



ATIA Public Comments

Alaska State House Labor and Commerce Committee on Alaska State CARES Act funding– July 9, 2020

Thank you Chair Spohnholz for the opportunity to speak with you and committee members today. For the record, my name is Sarah Leonard, I am the President & CEO of the Alaska Travel Industry Association or ATIA, the leading statewide trade association for travel and tourism businesses in Alaska. ATIA represents over 650 tourism businesses both large and small and located in every region of the state.

I also hope restrictions related to the State CARES Act funding via DCCED, AIDEA and Credit Union One are lifted so that more funding can be distributed to many more businesses. ATIA represents a diverse tourism industry. The majority of our 650 member businesses identify themselves as having 1 -2 employees or less than 10. These small business owners have been the entrepreneurs and foundation of many communities throughout Alaska, previously supporting 1 in 10 Alaska jobs.

Alaska's tourism businesses have sacrificed these jobs, revenue, their livelihoods since the COVID-19 pandemic and necessary travel restrictions and health mandates that have been in place. Our industry is committed to the health and safety of our teams, our families and communities.

ATIA asked Alaska tourism businesses about their losses back in May and the majority responded they had lost more than half of their bookings and revenue then. These businesses also have had to lay off up to half if not more of their staff.

At the same time, tourism businesses and destination marketing organizations looked to federal CARES Act programs for help. Over 60 percent of tourism businesses and partners told us they received funds from the payroll protection program and over 50 percent said they received support from the EIDL funds.

Back in May, over a third of these businesses said they would close after 6 months and some saying doors would close in less than two months without additional support.

Now it's July and while the PPP and EIDL programs were a lifeline of support earlier - many businesses and organizations were looking to the State CARES Act grants not just to fill a gap anymore, but for survival this year.

The tourism industry, overall, has tried to do right by our friends, neighbors and communities through this unprecedented pandemic. We are accountable for providing safe experiences to guests and should be accountable for any financial support. However, I believe the goal should be to provide as much support as possible to as many businesses and organizations that are challenged today to keep their businesses.

I testified at a previous committee hearing that "Alaska should pull out every tool in our toolbox to support our businesses and communities." Our industry continues to look to your leadership to act quickly, with reasonable expectations and guidelines for support for tourism businesses and organizations with the goal to provide as much funding as needed to survive.

Alaska's tourism industry – made up of hundreds if not thousands of small businesses and community organizations across the state – can put people back to work, are entrepreneurial in

spirit and are adapting ways to provide safe experiences in Alaska. Alaska's tourism industry can help our economies recover with the continued support.

Thank you for your leadership and all that you are doing to help Alaskans.