

Calendar No. 192

117TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 117-110

PROTECTING TOURISM IN THE UNITED
STATES ACT

R E P O R T

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND
TRANSPORTATION

ON

S. 115



MAY 18 (legislative day of May 17), 2022.—Ordered to be printed

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

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PROTECTING TOURISM IN THE UNITED STATES ACT

MAY 18 (legislative day of May 17), 2022.—Ordered to be printed

Ms. CANTWELL, from the Committee on Commerce, Science, and Transportation, submitted the following

R E P O R T

[To accompany S. 115]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 115) to direct the Secretary of Commerce to conduct a study and submit to Congress a report on the effects of the COVID-19 pandemic on the travel and tourism industry in the United States, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill (as amended) do pass.

PURPOSE OF THE BILL

The purpose of S. 115 is to require the Secretary of Commerce (Secretary) to complete, report to Congress, and publish online a study detailing the effects of the COVID-19 pandemic on the travel and tourism industry, including segments of the industry such as domestic, international, leisure, business, conventions, meetings, and events. The Secretary must consult with the U.S. Travel and Tourism Advisory Board and any other appropriate Federal agency. The Secretary also must consult with representatives of relevant sectors of the travel and tourism industry, and provide an opportunity for public input.

BACKGROUND AND NEEDS

Travel and tourism is a key component of the U.S. economy; in 2019, travel and tourism generated over \$1.1 trillion (about 2.9

percent) of the United States' gross domestic product,¹ made up 9 percent of total exports, supported 9.5 million jobs, and funded a \$51 billion trade surplus.² However, the travel and tourism industry has been disproportionately impacted by the COVID-19 pandemic. In 2020, annual travel spending in the United States experienced a 42-percent annual decline from 2019, with international travel spending falling by 76 percent compared to 2019.³ During the pandemic, the leisure and hospitality sector experienced a peak unemployment rate of 39.3 percent—higher than any other sector—and in May 2021, the sector had the highest unemployment rate, at 10.1 percent.⁴ Extensive research and attention is necessary to understand the full extent of impacts of the pandemic on the travel and tourism industry, as well as what measures will be necessary to facilitate the industry's recovery as quickly as possible.

LEGISLATIVE HISTORY

S. 115 was introduced on January 28, 2021, by Senator Klobuchar (for herself and Senators Blunt, Rosen, and Scott [SC]) and was referred to the Committee on Commerce, Science, and Transportation of the Senate. Senators Cortez Masto, Cramer, and Sinema are additional cosponsors. On April 28, 2021, the Committee met in open Executive Session and, by voice vote, ordered S. 115 reported favorably with an amendment.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, August 13, 2021.

Hon. MARIA CANTWELL,
Chairwoman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MADAM CHAIRWOMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 115, the Protecting Tourism in the United States Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is David Hughes.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

¹ Sean F. Hennessey, "Resilience in the Time of COVID: The Hospitality and Tourism Sector," U.S. Department of State, February 9, 2021 (<https://www.state.gov/briefings-foreign-press-centers/resilience-in-the-time-of-covid-the-hospitality-and-tourism-sector/>).

² National Travel and Tourism Office, *FAST FACTS: U.S. Travel and Tourism Industry 2019*, August 2020 (<https://www.trade.gov/sites/default/files/2020-12/Fast%20Facts%202019.pdf>).

³ U.S. Travel Association, "COVID-19 Travel Industry Research" (<https://www.ustravel.org/toolkit/covid-19-travel-industry-research-1>) (accessed September 8, 2021).

