January 11, 2021

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 more than 600 business members and partners of the Alaska Travel Industry Association (ATIA), thank you as always for your continued public service on behalf of Alaska and the United States. These are not easy times, and we recognize you and your colleagues will be faced with serious challenges in the months ahead as you negotiate additional bipartisan COVID-19 response legislation.

As we enter 2021, Alaska’s tourism industry continues to be challenged by the global pandemic. While we are encouraged by the COVID-19 vaccine roll out, we are uncertain what the future holds for travel and tourism. The status of cruising in Alaska this summer remains unsettled, air travel continues to be well below 2019 and 2020 levels, and the Canadian border remains closed to cross-border vehicle travel. Our businesses, many of which are smaller, seasonal operators, are struggling and will continue to do so until travel returns to normal.

The most recent stimulus package, signed into law in December 2020, included additional funds for the Paycheck Protection Program (PPP), a program that has been an important source of support for Alaska’s tourism businesses. The current language makes a significant change, however, one that does not provide a level playing field across our industry.
The revised PPP creates a dual standard, a two-tier system that penalizes certain businesses. While the majority of businesses are eligible for 2.5 times average monthly payroll (up to $2 million), the legislation specifically increases eligibility to 3.5 times average monthly payroll for restaurants and accommodations, sectors which fortunately had some opportunities to generate revenue in 2020. This inequitable advantage penalizes businesses that had little or no operating revenue last year, and businesses that will be slower to recover as travel resumes.

As you look to refine eligibility language in future legislation, we request PPP loan eligibility be amended to a percentage of lost revenue rather than sector-specific multipliers. This will support travel, tourism, hospitality, and entertainment sectors equally, aiding more businesses across Alaska and their employees.

Your combined support for the initial CARES Act and subsequent legislation and leadership throughout this pandemic, has helped our industry, allowing many of our businesses to adjust to new operating protocols and shift business practices in preparation for future visitors.

Thank you for your ongoing efforts on behalf of Alaska’s visitor industry and for all you do for your constituents and all Americans.

Sincerely,

Sarah Leonard  
ATIA President & CEO  

Bill Pedlar  
Knightly Tours  
Chair, ATIA Board of Directors