



February 11, 2022

The Honorable Gina M. Raimondo  
Secretary  
U.S. Department of Commerce  
1401 Constitution Ave NW  
Washington, DC 20230

RE: January 31 Request for Comments on National Travel and Tourism Strategy

Dear Secretary Raimondo:

I am writing on behalf of the American Society of Travel Advisors (ASTA) and the more than 160,000 Americans who work at travel agencies across the country to provide our sector's views as you develop a new National Travel and Tourism Strategy ("Strategy").

In normal times, travel agencies – online, “brick and mortar” and many hybrid business models in between – play a central role in the U.S. travel and tourism industry. In 2019, travel agencies sold the majority of airline tickets in the U.S. – close to 830,000 air tickets *per day* – as well as two-thirds of cruises and 68 percent of tour packages. According to the latest data from the U.S. Census Bureau, there are close to 15,000 retail travel agency locations in the U.S. employing over 108,000 people, plus an additional 60,000 self-employed travel advisors. The vast majority of these businesses (98 percent) are small according to the Small Business Administration's size standards, and over two-thirds of them are owned and operated by women.

As a result of the coronavirus (COVID-19) pandemic and the governmental response to it, this business (and any revenue associated with it) came to an almost complete halt in March of 2020 and remained there for a number of months. Since then, we have seen a succession of viral variants and complex, ever-changing government restrictions on and warnings against travel. As a result, our sector's recovery has been painfully slow – with average travel agency revenue levels still down 71 percent compared to 2019 according to ASTA member surveys. Even when factoring in the relief programs created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) and successor legislation, the average travel agency has laid off more than 40 percent of its staff. And due to industry economics (i.e., commission payment schedules), there will be a substantial time lag between travel bookings and a corresponding return of business income – an anticipated average of over eight months' delay. This state of affairs threatens to leave the traveling public without access to the critical services travel advisors provide and travel suppliers' main distribution channel crippled.

Government action – here and abroad – has played a key role in this catastrophe and while public health is paramount in addressing this crisis, we believe governments have a responsibility to provide some level of support to those harmed by the steps they've taken in response to COVID-19. The

many government restrictions travel advisors have had to contend with while struggling to keep their businesses alive since March 2020 include the U.S. Centers for Disease Control and Prevention's (CDC) rule requiring a negative COVID test for those entering the country by air (put in place in January 2021 and tightened in December 2021 in response to the omicron variant), the European Union's ban on inbound American travelers (lifted in Spring 2021), a series of CDC actions intended to discourage cruise travel, as well as longstanding guidance from the CDC, U.S. State Department and some state governments against international travel of any kind. We acknowledge here that most, if not all, of these actions are outside of the Department of Commerce's control.

In ASTA's view, the U.S. government has largely failed this test to provide support to those directly affected and financially harmed by the steps it has taken in response to COVID-19. As we consider the severity and longevity of the financial losses suffered by our members, the financial relief provided by Congress in 2020 and 2021 was untargeted, modest and short-lived, especially with regard to less visible sectors of the travel industry like travel agencies and tour operators as compared with airlines and restaurants. In some cases this relief was terminated ahead of schedule, as with the Employee Retention Tax Credit (ERTC) in the Infrastructure Investment and Jobs Act (P.L. 117-58). All the while, the regulatory environment remains extraordinarily challenging for Americans wishing to travel overseas or enjoy a cruise vacation.<sup>1</sup>

We appreciate that the updated Strategy will take a "whole-of-government approach to accelerating full recovery and employment in the travel and tourism sector," as industry stakeholders are heavily impacted by multiple federal agencies as well as actions by Congress, foreign governments and, in some cases, state governments. We respectfully request that the following regulatory and legislative priorities in support of our members and the travel industry as a whole be considered as you develop the Strategy. Note that our comments focus primarily on the first question posed in the January 31 Federal Register notice – "What can the federal government do to improve the competitive position of the United States and promote growth in international travel and tourism?"

### **Advocate for Additional Relief for Travel-Reliant Small Businesses**

The competitive position of the United States and the prospects for promoting the growth of international travel will be greatly enhanced by a robust travel infrastructure here at home – not just the physical infrastructure supporting travel but the human capital of small businesses and individuals who make up the industry. This encompasses the entirety of the industry value chain – travel suppliers such as airlines, hotels, car rental agencies and cruise lines, as well as travel distributors, be they retailers (travel agencies) or wholesalers (tour operators). Going into the third year of the pandemic, this infrastructure is crumbling. As such, it is imperative that Congress provides adequate financial support to the businesses comprising this infrastructure until travel recovers to its pre-COVID trajectory. If this infrastructure disappears or is substantially degraded, it will be much more difficult for the Department to meet its goals with respect to travel and tourism and for the broader U.S. economy to reap the benefits of increased international visitation.

