INTERNATIONAL TRADE ADMINISTRATION

STUDY ON THE EFFECTS OF THE COVID–19 PANDEMIC ON THE TRAVEL AND TOURISM INDUSTRY

Prepared in Response to the Consolidated Appropriations Act, 2023 (Public Law No. 117-328)

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The Consolidated Appropriations Act, 2023 (Public Law No. 117-328), Division BB, Title VI, Subtitle B, entitled, "Travel Safety," included the following language in Section 611:

(c) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary, in consultation with the United States Travel and Tourism Advisory Board and the head of any other Federal agency the Secretary considers appropriate, shall complete a study on the effects of the COVID–19 pandemic on the travel and tourism industry, including various segments of the travel and tourism industry, such as domestic, international, leisure, business, conventions, meetings, and events.

(d) MATTERS FOR CONSIDERATION.—In conducting the interim study required under subsection (b) and the study required under subsection (c), the Secretary shall consider—

(1) changes in employment rates in the travel and tourism industry during the pandemic period;

(2) changes in revenues of businesses in the travel and tourism industry during the pandemic period;

(3) changes in employment and sales in industries related to the travel and tourism industry, and changes in contributions of the travel and tourism industry to such related industries, during the pandemic period;

(4) the effects attributable to the changes described in paragraphs (1) through (3) in the travel and tourism industry and such related industries on the overall economy of the United States, including—

(A) an analysis of regional economies (on a per capita basis) during the pandemic period; and

(B) the projected effects of such changes on the regional and overall economy of the United States following the pandemic period;

(5) the effects attributable to the changes described in paragraphs (1) through (3) in the travel and tourism industry and such related industries on minority communities, including Native Americans, Native Hawaiians, and Alaska Natives;

(6) reports on the economic impact of COVID–19 issued by other Federal agencies;

(7) the costs and health benefits associated with COVID–19 requirements for air travel for entry into or exit from the United States and any consequent disincentives for tourism;

(8) any Federal barriers related to the response to the COVID–19 pandemic that are disincentivizing international tourism in the United States, including the source and policy rationale for these barriers; and

(9) any additional matters that the Secretary considers appropriate.

(e) CONSULTATION AND PUBLIC COMMENT.—In conducting the study required under subsection (c), the Secretary shall—

(1) consult with representatives of—

(A) the small business sector;

(B) the restaurant or food service sector;

(C) the hotel and alternative accommodations sector;

(D) the attractions or recreation sector;

(E) the outdoor recreation sector;

(F) the travel distribution services sector;

(G) destination marketing organizations;

(H) State tourism offices;

(I) the passenger air, railroad, bus, and rental car sectors; and

(J) labor representatives for—

(i) the sectors referred to in subparagraph (I); and

(ii) security screening personnel designated by the Administrator of the Transportation Security Administration; and

(2) provide an opportunity for public comment and advice relevant to conducting such study.

(f) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 6 months after the completion of the study required under subsection (c), the Secretary, in consultation with the United States Travel and Tourism Advisory Board and the Tourism Policy Council, shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives that contains—

(A) the results of such study;

(B) policy recommendations for—

(i) promoting and assisting the travel and tourism industry generally; and

(ii) promoting and assisting travel and tourism to Native American, Native Hawaiian, and Alaska Native communities, by fully implementing the Native American Tourism and Improving Visitor Experience Act (Public Law 114–221); and

(C) a description of the actions that should be taken by the Federal Government to accelerate the implementation of travel and tourism policies and programs authorized by law.

(2) AVAILABILITY.—The Secretary shall make the report described in paragraph (1) publicly available on the website of the Department of Commerce.

This Study responds to this requirement in the law.

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I. Executive Summary

The National Travel and Tourism Office (NTTO) is the official U.S. government source for travel and tourism statistics. As part of the International Trade Administration's Industry & Analysis business unit at the U.S. Department of Commerce (Commerce), NTTO works to enhance the international competitiveness of the U.S. travel and tourism industry and increase its exports, thereby creating U.S. employment and economic growth.

Division BB, Title VI, Subtitle B of the Consolidated Appropriations Act for Fiscal Year 2023 requires the completion of a study on the effects of the COVID-19 pandemic on the travel and tourism industry by the Secretary of Commerce, in consultation with the United States Travel and Tourism Advisory Board (TTAB)[1] and any other federal agency deemed appropriate.

This final report follows the interim report published by NTTO in 2023 that was also required by the Act. In the final report, NTTO expands on its initial findings from the interim report and fully responds to the requirement in the Act by providing analysis of relevant and available data, as well as input sought from the TTAB and other stakeholders, regarding the effects of the COVID-19 pandemic on the travel and tourism industry.

The report first reviews the economic state of the travel and tourism industry prior to the COVID-19 pandemic. It then describes government actions that addressed the health and economic impacts of the pandemic. Relying on available data, the report analyzes how the travel and tourism industry was impacted by the COVID-19 pandemic, including travel intentions and sentiment, travel volume, international travel trade, overall travel and tourism economic impact, and state-level travel expenditures.

The report concludes that the COVID-19 pandemic had a devastating impact on the travel and tourism industry in the United States. While the decade leading up to the pandemic saw rapid growth in this sector, the acute phase of the COVID-19 pandemic halted and then reversed all gains made during that time. In 2020, the number of domestic trips declined 31.8%, international visitation declined 75.8%, and 4.4 million jobs were lost in travel and tourism, accounting for nearly half of the entire employment decline in the United States that year. Further, travel and tourism GDP declined by 30% in 2020 in nominal terms. This reduction was responsible for 97% of the overall decline in U.S. GDP from 2019 to 2020.

The industry has recovered significantly. In 2022, real travel and tourism output was just 5.8% below the level of output in 2019, with domestic business and leisure travel surpassing 2019 levels of demand and domestic government and international inbound travel still recovering. Meanwhile, U.S. jobs supported by travel reached 83% of pre-pandemic levels in 2022, rising to 9.5 million.

Travel and tourism is a significant driver of the U.S. economy and a job creator. The Biden-Harris Administration will continue to work with Congress to support this industry and its

[1] https://www.congress.gov/bill/117th-congress/house-bill/2617/text

workers, draw attention to the challenges that affected travel and tourism during and following the pandemic, and promote the continued health and recovery of this essential pillar of the U.S. economy.

II. The Pre-Pandemic U.S. Travel and Tourism Industry

A. Overview of the U.S. Travel and Tourism Industry

Travel and tourism is a critical driver of economic growth and employment in the United States, generating $2.2 trillion of economic activity and accounting for 3% of U.S. gross domestic product (GDP) in 2019. This supported 11.4 million American jobs, with more than one in every 14 jobs in the United States relying directly or indirectly on travel and tourism.[2] According to the U.S. Travel Association, small businesses accounted for 83% of all travel and tourism industry businesses.[3]

> *"Before the pandemic, the travel industry offered an unobstructed path to the middle-class, providing the first job for nearly four in 10 (38%) Americans without significant disparities in gender, race, and ethnicity. The travel industry was one of the top 10 largest employers of middle-class wage earners, free of the entry barriers that burdened workers in other industries, such as post-secondary education pre-requisites." – U.S. Travel Association.*

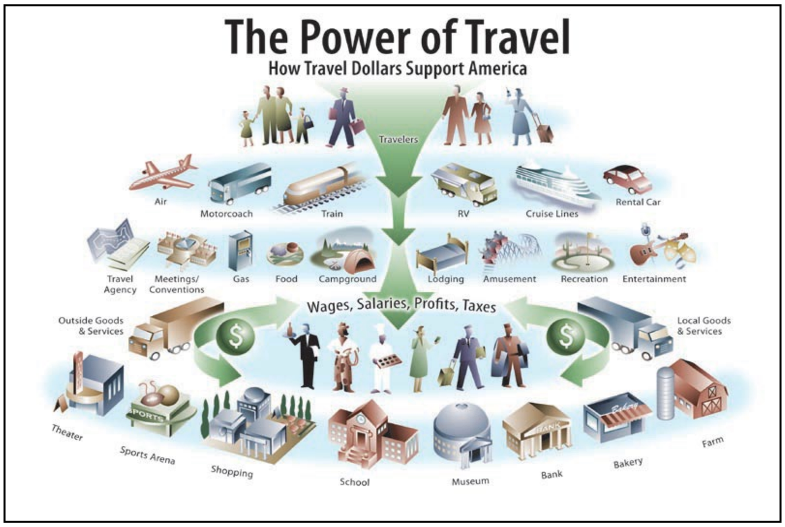
Further, travel and tourism is an engine of prosperity and opportunity for many Americans and in most communities. All 50 states, the District of Columbia, and the U.S. territories benefit directly or indirectly from domestic travel and international visitation.

