that events have not been a major driver of case counts, largely because vaccination rates among participants are approximately 80 percent, which is much higher than the overall population.

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<sup>5</sup>[https://www.ustravel.org/sites/default/files/media\\_root/International%20reopening%20fact%20sheet%20data\\_2021.pdf](https://www.ustravel.org/sites/default/files/media_root/International%20reopening%20fact%20sheet%20data_2021.pdf)

## Legislative Solutions to Revive Travel and Tourism and Create Jobs

Despite the overwhelming evidence that it's possible for an immediate and safe return of travel, we still have a long way to go on the road to recovery. The leisure and hospitality (L&H) industry added NO jobs in August, after six months of averaging 350,000 new jobs per month. Employment in the leisure and hospitality industry remains 10 percent below pre-pandemic levels and 32 percent of all jobs lost in 2020 have not been restored. Overall, economists predict that it will take at least four years for the industry to fully recover to 2019 levels of employment and spending. That is far too long to wait.

Congress and the Administration must implement the right strategies now to restart widespread travel. U.S. Travel has identified three broad areas where Congress can act:

1. Provide continued economic relief for impacted travel businesses.
2. Enact stimulus measures to spur travel demand and accelerate rehiring, including the Hospitality and Commerce Jobs Recovery Act (S. 477) and the Restoring Brand USA Act (S. 2424).
3. Make long-term investments to build a more modern and competitive travel industry, including investments in travel infrastructure, streamlining aviation security, and elevating federal leadership in travel policymaking.

## Provide Continued Economic Relief for Small Travel Businesses

Congress should provide continued economic relief to small travel business or organization that are struggling to stay afloat because of the pandemic—particularly hotels, tour operators, event organizers, travel planners, food service businesses, and in-person entertainment and amusement providers. As long as COVID-19 remains a threat to a full reopening, targeted

relief will be needed to help travel businesses and organizations overcome unanticipated challenges related to the pandemic, meet basic expenses, and keep their workers employed.

Economic relief measures should include:

1. Extending PPP, reforming the Restaurant Revitalization Fund, or enacting the SAVE Act (H.R.2120) to provide grants to travel-dependent small businesses and organizations with continued revenue decline.
2. Enacting the Save Hotel Jobs Act (H.R.3093 / S.1519).

## Enact the Hospitality and Commerce Jobs Recovery Act (S. 477)

Congress can accelerate recovery and rehiring by providing economic incentives for the return of conferences, conventions, and trade shows, which are a significant driver of business travel. Section 2 of the bipartisan Hospitality and Commerce Job Recovery Act (S. 477) provides:

1. A tax credit for meeting venues and others to offset the financial risks associated with organizing meetings and events during the pandemic; and
2. A tax credit for businesses and nonprofits to encourage them to start planning for attending professional meetings and events as conditions improve. Such events typically require around 6-9 months of lead time with commitments from

This meetings and events tax credit alone would generate \$227 billion in incremental economic activity, help restore the 2.8 million hospitality jobs that remain lost to the pandemic, and boost government tax revenue by \$15.9 billion.

That's why we're urging Senators to cosponsor S. 477 and push for the inclusion of the meetings and events tax credits in the next moving legislative vehicle.

## Provide Emergency Funding for Brand USA

Congress can also enact stimulus measures to restore international travel quickly and safely. Investment in Brand USA would see major returns for American businesses and help bring back jobs reliant on international exports.

As members of this committee know, Brand USA is a public-private partnership, established by the Travel Promotion Act, that promotes international travel to all regions of the U.S. It receives 50 percent of its funding from the collection of a fee that Visa Waiver Program visitors pay before coming to the U.S and the other 50 percent through 1-to-1 matching contributions from the private sector.

Brand USA's funding was decimated by COVID-19 and international travel restrictions. ESTA fee collections are projected to be just \$10 million this year, down from an average of more than \$110 million.

Now more than ever, our economy needs Brand USA. The 212(f) travel bans, massive delays in visa issuance, and other travel restrictions have damaged the image of the U.S. as a destination for business travel and tourism. Brand USA will be essential for restoring our nation's image, encouraging international visitors to return, and communicating any new public health and safety requirements for entering the United States.