At a minimum, Congress must include travel-reliant small businesses in the relief package reportedly under development by the House and Senate Small Business Committees.<sup>2</sup> This support should flow

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<sup>1</sup> For examples, see Timsit, Annabelle "[The CDC's do-not-travel list now encompasses more than half the world's destinations.](#)" *Washington Post*. 8 February 2022. And Hunter, Marnie. "[Cruises should be avoided regardless of vaccination status, CDC says.](#)" *CNN Travel*. 31 December 2021.

<sup>2</sup> See Folley, Aris. "[Momentum builds for new COVID-19 relief for businesses.](#)" *The Hill*. 24 January 2022.

to all corners of the travel and hospitality industry impacted by COVID and not be limited the highest-profile sectors of the industry. Our favored approach to doing so is the Securing Access for Venue Equity (SAVE) Act (H.R. 2120), bipartisan legislation introduced by Rep. Mark Amodei (R-NV) that would make travel agencies and other hard-hit businesses eligible for the Shuttered Venue Operators Grant program established at the end of 2020.

Congress should also restore – and ideally extend – the ERTC, which was created by the CARES Act. This program provided a refundable tax credit of up to \$7,000 per employee per quarter for businesses whose revenues have been reduced by at least 20 percent as compared to 2019. However, the bipartisan infrastructure bill enacted in November 2021 moved up the ERTC’s expiration date by one quarter, from December 31 to September 30, 2021. With earlier relief programs expired, many agencies were counting on the ERTC to help them get through the fourth quarter. The Employee Retention Tax Credit Reinstatement Act (S. 3625/H.R. 6161), introduced in the House by Rep. Carol Miller (R-WV) and in the Senate by Sen. Maggie Hassan (D-NH), would retroactively reinstate the ERTC through the end of 2021.

We encourage the Administration to directly engage with Congress and support these two initiatives or any other legislation to provide direct relief to travel agencies and other travel-reliant small businesses during their time of need.

### **Exempt Fully Vaccinated U.S. Citizens from Inbound Testing Order**

On the regulatory side, the single biggest barrier to the full recovery of the international travel system on which so many travel advisors rely is the CDC’s current order requiring proof of a negative COVID-19 test or documentation of having recovered from COVID for all air passengers arriving from a foreign country (the “inbound testing order”).<sup>3</sup> Beyond harming our members’ recovery prospects, this requirement also negatively impacts the competitive position of the United States and efforts to promote growth in international travel and tourism.

While we understand the rationale behind the inbound testing order, it continues to present a number of practical challenges to our members and their clients. These challenges range from uncertainty as to the availability of timely testing in-destination necessary to avoid disruption to the scheduled return trip to the financial and psychological burdens associated with being prevented from returning home due to a positive (or false positive) test result, to a general chilling effect on international travel bookings. The recent shortening of the testing window from 72 to 24 hours has only exacerbated these challenges and led to a new round of trip cancellations and postponements, further delaying revenue for travel agencies.

As we enter the third year of the pandemic and reflect on how far the science related to COVID-19 mitigation has advanced since the order was first put in place in January 2021, we urge the Department to advocate for exempting fully vaccinated U.S. citizens – at a minimum, and ideally all fully vaccinated travelers – from the order.

According to the CDC, “The best way to slow the spread of COVID-19...is for individuals to get vaccinated...vaccinated individuals are 5 times less likely to be infected and 10 times less likely to

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<sup>3</sup> U.S. Centers for Disease Control and Prevention (2022, January). [Requirement for Proof of Negative COVID-19 Test or Documentation of Recovery from COVID-19](#).

experience hospitalization or death due to COVID-19 than unvaccinated individuals.”<sup>4</sup> Exempting the more than 200 million Americans who are fully vaccinated from the order would reflect the scientific consensus that widespread vaccinations are the single most important element of the fight against the spread of COVID-19 and allow the travel industry’s recovery to begin in earnest. It would also incentivize those who aren’t vaccinated to consider becoming so, restoring an incentive that existed for a mere 28 days between the effective dates of the Administration’s October 25 and December 2, 2021 updates to the order.<sup>5</sup>

Moreover, a growing number of countries have recently moved in the direction of removing the pre-departure test requirement for the fully vaccinated, including the United Kingdom (U.K.), Ireland, Sweden and others, and the European Union now recommends its member states not require vaccinated residents to undergo pre-departure tests.<sup>6</sup>

To be clear, we do not as a general matter believe that vaccination should be a prerequisite to international travel. That said, we do believe a better balance needs to be struck in protecting public health without crippling the free flow of commerce and individuals across international borders. Exempting fully vaccinated U.S. citizens/travelers from the order is a way to appropriately strike that balance consistent with the Administration’s stated desire for “an air travel policy that relies primarily on vaccination to advance the safe resumption of international air travel to the United States.”<sup>7</sup>