Figure 1 below illustrates how the economic power of travel extends to ancillary industries, supporting small and large businesses across the country. These jobs are in a wide range of industries such as transportation, accommodations, food services, retail, attractions, recreation, sports, arts, entertainment, education, agriculture, infrastructure, and logistics.

[2] Travel and Tourism Satellite Account (2019), Bureau of Economic Analysis, U.S. Department of Commerce

[3] Source: U.S. Travel Applauds Small Business Relief Bill | U.S. Travel Association (ustravel.org)

Figure 1: Power of Travel



Source: U.S. Travel Association

Travel and tourism is a unique industry. Unlike other industries that are defined by the type of product or service delivered, travel and tourism is defined by the customer, who is referred to as a "visitor."

The Travel and Tourism Satellite Account (TTSA) is produced by Commerce's Bureau of Economic Analysis (BEA) and managed by NTTO as the official source of the federal government's estimate of the size and importance of the travel and tourism industry.

The TTSA defines a "visitor" as a person who travels outside his or her usual environment (more than 50-100 miles from the area of normal, everyday activities) for less than a year or who stays overnight in paid accommodations.

Visitors include both domestic travelers and international visitors but exclude travelers who are expected to be compensated at the location of their visit (such as migrant workers, persons traveling to new assignments, and diplomatic and military personnel traveling to and from their duty stations and their home countries).

The visitor may travel for business or pleasure, from the private sector or the government. Four types of visitors generate travel demand in the United States: (1) domestic leisure visitors, (2) domestic business visitors, (3) domestic government visitors, and (4) international inbound visitors.

The travel and tourism industry is also unique because it is (1) more internationally engaged and (2) more labor-intensive than the overall economy.[4] In 2019:

[4] NTTO estimates based on the 2019 Travel and Tourism Satellite Account (TTSA).

(1) International inbound travel accounted for 11.5% of U.S. travel and tourism overall, which was more than two times greater than the reliance on exports for the entire U.S. economy of 5.4%.
(2) Every $1 million in travel output supported 6 direct jobs in the travel industry, which was 43% greater than the 4.2 jobs supported by $1 million in output of the overall U.S. economy.

B. U.S. Travel Trends During the Decade Leading Up to the Pandemic

The period of 2009 to 2019 was a decade of growth for the travel and tourism industry in the United States. The number of domestic person-trips[5] increased from 1.9 billion in 2009 to 2.3 billion in 2019, a 22% increase. Meanwhile, the number of international inbound visitors to the United States increased from 55.1 million in 2009 to 79.4 million in 2019, a 44.2% increase.[6]

As a result of this growing demand, the travel and tourism industry outpaced the rest of the economy from 2009 to 2019[7]:

- Real travel and tourism output increased 48%, nearly double the 27% rise in real GDP.
- Travel exports increased 74%, 1.2 times faster than the 60% increase in total U.S. exports of goods and services.
- Employment supported by travel increased 28%, nearly two times the 15% rise in overall employment in the United States.
- The travel and tourism industry's share of GDP increased from 2.6% in 2009 to 3% in 2019, the highest share since 2000.

In 2019, the outlook for travel and tourism was historically strong. According to The Conference Board's Consumer Confidence Survey, the share of American consumers who intended to take a vacation within the next six months reached 65% in October 2019, which was the highest share of such consumer sentiment since the Conference Board starting measuring vacation intentions in 1978. At the same time, NTTO's 2019 forecast projected that international visitation to the United States would increase from 79 million in 2019 to 91 million by 2024.

[5] U.S. Travel Association. A "person-trip" is defined as one person on a trip away from home overnight in paid accommodations, or on a day or overnight trip to a place 50 miles or more, one-way, away from home.
[6] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, I-94 Visitor Arrivals Program, https://www.trade.gov/sites/default/files/2022-03/Annual-Arrivals-2000-to-Present%E2%80%93Country-of-Residence.xlsx

[7] NTTO estimates based on Bureau of Economic Analysis statistics: TTSA and National Accounts.

III. Government Responses to COVID-19

The first COVID-19 case in the United States was reported by the U.S. Centers for Disease Control and Prevention (CDC) on January 20, 2020, and the first death attributed to the virus was reported on February 29, 2020.

Data demonstrating the quick spread of the virus are noted in Figures 2 and 3 below, showing that in the week of April 29, 2020, the cumulative COVID-19 cases in the United States totaled approximately 1 million and deaths totaled 63,800. By the week of December 21, 2022, the cumulative COVID-19 cases in the United States totaled approximately 100.2 million and deaths totaled nearly 1.1 million.

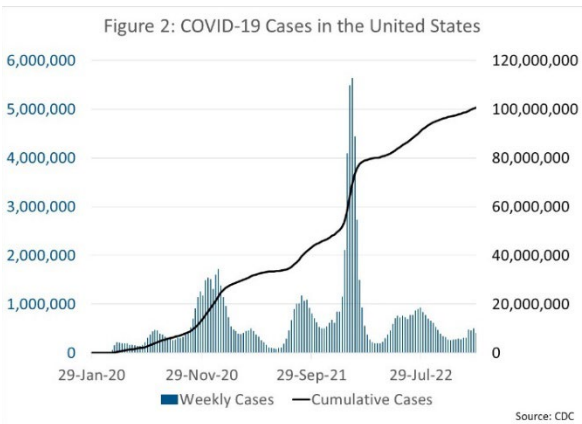


Figure 2: COVID-19 Cases in the United States

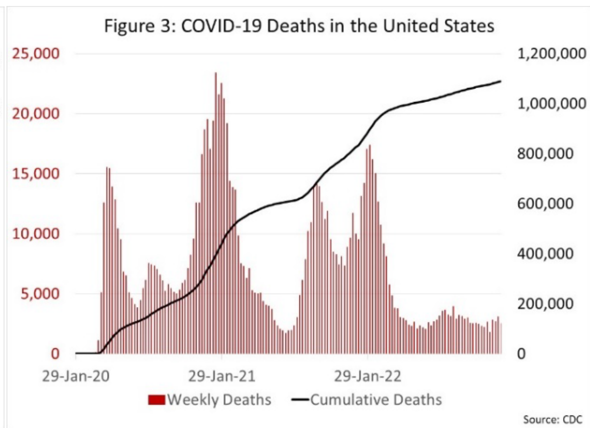


Figure 3: COVID-19 Deaths in the United States

A. Government Efforts to Address Health Impacts

In response to the pandemic, the United States, along with most nations around the world, enacted a series of laws, regulations, and policies to combat the spread of the pandemic and provided funding to support those impacted by the economic fallout from the global shutdowns. The following actions impacted the flow of travel into and out of the United States:

January 2020:

- CDC, with assistance of the U.S. Department of Homeland Security's (DHS) U.S. Customs and Border Protection, implements enhanced health screenings for those traveling to the United States on direct or connecting flights from Wuhan, China.
- CDC urges Americans to avoid travel to China.

February 2020:

- The President suspends entry into the United States of certain travelers who have recently been in China, and CDC expands enhanced health screening to include all other air passengers who have recently been in China, redirecting these passengers to 11 designated U.S. airports.
- CDC expands the list of countries to which Americans are advised not to travel.

March 2020:

- The U.S. Department of State issues global health advisory for all international travel.
- Presidential proclamations suspend entry to the United States of all foreign nationals who have recently been in Iran and certain European countries.
- DHS imposes temporary restrictions at land border ports of entry and ferry terminals at the U.S.-Canada and U.S.-Mexico borders on nonessential travel.
- CDC issues a No-Sail Order for traveling on cruise lines.
- CDC advises against international travel globally, including cruise travel.
- CDC issues an *Order Suspending Introduction of Certain Persons From Countries Where a Communicable Disease Exists*, suspending the introduction of covered noncitizens traveling from Canada or Mexico at the land border.

