

COVID-19 RELIEF REQUESTS TO MITIGATE ATTRACTIONS INDUSTRY

CLOSURES AND JOB LOSSES

Due to the severity of the health crisis associated with COVID-19, the attractions industry along with the rest of the travel industry, has experienced a virtual shut down. The attractions industry will experience a loss of more than 400,000 jobs and \$11.7 billion in revenue, assuming recovery begins in July, which is by no means certain.

Once the crisis is over, attractions need to be ready to once again be the economic engine in the communities in which they are located. Immediate Congressional action is needed to protect attractions industry workers and businesses, who through no fault of their own, are experiencing extreme financial distress.

IAAPA urges the support of the following programs to protect the health of the U.S. attractions industry:

- **Provide \$250 billion of immediate liquidity to maintain employment at travel-dependent businesses such as attractions through a Travel Workforce Stabilization Fund.**
 - Appropriate \$250 billion for a Travel Workforce Stabilization Fund at the Department of Treasury to provide grants to attractions and other travel-dependent businesses to compensate for reduced liquidity (net of financing) attributable to coronavirus-related losses and closures to be used for maintaining employment. Additionally, provide cash advances to ensure travel businesses have enough receivables to pay their employees and to borrow against.
- **Provide an Emergency liquidity facility to stabilize the industry:**
 - Provide no-interest loans and unsecured lines of credit through a liquidity facility program.
 - Optimize Small Business Administration loan programs in order for small businesses to keep employees on the payroll, maintain fixed expenses and continue to make investments. Maximize the benefit of SBA loan programs-including for 7(a) loans and disaster loans-by increasing loan limits above \$2 million and guarantee percentages, waiving loan fees, waiving the state certification requirement and providing forbearance on interest and loan payments through 2020.

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- **Tax relief - Allow businesses experiencing coronavirus-related financial distress to defer tax liability:**
 - Allow corporations to defer a portion of their 2020 federal tax liability, to be paid over the following five tax years. Deferrable tax would be based on percentage of gross income declined in 2020 compared to 2019, multiplied by two-not to exceed 100%.
 - Delay the deadline for estimated quarterly tax payments and filings for two months for businesses in states with coronavirus.
 - Allow a five year-carryback of the net operating loss (NOL) deduction.
 - Help the attractions industry keep employees on the payroll. Provide a temporary business tax credit worth 40 percent of wages (up to \$6,000 of qualified wages per employee) paid by a qualified employer to an employee, for a maximum credit of \$2,400 per employee. A qualified employer would be defined as an employer located in a state declaring a state of emergency due to the coronavirus outbreak or an employer primarily engaged in the business of amusement, entertainment, recreation, accommodation, food service, lodging, retail, automobile rentals, air transportation, design and production for mass gatherings of persons or distribution of travel services. (Similar relief was provided in wake of Hurricanes Harvey and Irma.)
 - Provide a Temporary Payroll Tax cut.

- **Other critical provisions to protect employees and businesses:**
 - Ensure quarantined individuals can receive unemployment insurance benefits by providing a temporary exception to Unemployment Insurance rules that require beneficiaries to (1) be unemployed for at least 7 days, (2) actively seek work while unemployed and (3) be available to start work immediately. Allow individuals taking voluntary unpaid leave to be eligible for UI benefits, to support prudent social distancing.
 - Support Development of Pandemic Risk Insurance. Risk insurance legislation is needed to mandate that businesses who could demonstrate significant business interruption and sharp decline in present and future revenue would be insured in case of a possible pandemic or epidemic.