We are grateful for the leadership of Senator Klobuchar and Senator Blunt for introducing the Restoring Brand USA Act (S. 2424), which provides one-time emergency funding of \$250 million. Best of all, the funding in the Act comes from a surplus of fees that were originally collected and intended to fund Brand USA.

We'd like to thank Chair Cantwell, Ranking Member Wicker, Chair Rosen, and Ranking Member Scott for marking up S. 2424, and members of this committee for approving the bill with

overwhelming bipartisan support. We also strongly support the inclusion of the Restoring Brand USA Act in the Omnibus Tourism Act of 2021.

## Elevate Federal Leadership in Travel Policymaking

The Visit America Act, which was introduced by Senator Sullivan in the last session of Congress, would strengthen the Commerce Department's role in coordinating federal travel policies, set consistent national goals to boost travel exports, and develop clear strategies to achieve them.

The establishment of an Assistant Secretary for Travel and Tourism within the Department of Commerce, as prescribed in the Visit America Act, would help centralize decision making on a wide array of complex travel issues that must be urgently addressed, including how to streamline visa and visitor processes. We also commend the Act for exploring innovative ways to achieve ambitious international visitation goals, including by directing the Assistant Secretary to lead on promoting meetings, conferences, recreation, and other events to be hosted in the U.S.

The U.S. Travel Association fully supports including the text of Visit America Act in the Omnibus Tourism Act of 2021.

The Omnibus Tourism Act of 2021 also includes language directing the Secretary of Commerce to study the economic impacts of COVID-19 on America's travel industry, develop a recovery strategy, and set national visitation and spending goals for international travel. We urge the subcommittee to consider including language in the bill that directs the Secretary of Commerce to develop a national travel and tourism strategy, including setting visitation and spending goals, on a consistent basis of no less than every 10 years.



## Establish a One-Stop Security Pilot

A longer-term proposal that we strongly support is the One-Stop Security program. This would authorize the Transportation Security Administration (TSA) to conduct a pilot program at ten airports in which a traveler and their carry-on baggage would not need to be re-screened upon arrival in the U.S. for their domestic connecting flight, if the last point of departure airport has an equivalent level of screening to the U.S. The One-Stop Security program would uphold the safety and security of the air travel system, while providing air travelers with much-needed efficiencies and a more seamless travel experience. We urge the subcommittee to consider including language in the Omnibus Tourism Act to enable the TSA to continue and expand this program if it proves successful.

## Improve America's travel infrastructure

Lastly, we are urging Congress to prioritize legislation to improve America's travel infrastructure to facilitate domestic travel and to better prepare to welcome back visitors from around the world.

Even before the public health crisis, cities and towns were growing further apart due to aging, insufficient infrastructure and congested roadways. By prioritizing infrastructure investments that enhance the economic contributions of travel and improve passenger mobility, the U.S. can emerge from the pandemic and rebuild the travel industry with stronger, more connected infrastructure systems than ever before.

We want to thank this committee for its critical role in shaping and advancing the Infrastructure Investment and Jobs Act. This bipartisan package represents a substantial step forward in securing a more modern and connected future for the country. In addition to historic

investments in U.S. airports, passenger rail, and other critical travel infrastructure, the legislation recognizes the essential role of travel in the U.S. economy. Notably, it establishes a new leadership role at the Department of Transportation responsible for coordinating travel infrastructure policy across all modes of transportation and developing strategies for reviving tourism in the wake of COVID-19. We support the inclusion of similar provisions in the Omnibus Tourism Act of 2021 to elevate leadership within DOT on travel and tourism issues.

In the coming days, we will do our part to urge the House of Representatives to pass the Infrastructure Investment and Jobs Act.

## Closing

Following nearly 20 months of rapid job losses, severe financial downturns, and major operational disruptions, travel industry workers and businesses are still not out of the woods. Many fear that it will take at least four years until employment and spending fully recover. Thankfully, with the right policies in place, Congress can significantly shorten this timeline.

Thank you for inviting the broader travel industry to testify on the legislative solutions needed to support our industry during these unprecedented challenges. Thank you for your leadership to develop the Omnibus Tourism Act of 2021 and for your support of travel-related measures that are outside the committee's jurisdiction. We look forward to working with you on these solutions and I welcome any questions you might have.