April 2020:

- CDC extends No-Sail Order through July 2020.

May 2020:

- Presidential Proclamation suspends entry into the United States of noncitizens who have recently been in Brazil and public health screening operations are expanded to include air passengers from Brazil at 15 U.S. airports.

July 2020:

- CDC No-Sail Order extended through September 2020.

August 2020:

- CDC moves from issuing global to country-specific travel health recommendations.

September 2020:

- Public health screening of air passengers at 15 airports is discontinued.
- CDC No-Sail Order extended through October 2020.

October 2020:

- CDC No-Sail Order expires.
- CDC adopts a phased approach to resuming cruise ship passenger operations under the Framework for Conditional Sailing Order.

December 2020:

- Following identification of the Alpha variant, CDC announces requirement of negative COVID-19 test or documentation of recovery from COVID-19 from all air passengers boarding a flight from the United Kingdom to the United States.

January 2021:

- CDC expands requirement of negative COVID-19 test or documentation of recovery from COVID-19 to all air passengers boarding a flight to the United States from any foreign country.
- Presidential Proclamations suspending entry into the United States of noncitizens continue in new presidential administration for noncitizens who have recently been in the Schengen Area of Europe, the United Kingdom and Ireland, or Brazil. South Africa is also added to the list of countries.

April 2021:

- CDC issues updated guidance for domestic and international travel for those who are fully vaccinated against COVID-19.
- CDC releases Phase 2A Technical Instructions under the Framework for Conditional Sailing Order, which assists cruise ship operators in documenting the approval of U.S. port and local health authorities to resume passenger voyages in their jurisdictions.

May 2021:

- After the identification of the Delta variant, Presidential Proclamation suspends entry into the United States of noncitizens who have recently been in India.
- CDC releases Phases 2B and 3 under the Framework for Conditional Sailing Order, providing cruise lines the guidance they need to resume sailing with passengers.

June 2021:

- CDC updates the assessment criteria for travel health notices to be more country-specific and reflect the current state of the pandemic, which eased travel recommendations for many destinations.
- Cruise lines resume passenger service under the terms of the Framework for Conditional Sailing Order.

August 2021:

- The Canadian government allows vaccinated Americans to travel to Canada.
- The European Union removes the United States from its list of safe countries.

October 2021:

- CDC extends the Framework for Conditional Sailing Order until January 2022.

November 2021:

- residential Proclamation terminates the suspension of entry into the United States regarding China, Iran, the Schengen Area of Europe, the United Kingdom and Ireland, Brazil, South Africa, and India.
- residential Proclamation directs CDC to issue public health precautions to protect against the public health risk posed by travelers entering the United States. CDC issues subsequent orders tightening COVID-19 testing requirements to 1 day before departure for unvaccinated air passengers and requiring non-U.S. citizen nonimmigrant air

passengers to show proof of COVID-19 vaccination before boarding a flight to the United States.

- After the Omicron variant was identified, the President suspends entry into the United States for foreign nationals who have recently been in Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, or Zimbabwe.

December 2021:

- The President lifts restrictions on travel from the above eight African countries.
- CDC announces tightening of travel policies and requires all incoming international air passengers be tested within 1 day of departure, regardless of vaccination status.
- CDC issues elevated warning for traveling on cruise lines because of increased transmissibility of the Omicron variant.

January 2022:

- DHS announces that all non-U.S. citizen non-lawful permanent residents crossing at U.S. land border ports of entry or ferry terminals will be required to be fully vaccinated and show proof of vaccination.
- CDC Framework for Conditional Sailing Order expires.
- CDC implements a voluntary COVID-19 risk mitigation program for cruise ships.

March 2022:

- CDC removes its travel health recommendations for cruise ships.

April 2022:

- CDC updates the assessment criteria for travel health recommendations to reflect the current state of the pandemic which eased travel recommendations for many destinations.

June 2022:

- CDC announces the end of its requirement for negative COVID-19 test or documentation of recovery from COVID-19 for all air passengers boarding a flight to the United States.

July 2022:

- CDC's voluntary COVID-19 risk mitigation program for cruise ships ends.

October 2022:

- CDC stops issuing COVID-19 travel health recommendations for countries.

December 2022:

- CDC announces requirement of negative COVID-19 test or documentation of recovery from COVID-19 for all air passengers boarding a flight from China, Hong Kong, and Macau, as well as passengers from China transiting through Incheon, Toronto, and Vancouver to the United States.

March 2023:

- CDC announces the end of its requirement for negative COVID-19 test from all air passengers entering the United States from China.

B. Government Efforts to Provide Economic Support

As soon as the global pandemic became evident, Congress began working on laws to address the economic concerns resulting from the pandemic and to assist certain industries, individuals, local and state governments with their recovery efforts.

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provided $2.2 trillion in federal support for a decade of financial relief for certain American businesses and workers devastated by the pandemic. This major bipartisan law tasked several federal agencies with creating programs targeted to identifiable groups. Assistance to air carriers in Division A, Title IV of the CARES Act included loans and loan guarantees, funds to support the pay and benefits of air carrier workers, and a suspension of aviation excise taxes on air transport of people, cargo, and aviation fuel through calendar year 2020.

A signature program in the CARES Act was the Paycheck Protection Program (PPP), implemented by the U.S. Small Business Administration (SBA) with support from the U.S. Department of the Treasury. The PPP provided small businesses with funds to pay up to eight weeks of payroll costs, including benefits. Funds could also be used to pay interest on mortgages, rent, and utilities, and toward job retention and certain other expenses. The CARES Act also directed the Federal Reserve to establish the Main Street Lending Program to assist small- to mid-sized U.S. firms.

In December 2020, Congress passed the Coronavirus Response and Relief Supplemental Appropriations Act which provided an additional $915 billion in support for a variety of federal programs to assist those impacted by the pandemic (including vaccine development through 'Operation Warp Speed').

In March 2021, Congress passed the American Rescue Plan Act (ARPA) which provided an additional $1.9 trillion in federal support. Of this amount, $8 billion was provided to airports, with $800 million for airport concessionaires, and $15 billion to airlines and contractors for payroll support.

ARPA provided Commerce's Economic Development Administration with $3 billion in funding, from which $750 million (25%) was set aside for eligible states and communities that suffered economic injury due to losses in the travel, tourism, or outdoor recreation sectors.

C. The 2022 National Travel and Tourism Strategy

On June 6, 2022, Commerce released the National Travel and Tourism Strategy (Strategy), which was recommended by the TTAB and developed through the Tourism Policy Council, a congressionally mandated interagency body chaired by the Secretary of Commerce.

Among other federal entities, the Departments of State, Homeland Security, Transportation, Interior, Labor, and Agriculture, the National Security Council, Environmental Protection Agency, SBA, and CDC provided significant input into developing this document.

This blueprint brings a whole-of-government approach, in collaboration with the private sector, to supporting the recovery and growth of the travel and tourism sector by focusing efforts to promote the United States as a premier global destination. The Strategy sets an ambitious goal of attracting 90 million international visitors by 2027, who are estimated to spend $279 billion annually. In addition to the numerical goal, the Strategy also aims to create a more sustainable, resilient, and inclusive travel and tourism industry.

The federal government is working to implement the strategy through a four-point approach:

1. Promote the United States as a Travel Destination: Leverage existing programs and assets to promote the United States to international visitors and broaden marketing efforts to encourage visitation to underserved communities.

2. Facilitate Travel to and Within the United States: Reduce barriers to trade in travel services and make it safer and more efficient for visitors to enter and travel within the United States.

3. Ensure Diverse, Inclusive, and Accessible Tourism Experiences: Extend the benefits of travel and tourism by supporting the development of diverse tourism products, focusing on under-served communities and populations; address the financial and workplace needs of travel and tourism businesses, supporting destination communities as they grow their tourism economies; and deliver world-class experiences and customer service at federal lands and waters that showcase the nation's assets while protecting them for future generations.

4. Foster Resilient and Sustainable Travel and Tourism: Reduce travel and tourism's contributions to climate change; build a travel and tourism sector that is more resilient to natural disasters, public health threats, and the impacts of climate change; and build a sustainable sector that integrates protecting natural resources, supporting the tourism economy, and ensuring equitable development.

