



May 27, 2020

The Hon. Todd Young
400 Russell Senate Office Building
Washington, DC 20510

The Hon. Michael Bennet
261 Russell Senate Office Building
Washington, DC 20510

Dear Senators Young and Bennet:

I am writing on behalf of the American Society of Travel Advisors (ASTA) and the more than 3,000 people who work at travel agencies in the states of Indiana and Colorado to express our strong support for your Reviving the Economy Sustainably Towards a Recovery in Twenty-twenty (RESTART) Act.

As background, travel advisors and agencies – whether online, brick-and-mortar or hybrid business models in between – play a critical role in our country’s travel and tourism industry, saving consumers time and money by helping them navigate a travel marketplace that offers an overwhelming number of options. The vast majority of U.S. travel agencies (98 percent) are small businesses according to the 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 40,000 self-employed travel advisors working mostly as independent contractors. We are proud to note that ASTA’s ranks include substantial numbers of member companies in Indiana (98) and Colorado (168).

Due to the coronavirus crisis and its impact on travel, business has largely come to a halt and layoffs and agency closures have begun in earnest. As of mid-March, 77 percent of ASTA members predicted they will be out of business in six months or less if current conditions hold, and the situation has only continued to deteriorate since then. While the relief programs under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), namely the flagship Paycheck Protection Program (PPP), have provided a critical financial lifeline to a majority of our member companies, numerous shortcomings that have emerged since the CARES Act’s enactment that highlight the need for a new approach.

As such, we strongly support the RESTART Act, which will provide relief to the small- and mid-sized businesses most affected by COVID-19 crisis. Specifically, the Act would give business owners who took out PPP loans the flexibility they need to utilize the PPP effectively, and would also create a loan program to provide funding to jump-start the hardest-hit businesses for the remainder of 2020 and provide loan forgiveness as a backstop against ongoing economic challenges. The RESTART Act addresses several of our main concerns about the CARES Act’s relief programs, namely that they provide inadequate relief to companies with more than 500 employees; that the PPP incentivizes bringing employees back onto the payroll at a time when business conditions do not support such rehiring; and that they make no accommodation for industries hit the hardest by the crisis, as travel has been.

We also appreciate your accommodating a change we requested to a provision in an early draft of the RESTART Act that would have prohibited companies receiving a loan under Section 4003(b)(1) of the CARES Act from receiving assistance under the RESTART Act. That section of the CARES Act authorizes the Treasury Department to make up to \$25 billion in loans and loan guarantees for passenger air carriers; eligible businesses performing inspection, repair, replace, or overhaul services; and “ticket agents” (the statutory term for travel agencies, as defined in section 40102 of Title 49, United States Code). The RESTART Act, as introduced, would provide entities receiving a Section 4003 loan the option of returning those funds to the Treasury before applying for a new RESTART loan, instead of being blocked from the new program altogether.

We applaud you for your leadership in addressing these challenges at such a critical time for our industry and many others. If there is anything ASTA can do to help advance this legislation, or if you or your staff have any questions on this or any issues related to the travel industry, please don't hesitate to contact me or Eben Peck, ASTA's Executive Vice President for Advocacy, at (703) 739-6842 or epeck@asta.org.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Zane Kerby".

Zane Kerby
President and Chief Executive Officer