March 20, 2020

The Honorable Lisa Murkowski
United States Senate
522 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Dan Sullivan
United States Senate
702 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Don Young
United States House of Representatives
2314 Rayburn House Office Bldg.
Washington, DC 20515

Senators Murkowski and Sullivan, and Congressman Young:

No one could have anticipated a situation like we are facing now with COVID-19. The social and economic implications are staggering. And while we don’t know how long this situation will last, we do know Alaskans are resilient. With your help, we can support our families, businesses, and communities as we look to the future.

Nationally, small businesses make up 83% of travel employers, supporting nearly 15.8 million travel-related jobs. U.S. Travel, the national, non-profit organization representing all components of the travel industry, estimates more than 3.6 million of these jobs will be lost by the end of June alone. By the end of the year, more than 4.6 million jobs are estimated to be lost, increasing the national unemployment rate up to 6.3% over the next few months.

The situation may be even more catastrophic for Alaska.

The vast majority of Alaska Travel Industry Association’s 670 members are small and medium-sized businesses. Our industry employs more than 52,000 people. Recent measures by Canada to close ports to cruise ships and airlines reducing flights nationally and internationally impact more than 95% of our visitors. While our top priority is - and will always be – the health and safety of our visitors and Alaska residents, we are looking at a lost season.

Many Alaskan businesses will not be able to continue without help.

As Congress considers additional stimulus measures, we request your advocacy on behalf of our members – and our entire industry.

- Support grant and loan programs that will keep Alaskans employed and compensate for business losses due to COVID-19, including the proposed Travel Workforce Stabilization Fund, which can be used for maintaining employment at pre-coronavirus levels.
• Support programs that provide zero-interest loans and unsecured lines of credit to travel businesses as they struggle with cash flow issues due to cancellations and refunds.
• Increase the cap of Small Business Administration (SBA) and other federal loan programs to more than $2 million and waive fees and eliminate penalties, if any for early payoffs, to provide increased flexibility to business owners. Simplifying the application and evaluation processes, along with removing personal guarantees also allows more flexibility for businesses.
• Provide tax relief to mitigate business losses. Defer tax liability and filing deadlines, allow for an extended Net Operating Loss Deduction, and provide an employee retention tax credit worth 40% of wages (up to $6,000 per employee) to help us keep employees on the payroll.
• Increase exceptions to unemployment insurance to include people taking voluntary unpaid leave and extend the duration of benefits.

We need your help to reduce losses now, by stabilizing business operations and helping businesses retain staff so that – when the time is right -we can have our teams ready to welcome visitors back to our great state.

Thank you for your tireless advocacy and leadership. Your work in Washington D.C. on behalf of all Alaskans – and our country – is greatly appreciated.

Thank you,

Sarah Leonard
President & CEO

Dan Oberlatz, Alaska Alpine Adventures
ATIA 2019-2020 Board Chair