

GACVB Calling on Congress to aid hospitality sector

The coronavirus is having an unprecedented impact on travel workers and businesses in GA and across the country. According to Oxford Economics, 4.6 million Americans—50% of the travel industry's workforce—could lose their jobs within five weeks. That will take unemployment to 6.3%.

Congress must act NOW to protect travel workers. In Georgia, we rely on visitor spending to help boost our economy, support our jobs and fund essential services.

Tourism, hospitality, and the arts serve an integral part of Georgia's economy, generating more than \$66.3 billion* (yes, that's billion with a B) last year in total tourism impact and supporting a workforce of over 478,000 members of our state's communities.

The unprecedented COVID-19 public health crisis that we're facing right now has ground the travel industry to a halt and put the businesses and workers who rely on visitor spending in peril.

The Georgia Association of Convention & Visitors Bureaus (GACVB) exists to support our local tourism offices - convention & visitors bureaus (CVBs) / destination marketing organizations (DMOs), chambers of commerce, and economic development programs. Across 159 counties and over 280 municipalities, Georgia's DMOs promote conventions, meetings, tradeshow and leisure travel to prospective organizations and visitors around the region, country and the world. It's these visits that help fuel Georgia's economic vitality.

The many tourism-industry organizations that contribute so much to our state, most of them small businesses, simply cannot weather this unprecedented crisis on their own.

Our broader industry has called on our representatives in Washington D.C. to establish a fund to help keep workers employed, provide emergency liquidity so travel-related businesses can remain open, and to bulk up the Small Business Administration loan program.

We encourage Congress to act to ensure that the Georgia travel industry, and the thousands of our friends and neighbors employed in our industry, can sustain themselves and their families through this painful and disruptive economic period.

Please contact House and Senate Leadership and key committee chairs and urge them to include in the Phase III coronavirus bill:

1. Support for small businesses through the worst months of this economic shutdown by:

- Increasing the maximum loan size: Allow the maximum loan size for SBA interruption loans to be based on four times the cost of payroll, rent, and mortgage interest, up to \$10 million;
- Increasing loan availability: Increase appropriations for the program to \$500B to ensure businesses have access without additional need for legislation; and
- Expanding eligibility to include all non-profits: Allow all tax-exempt organizations under Section 501(c) of the tax code to apply for SBA interruption loans under Title I, including 501(c)(6) and 501(c)(7) organizations. Non-profits in travel and tourism, particularly convention centers and destination marketing organizations that rely on hotel and room taxes, have been particularly hard hit.

2. Ensure the hardest hit travel companies qualify for loans: Lending enabled through Treasury Department should be made with the same terms and conditions as SBA business interruption loans, including no collateral requirements. Businesses suffering from the worst of this economic crisis should have more lenience in collateralization to ensure they are not required to offer up everything that's left in order to qualify for assistance.

More than 52% of the travel workforce is employed by small businesses and 48% are employed at larger businesses. Workers employed at both large and small organizations need immediate assistance to preserve their jobs and businesses during this shutdown.

Time is of the essence. One in 10 U.S. jobs depends on travel. The majority of the coronavirus-related job losses will occur within the next six weeks, and 4.6 million jobs are at risk. I urge you to take immediate action to preserve a thriving travel industry and the livelihoods of millions of Americans—especially those in the communities you represent.

Jay Markwalter, Executive Director

Georgia Association of Convention & Visitors Bureaus

*Georgia Department of Economic Development, Tourism Economics, and U. S. Travel Association