To support the work of the Strategy, NTTO is working to continually enhance its ability to measure travel and tourism statistics, including through key initiatives like the TTSA, the Survey of International Air Travelers (SIAT), the I-94 Visitor Arrivals Program, the I-92 International Air Travel Statistics Program, and the International Travel Trade Statistics and Balance of Payments Program.

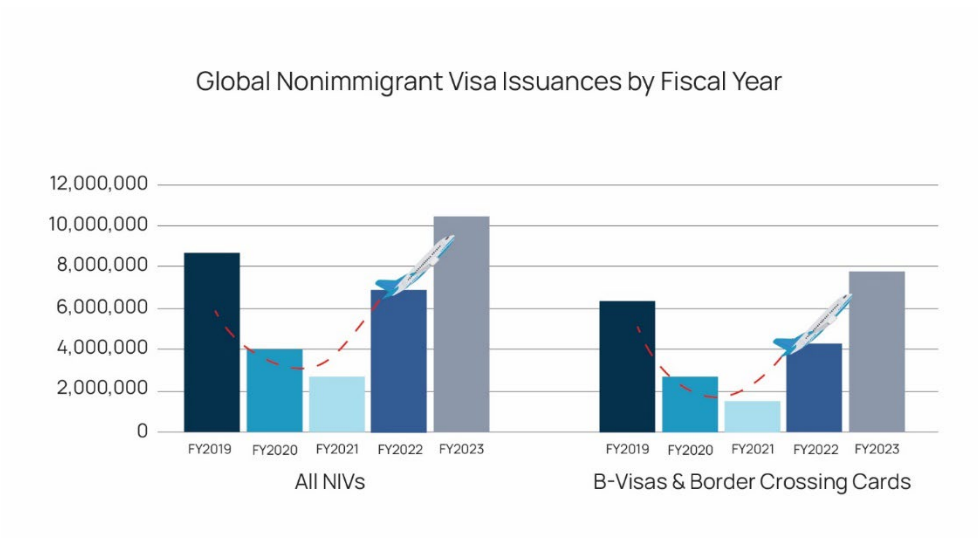
D. Efforts to Address COVID-19's Effect on U.S. Visa Processing

For approximately 18 months, the COVID-19 pandemic severely constrained U.S. visa processing and the hiring of consular officers around the world to adjudicate visas. Shifting pandemic conditions in many countries, along with Presidential Proclamations, restricted the issuance of many visa types and limited short-staffed consular sections to processing only high-priority visa types such as students, healthcare workers, and employment-based categories critical to supply chains and the U.S. economic recovery.

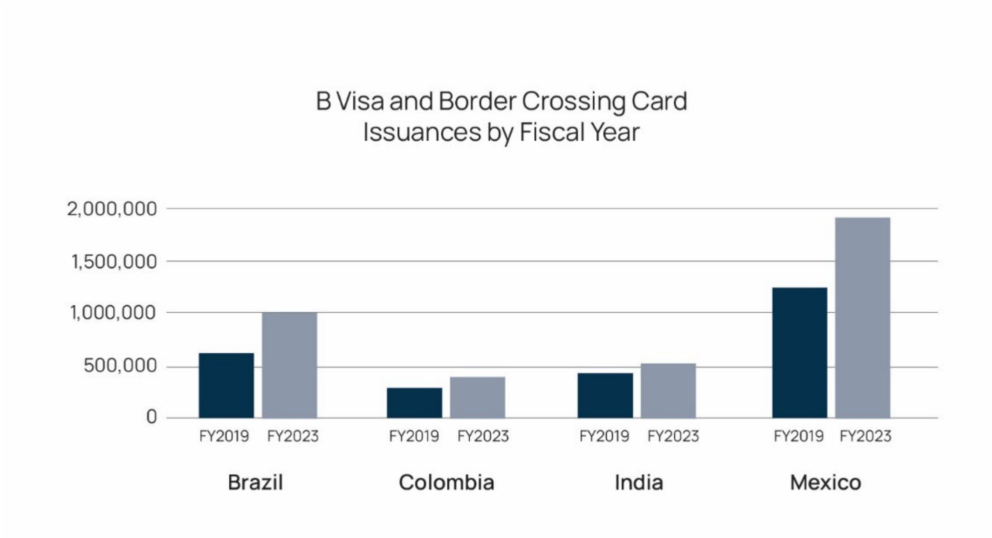
Early in the pandemic, the U.S. Department of State (State) looked for innovations and tools to more efficiently process visas, facilitate travel, and accelerate U.S. economic recovery while safeguarding national security. To this end, the Secretary of State, with concurrence from DHS, expanded the authority for consular officers to waive the in-person interview requirement for certain nonimmigrant visa applicants. This in turn enabled State to increase remote adjudications to better rebalance the worldwide nonimmigrant visa workload and support embassies with higher demand and longer wait times.

This and other innovations were key to tackling pandemic-driven backlogs and pent-up demand for U.S. visas. Wait times for visa interview appointments, mainly for first-time prospective visitors, grew rapidly as many countries loosened COVID-era travel restrictions and demand soared. U.S. embassies and consulates have dramatically reduced appointment wait times in most markets over the past year, but demand for U.S. visas remains at historic levels in some countries, contributing to lengthy appointment wait times even as State issues record numbers of visas in countries like Mexico, Brazil, India, and Colombia. While the majority of international visitors come from Canada and the 41 countries participating in the Visa Waiver Program, which do not require a visa for tourism and business purposes, State continues to be focused on reducing wait times for interview appointments in locations where they remain above pre-pandemic norms.

State's 230 U.S. embassies and consulates overseas issued record-breaking numbers of nonimmigrant visas in fiscal year (FY) 2023: more than 10.4 million globally, surpassing any high-water mark in almost a decade. More than half of State's overseas posts adjudicated more nonimmigrant visa applications than ever before. In March 2023, State issued more than one million nonimmigrant visas in a single month for the first time since 2017. State repeated this feat again in May 2023. Today, more people can travel to the United States than ever before.



State issued nearly eight million visitor visas for business and tourism, more than in any fiscal year since 2016. The top four issuing missions of Mexico, India, Brazil, and Colombia adjudicated more nonimmigrant visas in FY 2023 than in any other year in the last two decades. Together, these four missions processed more than 5.5 million nonimmigrant visas in FY 2023, a 37% increase from pre-pandemic FY 2019.



Additionally, State made noticeable improvements globally in reducing visa appointment wait times across all visa categories and in major markets. The average global wait time for a B1/B2 visitor visa interview was more than 200 days in June 2022. One year later in June 2023, the wait time was just over 150 days. Appointment wait times in all other visa categories, including students, temporary workers, crewmembers, and visitor visa renewal applicants, are low worldwide.

One tool that continues to help reach and exceed pre-pandemic visa processing capacity is the expansion of remote adjudication. In locations with capacity, consular officers remotely adjudicate tens of thousands of interview waiver applications each week on behalf of U.S. embassies where there is high visa demand. This program allows posts with higher interview wait times to increase appointment availability by focusing on applicants who must come in for an interview.

State’s remote processing capacity has more than doubled in recent months. The heart of this expansion is a domestic unit that processes certain visa applications that do not require interviews from the high-volume posts, including U.S. diplomatic missions in Mexico and India. This unit processed more than 1.2 million visas domestically last fiscal year. In the near future, it will pilot domestic renewal of certain petition-based work visas.

The ability to waive the requirement for an in-person interview continues to be one of the best tools to reduce appointment wait times while continuing to make rigorous national security decisions in every case. Nearly 40% of the more than 10 million travelers who received their

U.S. nonimmigrant visas in the past 12 months did not require an in-person interview, opening those interview slots for first-time applicants and others who need them. If an applicant has already been interviewed by a consular officer overseas, granted a visa, and did not misuse the visa, this person usually may renew their visa without another interview. Additionally, applicants who are nationals of Visa Waiver Program countries and who previously traveled well under that program may qualify for interview waiver when applying for a student or exchange visitor visa, or a petition-based temporary work visa.

State continues to leverage technology to streamline visa processing and improve the U.S. travel experience. State's Visa Office is developing the capability to issue a digital visa authorization (DVA) in place of the traditional visa printed and affixed in the applicant's passport. The U.S. Embassy in Dublin recently completed a limited DVA proof of concept with a small number of K-1 (fiancé(e)) visas. State envisions extending DVA to other visa classes and countries in the future.

