



August 5, 2021

The Honorable Bernie Sanders
Chairman, Committee on the Budget
United States Senate
Washington, DC 20510

The Honorable Lindsey Graham
Ranking Member, Committee on the Budget
United States Senate
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

On behalf of America’s hotel and lodging industry, we urge you to include S. 1519, the Save Hotel Jobs Act, introduced by Senator Brian Schatz (D-HI), in the upcoming FY22 Budget Resolution.

The hospitality industry is a critical economic engine for our country, employing millions of hardworking people and contributing to communities, cities, and states across the country. In 2019, America’s hotels directly employed more than 2.3 million people. As a result of the economic devastation caused by the COVID-19 pandemic, our industry lost over 700,000 jobs in 2020, and we are expecting to lose nearly 500,000 more in 2021. Despite being amongst the industries hardest hit by the pandemic, hotels are the only segment of the hospitality and leisure sector yet to receive direct COVID-related aid. We urge swift action to support the hotel industry to prevent permanent job losses and keep hotel employees on payroll.

The Save Hotel Jobs Act would create a bridge for our distressed sector by providing hotels with payroll and benefits assistance until travel patterns return and the travel sector experiences a more even recovery. The bill provides grants to hotels that can demonstrate a loss of at least 40% of gross receipts during a three-month period in 2020, compared 2019. All grant funds **must be used exclusively on payroll and benefits** including wages, leave, healthcare plan expenses, retirement, and payroll taxes. The Act also requires the right of recall to ensure workers who lost their jobs during the pandemic have the option to return.

Despite an uptick in leisure business during the traditional summer travel season, the road to recovery for the hotel industry remains long and uneven, with 14 of the top 25 U.S. hotel markets remaining in a depression or recession in June 2021. Urban hotels were still in a “recession” cycle while the overall U.S. hotel industry remained more than 13% down in revenue compared to 2019.

The hotel industry generates 53% of its revenue from business travel and events. According to a recent [Deloitte survey](#), corporate travel is projected to remain at only 30% of 2019 levels through the end of 2021. This lack of corporate travel would cost the hotel industry an estimated \$60b in 2021, according to leading economists.

America’s hotel workers and lodging industry need direct financial help in order to survive. AHLA is proud to have joined with UNITE HERE, the largest hospitality workers union in North America, to call on Congress to pass this critical legislation focused on saving hotel jobs.

COVID-19 is the single worst economic event in the history of the American hotel industry, and the road to recovery for hotel employees and small businesses is long and uneven. Millions of jobs and thousands of businesses remain at risk if the hotel industry doesn't recover, including countless restaurants and retail shops that rely on patrons from nearby hotels. While some industries are starting to rebound, many hotels across the country are still facing economic devastation, underscoring the need for targeted relief from Congress. On behalf of our workforce, we are urging Congress to pass the bipartisan Save Hotel Jobs Act as part of the FY 2022 budget resolution. With your support, hotels in the hardest hit regions can retain and rehire employees until travel demand, especially business travel, comes back to pre-pandemic levels.

Sincerely,

A handwritten signature in black ink that reads "Chip Rogers". The signature is written in a cursive, flowing style.

Chip Rogers
President and CEO
American Hotel and Lodging Association