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July 29, 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,

On behalf of the Alaska Travel Industry Association (ATIA) – the statewide leading nonprofit and membership association for Alaska's travel industry – joined by destination marketing organization (DMO) and tribal partners from across the state, thank you for your willingness to hear from Alaska's travel and tourism industry during the coronavirus pandemic.

Our industry has been hard-hit by COVID19. Nationally, U.S. Travel projects a 30 percent decline in domestic travel in 2020 and a 63 percent decrease in international travel – a \$1.2 trillion economic hit to the U.S. economy.

In Alaska, the numbers are even more dramatic. In a typical year, more than 60 percent of our visitors travel by cruise ship, 36 percent by air, and 4 percent by road or ferry. This year, cruise lines have cancelled almost 100 percent of their sailings and continued air and road travel restrictions – combined with pre-travel testing requirements – are further limiting travel. More than 65 percent of respondents to a recent ATIA tourism economic impacts survey report losing more than 75 percent of revenue year-over-year and the Alaska Department of labor reports 32 percent job loss (June 2020).

Alaska's travel industry respectfully asks for your help again now. Our industry needs a critical lifeline with many elements outlined in the Senate's proposed HEALS Act. We ask you to advance the HEALS Act with the following provisions.

Long term relief through the Paycheck Protection Program

Open up the eligibility for businesses who have utilized loans and extend the program for small businesses through the end of calendar year 2020. Additionally, extend eligibility to include destination marketing organizations or DMOs, many of them nonprofit organizations, particularly 501c6 entities. We need strong, effective teams ready to promote visitation to our communities, wild lands and open spaces as we look to recover.

Alaska Travel Industry Association 610 E. 5th Ave., Suite 200 Anchorage, Alaska 99501 (907) 929-2842 * <u>www.AlaskaTIA.org</u>

Federal grants to promote safe and healthy travel

Create grant programs that specifically support destination marketing. Destination marketing is a proven investment in returning economic benefits back to local communities and the state of Alaska in jobs and revenue. Destination marketers play a key role in informing our guests about safety protocols and best practices necessary for our industry's recovery.

Temporary Safe Harbor for businesses that follow proper health and safety guidelines

Provide liability protections for businesses that follow state mandates and Centers for Disease Control (CDC) guidance. Business owners are afraid clients that become ill on a trip – despite all best practices and safety precautions – will initiate legal proceedings against the company. Establishing limited liability protection for small businesses following industry guidelines and protocols in good faith would provide a level of confidence for business owners as they move forward.

Temporary tax credits and deductions

Incentivize business and pleasure travel as our industry recovers. Support, in the form of tax credits, and expense deductions to support individual, corporate, and event travel, as well as tax credits to help businesses offset costs of PPE purchase, construction of safety barriers, employee testing, etc. would encourage individual and corporate travel, and meetings and events while supporting businesses trying to do the right thing.

A national strategy to expand COVID19 testing

According to research firm Destination Analysts, more than 42 percent of recent survey respondents agreed or strongly agreed they would not travel until there is a vaccine for COVID-19. Until that time, we need a comprehensive, national approach to testing. To get people traveling safely, we need increased access to testing, more availability of tests in more regions of the country, and more laboratory capacity to perform tests in a timely manner.

Alaska's travel industry is advocating these tools as part of important economic development and recovery for the travel and tourism industry. We ask your consideration with an urgency that is reflective of the unprecedented and devasting challenges facing our businesses, communities, and livelihoods.

Thank you for the time you and your teams are giving to support all Alaskans.

Bonnie Quill, President & CEO

Aimee Williams, Executive Director

Aimee Williams

Bonnie Quill

Discover Kodiak

Mat-Su CVB

Sarah Leonard, President & CEO Alaska Travel Industry Association

T. Im

Liz Perry, CEO Travel Juneau

Came Jeguan

Camille Ferguson Sitka Tribe of Alaska

U. Will

Deb Hickok, President & CEO Explore Fairbanks

Julie Saupe, President & CEO Visit Anchorage

atti Macker

Patti Mackey, President & CEO Ketchikan Visitors Bureau

Sharon andson

Sharon Anderson, Executive Director Valdez Convention & Visitors Bureau