While State has made progress in reducing visa interview wait times as outlined above, there are a number of markets where long wait times remain post-pandemic. Commerce's NTTO is working closely with State and travel and tourism industry stakeholders to address the issue.

IV. The Pandemic's Impacts on the U.S. Travel and Tourism Industry

The unanticipated, sudden, and drastic travel and health restrictions caused by the pandemic resulted in a severe disruption in travel to, from, and within the United States that devastated the U.S. travel and tourism industry. Comparing monthly totals in December 2019 and April 2020 – a period of only four months:

- Hotel room demand (rooms sold) fell from 91.5 million in December 2019 to 33 million in April 2020.[8]
- The number of domestic air passengers declined from 69.7 million to 2.9 million.[9]
- Visitation to national parks fell from 15.6 million to 7.9 million[10] (although, in contrast, visitation to national forests grew from 150 million in 2019 to 168 million in 2020[11]).
- The number of international travelers visiting the United States dropped from 6.9 million to less than 250,000.[12]
- The number of U.S. citizens traveling abroad declined from 8.9 million to 771,000.[13]

For the next several years, as the United States and countries around the world continued to struggle with health challenges and travel restrictions, the U.S. travel and tourism industry continued to see declines in travel intentions, travel volume, travel exports, employment, overall economic impact, and with the uneven recovery across and within all regions of the country.

A. Travel Intentions and Sentiment

The pandemic resulted in a large shift in the number of Americans planning to travel, a shift that was echoed globally. According to the Conference Board, the share of American consumers planning to take a vacation dropped precipitously from an all-time high of 65% in October 2019 to just 31.8% in April 2020. While vacation intentions have since improved, as of February 2024, the 47.7% of American consumers intending on taking a vacation in the next six months remains below the 54.9% recorded in February 2020 (Figure 4).

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[8] STR, Monthly Hotel Review

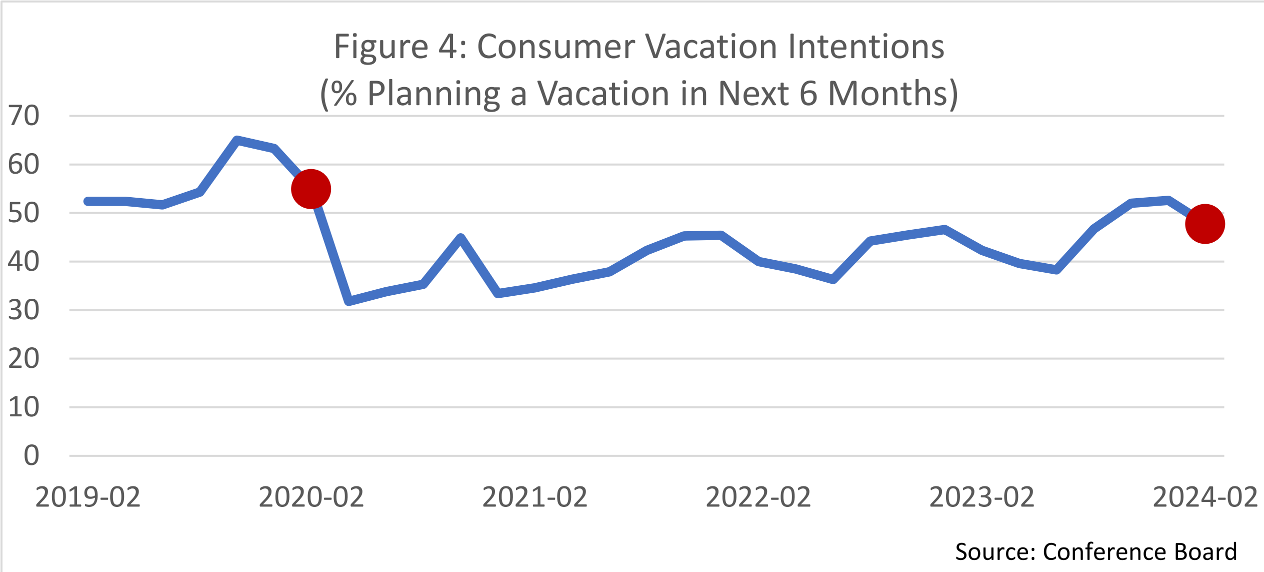
[9] U.S. Department of Transportation, Bureau of Transportation Statistics, https://www.transtats.bts.gov/Data_Elements.aspx?Data=1

[10] U.S. Department of the Interior, National Park Service Visitor Use Statistics, Current Year Monthly and Annual Summary Report (1979-Present)

[11] U.S. Department of Agriculture

[12] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, I-94 Visitor Arrivals Program, https://www.trade.gov/sites/default/files/2024-02/Monthly%20Arrivals%202000%20to%20Present%20%E2%80%93%20Country%20of%20Residence%20%28COR%29_1.xlsx

[13] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, I-92 Air Travel Statistics Program, https://www.trade.gov/sites/default/files/2024-02/US-Outbound-to-World-Regions.xlsx



The findings of the Conference Board are confirmed by other studies. In its July 2023 report on the State of the American Traveler, travel research firm Destination Analysts (DA) estimated that 50% of domestic leisure travelers expect to travel "the same" in the next 12 months compared to the most recent 12 months, while 28.1% expect to travel "more" and 21.9% expect to travel "less". These findings are much more positive compared to DA's survey findings during the summer of 2020, but not as optimistic as in 2019.

DA's July 2023 report also found that 68.1% of domestic travelers felt confident that they could travel safely in the current environment (the highest percentage since 2020), while only 6.6% were not confident. Instead, current deterrents to travel are mainly financial, with "gasoline was too expensive," "airfare was too expensive," and "personal financial reasons" listed as the top reasons that kept domestic travelers from taking a trip in the next six months (Figure 5).

> *"This shift in traveler sentiment from concerns about the COVID-19 virus to excitement to get back into travel to now concerns around the expense of travel is echoed in American travelers' written responses to the open-ended question of what single word best describes their current feelings about travel. While "excited" continues to dominate traveler sentiment in 2023, and words like "scary" and "unsafe" have retreated from the forefront of travelers' minds, "expensive" is currently one of the main secondary associations with travel for Americans." – DA, The State of The American Traveler, Benchmarking Travel Sentiment, July 2023.*

Figure 5

B. Domestic and International Travel Volume

Domestic. The number of domestic person-trips in the United States declined 32% from 2.3 billion in 2019 to 1.6 billion in 2020.[14] This 740 million decline was nearly six times larger than the combined declines in domestic travel volume during the prior two recessions: 2001 (-22.2 million) and 2007-2009 (-105.4 million). Domestic leisure travel volume declined 24% in 2020 while domestic business travel volume declined by 61%. Both domestic leisure and business travel recovered in 2021 and 2022, although by 2022, domestic business travel volume remained 20% below pre-pandemic 2019 levels while domestic leisure travel was nearly 2% above pre-pandemic 2019 levels. Overall domestic travel reached 97% of 2019 levels in 2022. In 2023, domestic travel volume is estimated to have reached 2.31 billion person-trips, reaching 99.6% of 2019 levels.

