December 21, 2021

TO: USTOA Members

FR: Terry Dale

Good evening! Having had a chance to go through the text of the bill, we wanted to send you both the language you requested, as well as an overview of some of the highlights for the travel and tourism industry in the omnibus. The highlights are below, and the language for the letter, below that. Also [here is a summary of the COVID relief provisions from Congress.](https://ustoa.com/r/ustoa-filemanager/source/resources/covid%20relief%20--%2012.21.20_the%20economic%20aid%20to%20hard-hit%20small%20businesses%20nonprofits%20and%20venues%20act_summary_final.pdf)

* CERTS Act - $2B
  + Section 421 of the COVID Relief Provisions provides $2 billion in economic assistance to motorcoach and bus operators, school bus companies, U.S. flag passenger vessel operators, like passenger ferries, and other U.S. transportation service providers.

* Expansion of the PPP to 501c6 organizations and DMOs
  + Expands eligibility to receive a Paycheck Protection Program loan to include the following organizations:
  + 501(c)(6) organizations if:
    - The organization does not receive more than 15 percent of receipts from lobbying;
    - The lobbying activities do not comprise more than 15 percent of activities;
    - The cost of lobbying activities of the organization did not exceed $1,000,000 during the most recent tax year that ended prior to February 15, 2020 and
    - The organization has 300 or fewer employees.
    - Professional sports leagues or organizations with the purpose of promoting or participating in a political campaign or other political activities are not eligible under this section.
  + Destination Marketing Organizations if:
    - The organization does not receive more than 15 percent of receipts from lobbying;
    - The lobbying activities do not comprise more than 15 percent of activities;
    - The organization has 300 or fewer employees; and
    - That destination marketing organization is registered as a 501(c) organization, a quasigovernment entity, or a political subdivision of a state or local government.

* $15B in funding for live venues
  + Authorizes $15 billion for the SBA to make grants to eligible live venue operators or promoters, theatrical producers, live performing arts organization operators, museum operators, motion picture theatre operators, or talent representatives who demonstrate a 25 percent reduction in revenues.
  + There is a set-aside of $2 billion for eligible entities that employ not more than 50 full-time employees, and any amounts from this set-aside remaining after sixty days from the date of implementation of this program shall become available to all eligible applicants under this section.
  + The SBA may make an initial grant of up to $10 million dollars to an eligible person or entity and a supplemental grant that is equal to 50 percent of the initial grant.
  + In the initial 14-day period of implementation of the program, grants shall only be awarded to eligible entities that have faced 90 percent or greater revenue loss. In the 14-day period following the initial 14- day period, grants shall only be awarded to eligible entities that have faced 70 percent or greater revenue loss. After these two periods, grants shall be awarded to all other eligible entities.
  + Such grants shall be used for specified expenses such as payroll costs, rent, utilities, and personal protective equipment.
  + Requires the Administrator to conduct increased oversight of eligible persons and entities receiving these grants.
  + Requires the SBA to submit a report to the Senate and House Small Business Committees 45 days after enactment detailing their oversight and audit plan for shuttered venue grants and to provide monthly updates on the oversight and audit activities conducted by the Administrator.

* A full deduction for business meals, which was proposed by the travel industry
  + Food or beverages provided by a restaurant are deductible between December 31, 2020 and January 1, 2023.

* Expands and enhances the Employee Retention Tax Credit (ERTC)
  + A credit shall be issued in an amount equal to 40% of the qualified wages of each eligible employee of an eligible employer for the taxable year.
  + The credit cannot exceed $6,000 per employee.

* Extends the Coronavirus Relief Fund to the end of 2021
  + Section 1001 of the COVID Relief Provisions extends the date by which state and local governments much make expenditures with CARES Act Coronavirus Relief Fund awards from December 30, 2020 to December 31, 2021.

The language we would suggest for the letter is as below:

Dear [NAME],

As you may have heard, Congress has reached a bipartisan agreement on a relief package for COVID-19 that will bring welcome relief to travel businesses and workers across the nation. We are extremely pleased to see that Congressional leaders have prioritized the travel industry in this much-needed package. After finalization of the relief bill, which will be bundled with some fiscal year 2021 funding measures, a seven-day continuing resolution will be used to give Congress the time to conduct the necessary work to pass the package. The bill must then be signed by the president. USTOA will remain heavily engaged until all the way until the bill is signed and enrolled into law and will inform you of any critical developments.

I write today to inform you of language in the bill pertaining to the Paycheck Protection Program (PPP), and our industry’s access to it. Under the new COVID-19 relief package, $284B will be made available to the PPP for forgivable small business loans. These include both first time loans, and second-draw loans. Eligible businesses must employ fewer than 300 people and can demonstrate a 25% or greater revenue loss in any quarter of 2020. Notably, and perhaps most importantly, the PPP is now opened to 501(c)(6) organizations, Destination Marketing Organizations (DMOs), local newspapers, and TV/radio broadcasters. An attached in-depth breakdown may be found attached with this message.

This expanded eligibility is of great benefit to our members and the industry at large, and critical to our ongoing survival and recovery. While much work remains before the bill is signed into law, and more effort needed in the coming months to restore the travel industry to pre-pandemic heights, we are glad to see this monumental step taken. USTOA looks forward to going further in 2021.