⁴ Congressional Research Service, *Unemployment Rates During the COVID-19 Pandemic*, p. 9, updated August 20, 2021 (<https://fas.org/sgp/crs/misc/R46554.pdf>).

| S. 115, Protecting Tourism in the United States Act | | | |
|---|------|-------------------------------------|---------------|
| As ordered reported by the Senate Committee on Commerce, Science, and Transportation on April 28, 2021 | | | |
| By Fiscal Year, Millions of Dollars | 2021 | 2021-2026 | 2021-2031 |
| Direct Spending (Outlays) | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (-) in the Deficit | 0 | 0 | 0 |
| Spending Subject to Appropriation (Outlays) | 0 | 4 | not estimated |
| Statutory pay-as-you-go procedures apply? | No | Mandate Effects | |
| Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032? | No | Contains intergovernmental mandate? | No |
| | | Contains private-sector mandate? | No |

S. 115 would require the Department of Commerce to study and report to the Congress on the effects of the coronavirus pandemic on the travel and tourism industry. The department would consult with private-sector entities, conduct interim and final studies, prepare reports based on economic data, and provide recommendations to assist the affected industries.

Using information from the department, CBO expects that implementing the bill would cost about \$2 million annually for 2022 and 2023; such spending would be subject to the availability of appropriated funds. Those amounts would cover the compensation of seven staff members, at an average annual cost of \$200,000 each, and data contracts necessary for the studies and reports.

The CBO staff contact for this estimate is David Hughes. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

REGULATORY IMPACT STATEMENT

Because S. 115 does not create any new programs, the legislation will have no additional regulatory impact, and will result in no additional reporting requirements. The legislation will have no further effect on the number or types of individuals and businesses regulated, the economic impact of such regulation, the personal privacy of affected individuals, or the paperwork required from such individuals and businesses.

CONGRESSIONALLY DIRECTED SPENDING

In compliance with paragraph 4(b) of rule XLIV of the Standing Rules of the Senate, the Committee provides that no provisions contained in the bill, as reported, meet the definition of congressionally directed spending items under the rule.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

This section provides that the bill may be cited as the “Protecting Tourism in the United States Act”.

Section 2. Study and report on effects of COVID–19 pandemic on travel and tourism industry in United States.

Paragraph (a) directs the Secretary of Commerce, in consultation with the United States Travel and Tourism Advisory Board and any other Federal agency head deemed appropriate, to complete a study on the effects of the COVID–19 pandemic on the travel and tourism industry within 1 year of the bill’s enactment.

Paragraph (b) establishes that, in conducting the studies required by paragraphs (a) and (e), the Secretary must consider the following matters: (1) changes in employment rates and revenues of businesses in the travel and tourism industry during the pandemic period; (2) changes in employment and sales in industries related to the travel and tourism industry, as well as changes to the travel and tourism industry’s contributions to those industries, during the pandemic period; (3) the effects of the former changes on the overall economy of the United States during and following the pandemic period; and (4) any other matters deemed appropriate.

Paragraph (c) requires the Secretary, in conducting the study required by paragraph (a), to consult with representatives from the sectors on small business; restaurant or food service; hotel and alternative accommodations; attractions or recreations; travel distribution services; passenger air; railroads; and rental cars; as well as destination marketing organizations and state tourism offices. The Secretary must provide an opportunity for the public to give comment and advice on conducting the study.

Paragraph (d) requires the Secretary to submit a report containing the results of the study and any policy recommendations for promoting and assisting the travel and tourism industry to the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science, and Transportation. The report must also be made publicly available on the Department of Commerce’s website.

Paragraph (e) requires the Secretary, in consultation with relevant stakeholders and within 3 months of the bill’s enactment, to complete an interim study on the effects of the COVID–19 pandemic on the travel and tourism industry based on the information available at the time the study is conducted. The interim report shall provide a framework for the study required by paragraph (a). A report containing the results of this interim study must be submitted to the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science, and Transportation, and be made publicly available on the Department of Commerce’s website.

Paragraph (f) defines the term “pandemic period” as having the meaning given the term “emergency period” in section 1135(g)(1)(B) of the Social Security Act,⁵ excluding any portion of such period that occurs more than 1 year after the bill is enacted. The term “travel and tourism industry” refers to the travel and tourism industry in the United States. The term “Secretary” means the Secretary of Commerce.

⁵ 42 U.S.C. 1320b–5(g)(1)(B).

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee states that the bill as reported would make no change to existing law.