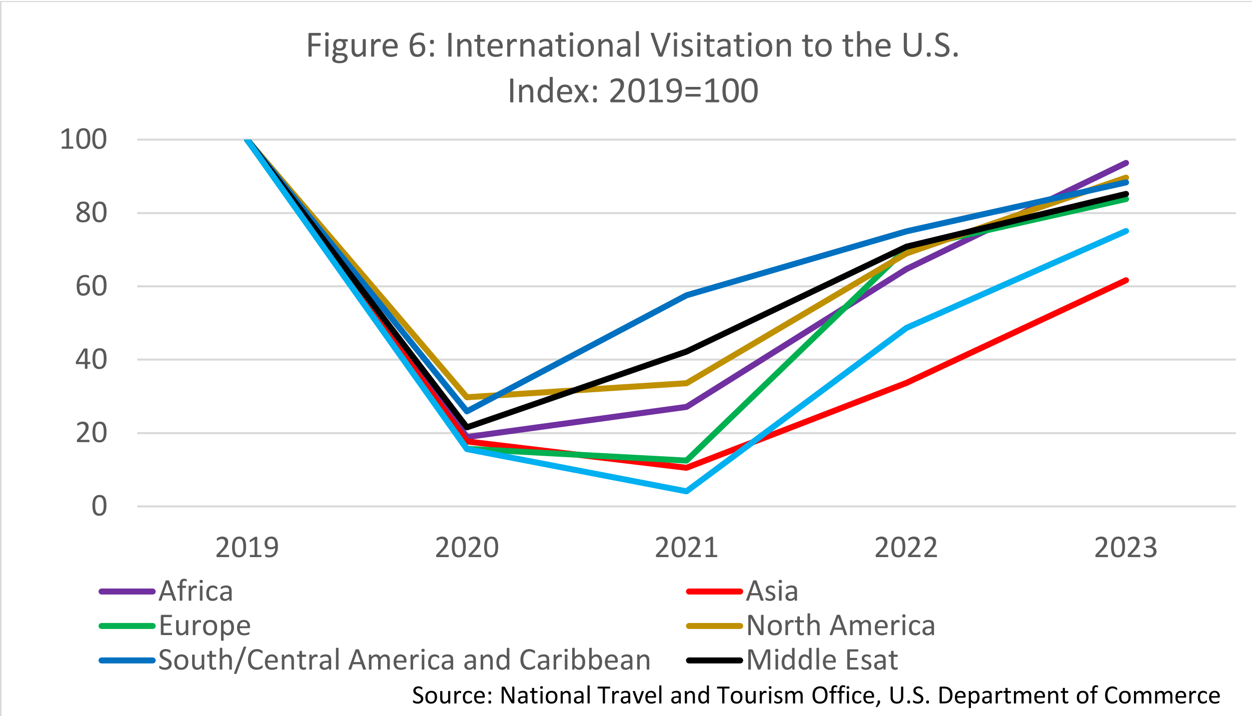
International Visitation to the United States. The number of international inbound arrivals to the United States declined 75.8% from 79.4 million in 2019 to 19.2 million in 2020, more than four times larger than the combined declines following the terrorist attacks of September 11, 2001 (-13.1 million from 2000 to 2003) and during the Great Recession of 2009 (-2.9 million).[15]

By world region, the declines in visitation in 2020 ranged from -70% (North America [Canada and Mexico]) to -84% (Europe). Inbound travel edged up 16% in 2021 before surging 128% in 2022 following the lifting of major restrictions on international travel in November 2021.

[14] U.S. Travel Association, Travel Forecast, https://www.ustravel.org/sites/default/files/2024-01/us_travel-forecast_fall2023-1.pdf
[15] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, I-94 Visitor Arrivals Program, https://www.trade.gov/sites/default/files/2022-03/Annual-Arrivals-2000-to-Present%E2%80%93Country-of-Residence.xlsx

By 2022, the United States had 50.8 million international inbound arrivals, reaching 64% of 2019 levels.

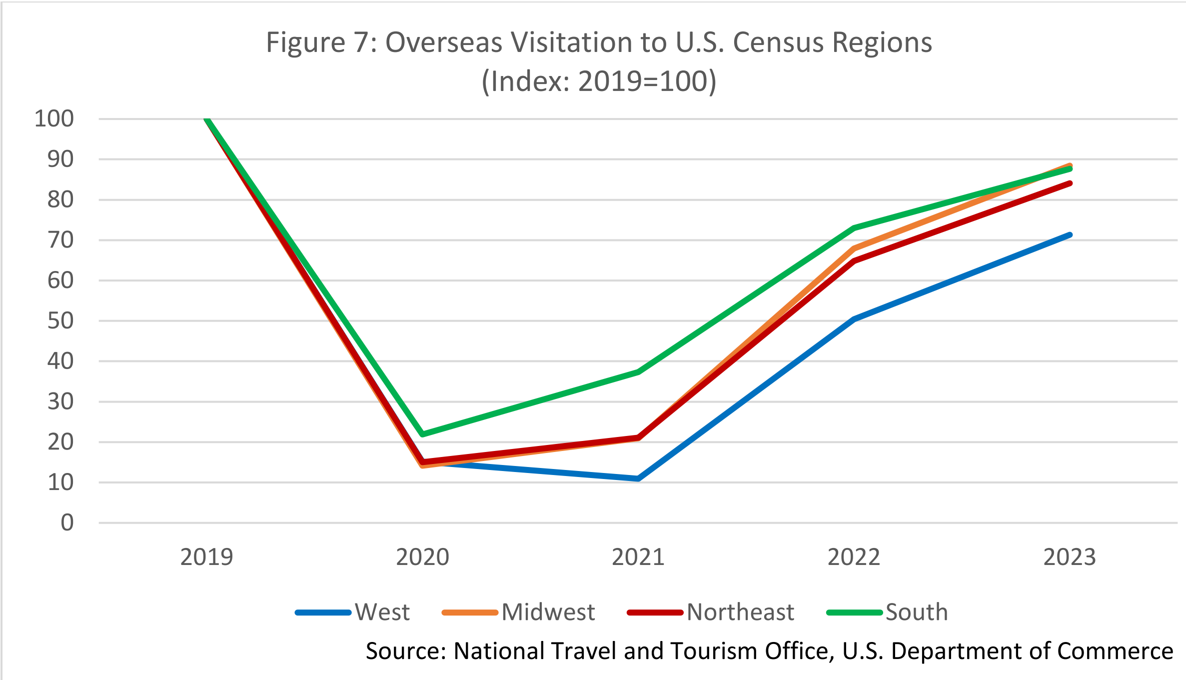
By 2023, the United States had 66.5 million international inbound arrivals, reaching 84% of 2019 levels, with the recovery ranging from Asia (62% of 2019 arrivals) to Europe (84%) to North America (90%) to Africa (94%) (Figure 6).



Overseas Visitation to U.S. States and Regions. Overseas[16] visitation to the United States declined 81% from 40.4 million in 2019 to 7.6 million in 2020. By Census Region, the 2020 decline ranged from the South (-78%) to the Northeast and West (both -85%) to the Midwest (-86%). The five states with the mildest declines in overseas visitation in 2020 were Kentucky (-69%), Texas and Florida (both -76%), Missouri (-78%) and Colorado (-80%). By contrast, the five states with the deepest declines in overseas visitation in 2020 were Alaska, Wyoming, and South Dakota (each -97%), New Mexico (-95%) and Maine (-94%).

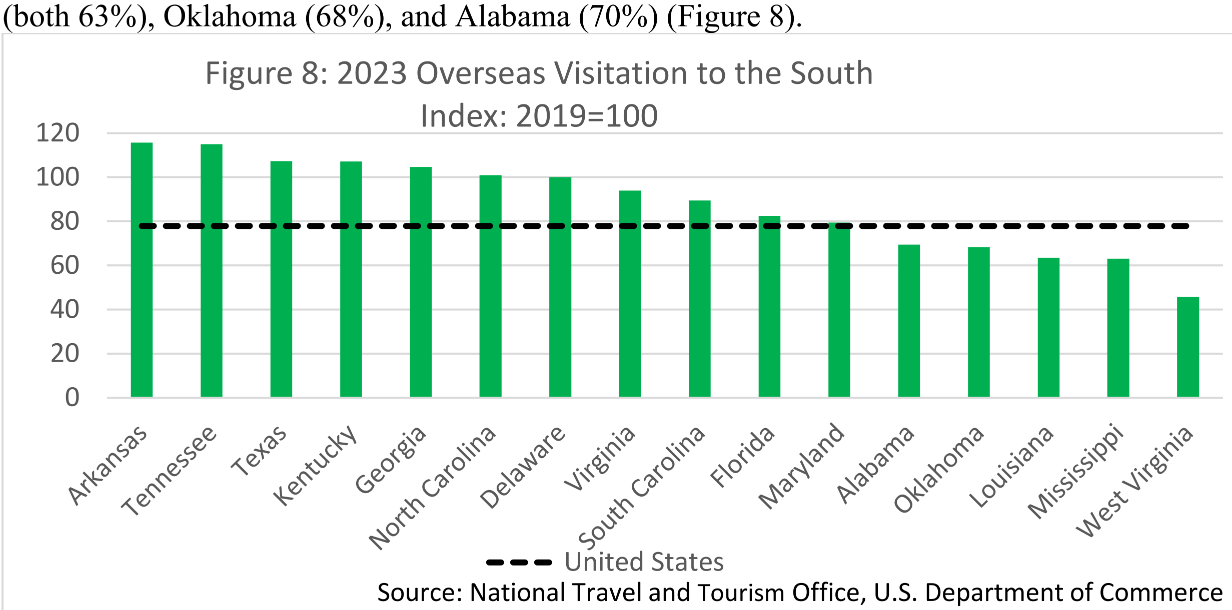
By 2023, overseas visitation to the United States of 31.5 million reached 78% of 2019 visitor volume. The level of recovery varied by region of the country as well as by state within each region. By region, both the South and the Midwest recovered to 88% of 2019 visitation in 2023, followed by the Northeast (84%) and the West (71%) (Figure 7).