### **Prioritize the Safe Resumption of Cruising**

On January 15, the CDC’s Conditional Sailing Order (CSO) expired and was replaced with a voluntary COVID-19 Program for Cruise Ships.<sup>8</sup> This was welcome news, as the cruise industry is vital to the financial health of the travel agency sector. According to the research firm PhocusWright, 60 percent of travel advisors nationwide specialize in selling ocean cruises, and in 2019, travel agencies and advisors sold approximately \$13 billion worth of cruises in the U.S. – two-thirds of the market.<sup>9</sup> Starting in March 2020, all of this economic activity came to a halt in the wake of the CDC’s draconian “No Sail Order” (subsequently replaced by the CSO), with widespread travel agency staff furloughs and terminations predictably resulting.

That said, since late last year the CDC has continued to place a “Level 4” warning against cruise travel, regardless of vaccination status. This guidance exists despite the extraordinarily stringent anti-COVID measures put in place voluntarily by the cruise lines, in close consultation with the CDC. These measures include testing, vaccination, sanitation, mask-wearing and other science-backed measures, as well as strict protocols to respond to potential cases of COVID-19 onboard. The CDC’s new COVID-19 Program for Cruise Ships is problematic as well, and agree with the sentiments of our partners at the Cruise Lines International Association, who characterize the voluntary program as

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<sup>4</sup> The White House. (2021, October.) [A Proclamation on Advancing the Safe Resumption of Global Travel During the COVID-19 Pandemic.](#)

<sup>5</sup> Effective November 8, 2021, unvaccinated U.S. citizens and permanent residents were to provide a negative test taken within one day of departure, while vaccinated travelers continued to require a negative test within 72 hours. In the wake of the omicron variant, effective December 6 that distinction was erased and all travelers were required to present a negative test within one day of departure.

<sup>6</sup> Hardingham-Gill, Tamara. “[EU wants test-free travel for vaccinated residents.](#)” *CNN*. 25 January 2022.

<sup>7</sup> Op. Cit. [A Proclamation on Advancing the Safe Resumption of Global Travel During the COVID-19 Pandemic.](#)

<sup>8</sup> U.S. Centers for Disease Control and Prevention (2022, February). [Cruise Ship Travel During COVID-19.](#)

<sup>9</sup> Phocuswright: [U.S. Travel Agency Distribution Landscape: 2016-2021.](#)

“counterproductive to consumers, creating market confusion between the various tiers, and potentially unworkable in practice.”<sup>10</sup>

In our view, cruising is no more responsible for the spread of the highly transmissible omicron variant than travelers from southern Africa were at the outset of the current crisis around that variant. But we continue to see knee-jerk reactions on the part of the federal government and governments abroad singling out travel for discriminatory treatment. Because the travel industry (and particularly cruise travel) is regulated more heavily than other activities, whenever COVID caseloads rise or new variants emerge, travel is the first to feel the effects of government action. At this stage in the pandemic, the tools exist to allow us to combat this virus without crippling an entire sector of the U.S. economy in the process. We therefore call on the Department to advocate for a consistent, predictable regulatory environment for cruise and broader travel industry stakeholders as COVID moves into the endemic phase.

ASTA will in all likelihood be supportive of other initiatives suggested by our fellow stakeholders toward improving the competitive position of the United States and promoting growth in international travel and tourism in the course of the Department’s request for comments. We anticipate that these will include increased investment in the physical infrastructure supporting travel, improvements to the Visa Waiver Program and financial support for nonprofit organizations like ASTA with relationships across the globe in furtherance of the Department’s goals. In the interest of time, however, we are focusing our attention on the three keys areas of concern set forth above.

While it will take several years for our sector of the travel industry to return to health, we believe the steps outlined above will help speed the recovery and put travel agencies in a position to serve the traveling public once travel reverts to its historical patterns.

On behalf of the 17,000 ASTA member companies across the country, we invite you to consider our association as a resource for any questions you or your staff may have concerning COVID-19 and travel, the industry generally and the travel agency business in particular. As you proceed to the next stages of the Strategy’s development, we would welcome the opportunity to discuss these issues and other industry priorities with you and your staff.

Thank you for considering our views on these critical issues, and if we can ever be of assistance please do not hesitate to contact me or Eben Peck, ASTA’s Executive Vice President, 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>10</sup> Cruise Lines International Association. [“CLIA Statement Regarding Guidelines and Travel Health Notice Updates from the CDC Announced on February 9, 2022.”](#) Press Release. 9 February 2022.