

November 1, 2024

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20515

Dear Speaker Johnson, Minority Leader Jeffries, Majority Leader Schumer and Minority Leader McConnell:

We urge you to swiftly pass a disaster supplemental appropriations bill by Thanksgiving to support communities devastated by Hurricanes Helene and Milton. Damage caused by these storms is estimated to total more than \$100 billion dollars, with downstream impacts on travel, visitor spending, hotel bookings, tax revenues and employment.¹² We ask that disaster relief legislation include more than \$35 billion in funding for the Community Development Block Grant-Disaster Relief (CDBG-DR) program and 25 percent set aside in Economic Development Administration (EDA) Economic Adjustment Assistance (EAA) funds to support the travel industry's recovery in impacted regions.

In states hit by Hurricanes Helene and Milton, the travel industry accounts for more than 2 million jobs, \$282 billion in travel spending and more than \$20 billion in state and local tax receipts. Past hurricanes demonstrate that it takes an average of 6-12 months before travel spending returns to baseline levels. Hurricane Irma in 2017 cost Florida 1.8 million visitors, \$1.5 billion in visitor spending and \$2.5 billion in overall economic activity. North Carolina's Mountain region, home to 47,000 travel industry workers, stands to lose \$2.1 billion in visitor spending this fall alone, according to Visit North Carolina.³ Preliminary surveys show that roughly 15 percent of all travelers are unlikely to visit the state in the next year because of Hurricane Helene damage.

It is crucial for Congress to jumpstart recovery by providing more than \$35 billion in CDBG-DR funding and wavier authority for the Secretary of Housing and Urban Development to tailor the program's eligibility to meet the needs of impacted communities. For example, visitation to Asheville/Buncombe County, NC, has dropped to record lows after Hurricane Helene destroyed highways, roads and water utilities. Without visitors, small travel businesses are unable to meet payroll and basic operating expenses. When processed expeditiously, CDBG-DR grants will

¹ <https://apnews.com/article/north-carolina-hurricane-helene-damage-estimate-1c32acaf158bf17eae815926ea682c0e>

² <https://www.theguardian.com/us-news/2024/oct/11/florida-in-hurricane-milton-damage>

³ <https://ncnewsline.com/2024/10/04/hurricane-helene-tourism-industry/>

revive travel to communities by providing critical resources to small businesses and rebuilding water and transportation infrastructure. Following Hurricanes Irma and Maria in 2017, Puerto Rico's travel industry faced significant challenges due to uncertainty about the pace of the island's recovery. Puerto Rico established a Small Businesses Financing Program with its CDBG-DR funds that provided \$233 million in grants to almost 5,000 entrepreneurs, generating nearly 50,000 jobs on the island in tourism, restaurants, manufacturing, construction, agriculture and other services.⁴

We also ask that up to 25 percent of Economic Adjustment Assistance funds in disaster relief be set aside for travel recovery. To aid in economic recovery from COVID-19, Congress set aside 25 percent of EDA grant funding in the American Rescue Plan Act for communities impacted by job loss in the travel and outdoor recreation sectors. These grants were a force multiplier that spurred additional state, local and private investment. For example, an \$8 million grant to the Maymont Foundation in Richmond, Virginia was matched with \$2 million in local funds and is supporting marketing campaigns, technical assistance and infrastructure improvements to enhance the guest experience and expand access to more visitors.⁵ A grant of \$850,000 to the city of Manistee, Michigan to upgrade the city's downtown riverwalk will be matched with \$240,000 in local funds and is expected to create or retain nearly 50 jobs and generate \$178,500 in private investment.⁶ We encourage you to replicate this successful program to accelerate the travel industry's recovery from the devastation of the hurricanes.

Given the urgency of the need, Congress should endeavor to pass disaster relief legislation before Thanksgiving to help these communities recover and avoid further economic damage. U.S. Travel Association stands ready to assist in this effort. Thank you for your attention to this important matter.

Sincerely,



Geoff Freeman
President and CEO
U.S. Travel Association

⁴ <https://newsismybusiness.com/edb-disburses-233m-in-grants-that-have-generated-50k-jobs-in-puerto-rico/>

⁵ <https://www.eda.gov/news/press-release/2022/07/19/us-department-commerce-invests-8-million-american-rescue-plan-funds>

⁶ <https://www.eda.gov/news/press-release/2022/09/06/us-department-commerce-invests-850000-american-rescue-plan-funds>