[16] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, Survey of International Air Travelers (SIAT) Program. State-level estimates only available for overseas visitation. Overseas visitation excludes Canada and Mexico. International visitation includes Canada and Mexico.

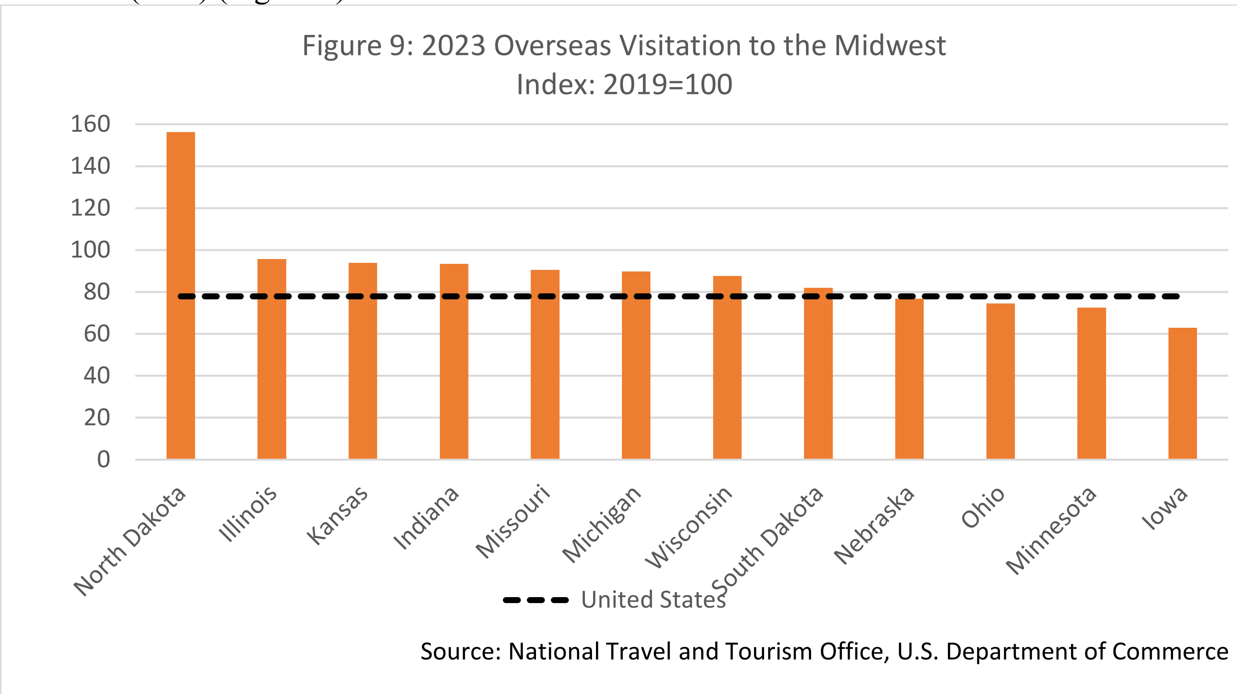


The five most-recovered states in 2023 were Idaho (166% of 2019 visitation), North Dakota (156%), Arkansas (116%), Tennessee (115%) and Texas (107%). Puerto Rico was 185% recovered. The five least-recovered states in 2023 were West Virginia (46% of 2019 visitation), Hawaii and Vermont (both 51%), Wyoming (52%) and New Mexico (56%). Guam was only 38% recovered.

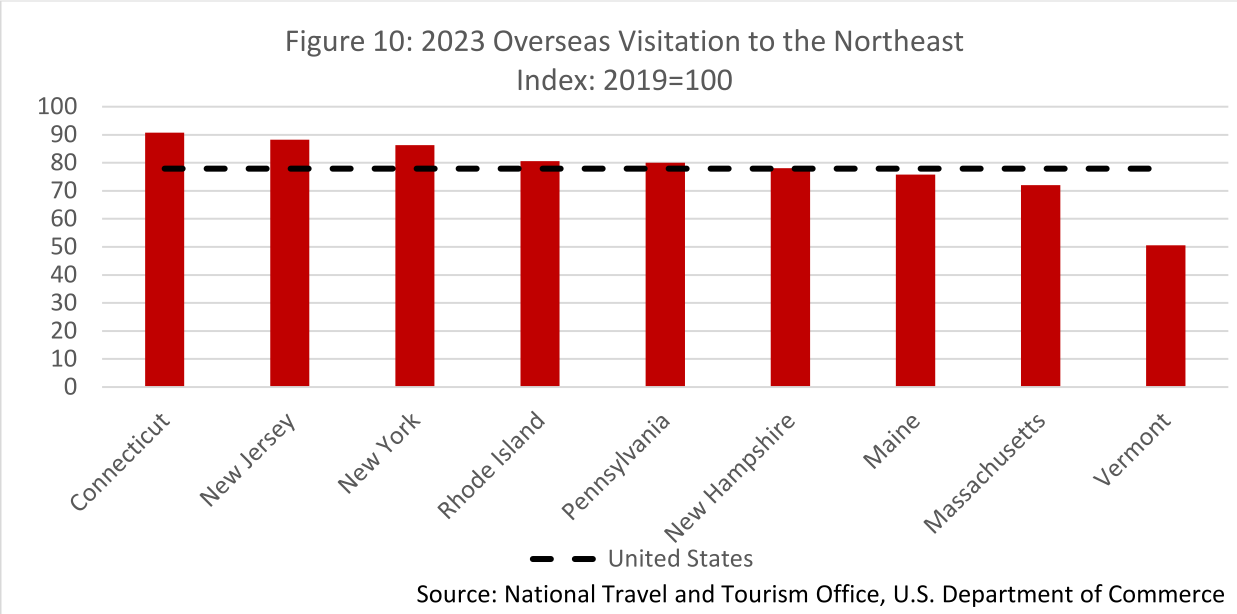
Within the Southern Region of the United States in 2023, 11 of the 16 states recovered more than overseas visitation to the United States overall (78% of 2019 visitation), led by Arkansas (116%), Tennessee (115%), Texas and Kentucky (both 107%), and Georgia (105%). The states underperforming the United States overall were West Virginia (46%), Mississippi and Louisiana (both 63%), Oklahoma (68%), and Alabama (70%) (Figure 8).



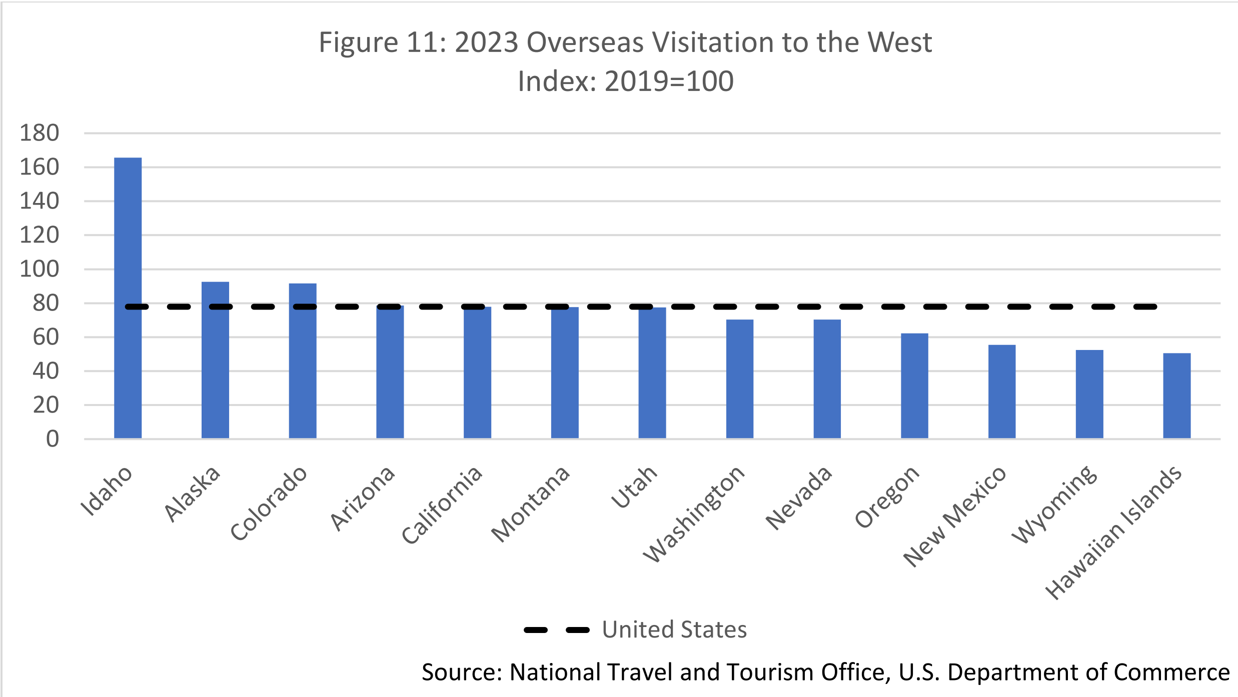
Within the Midwest Region of the United States in 2023, 8 of the 12 states recovered more than overseas visitation to the United States overall (78% of 2019 visitation), led by North Dakota (156%), Illinois (96%), Kansas (94%), Indiana (93%), and Missouri (91%). The states underperforming the United States overall were Iowa (63%), Minnesota (72%), Ohio (75%) and Nebraska (77%) (Figure 9).



Within the Northeast Region of the United States in 2023, 6 of the 9 states recovered more than overseas visitation to the United States overall (78% of 2019 visitation), led by Connecticut (91%), New Jersey (88%), New York (86%), Rhode Island (81%) and Pennsylvania (80%). The states underperforming the United States overall were Vermont (51%), Massachusetts (72%) and Maine (76%) (Figure 10).



Within the Western Region of the United States in 2023, just 4 of the 16 states recovered more than overseas visitation to the United States overall (78% of 2019 visitation) – Idaho (166%), Alaska (93%), Colorado (92%), and Arizona (79%). The states underperforming the United States overall were Hawaii (51%), Wyoming (52%), New Mexico (56%), Oregon (62%), Nevada (70%), Washington (70%), and Utah, Montana and California (each just below 78%). (Figure 11).



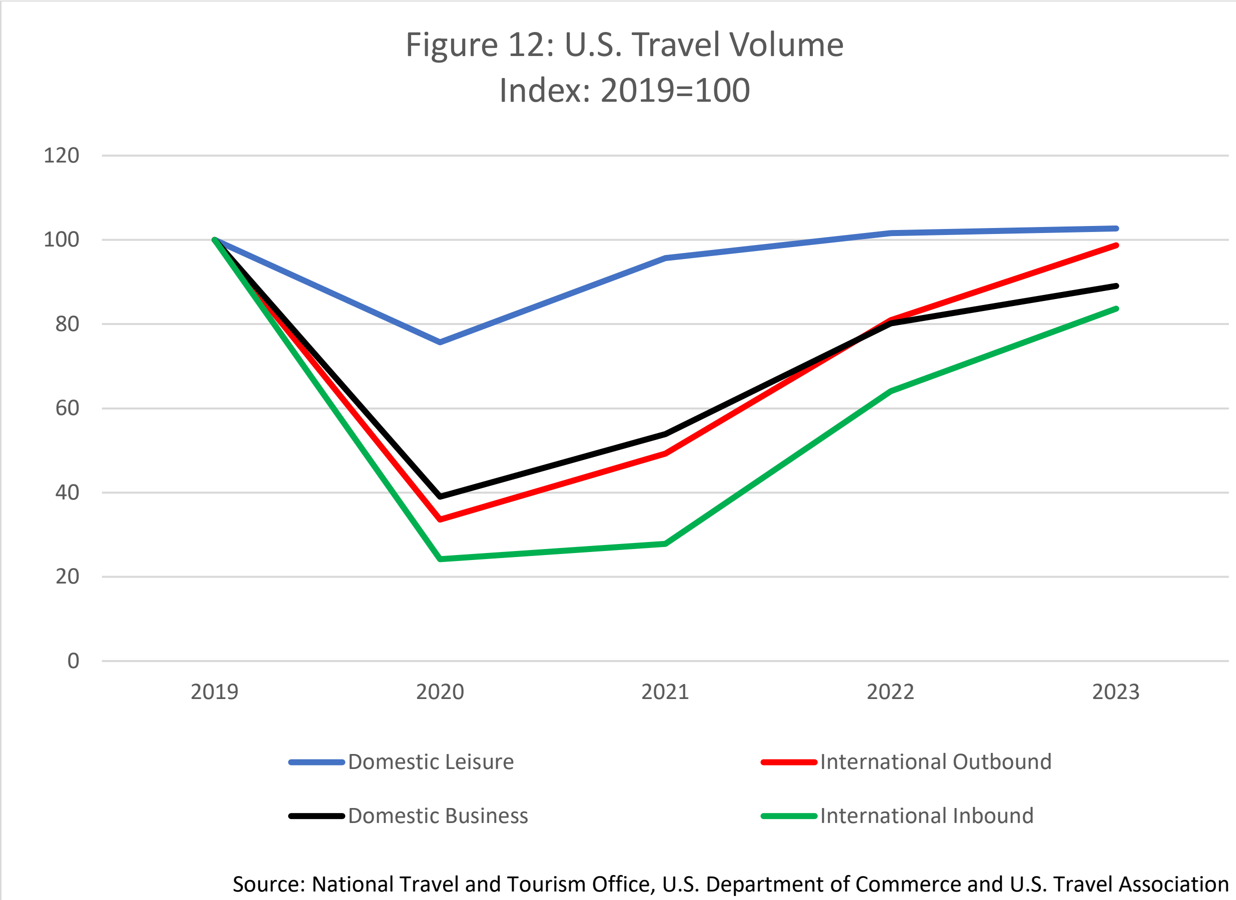
International Outbound Visitor Departures. The number of international outbound departures from the United States to foreign destinations declined 66.3% from 99.7 million in 2019 to 33.5 million in 2020.[17] By world region, the declines in 2020 ranged from -57% (North America) to -86% (Europe).

Outbound travel rose 48.1% in 2021 and increased 66% in 2022. By 2023, there were 98.5 million international outbound departures, reaching 98.7% of 2019 departures. By world region, U.S. outbound departures in 2023 reached the following percentage of 2019 outbound departures:

- Asia (85%), Canada (85%), and Oceania (86%)
- Mexico (92%), Europe (105%), Caribbean (115%), and Central America (126%)
- South America (130%), Africa (141%), and Middle East (141%)

2023 Travel Volume To, From, and Within the United States. As a share of 2019 volume, U.S. travel volume in 2023 ranged from fully recovered (domestic leisure travel reached 102.7% of 2019 volume) to partially recovered (international inbound reached 83.7% of 2019 volume, domestic business reached 89.1% of 2019 volume, and international outbound reached 98.7% of 2019 volume). (Figure 12).

[17] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, I-92 Air Travel Statistics Program, https://www.trade.gov/sites/default/files/2024-02/US-Outbound-to-World-Regions.xlsx



C. International Travel Trade

International trade in travel is comprised of U.S. goods and services purchased by foreign travelers on trips to the United States (travel exports) and purchases of foreign goods and services by U.S. travelers on trips abroad (travel imports).

There are three major components of international travel trade[18]:

(1) Personal travel
   a. Health related (expenditures by those traveling for health reasons—that is, by travelers seeking medical or dental care and procedures outside their country of residence and by travelers accompanying them on those trips)
   b. Education related (all expenditures by travelers whose primary purpose for travel is education, including dependents and other travelers accompanying students)
   c. Other personal (i.e., "leisure") travel (expenditures by those traveling for other personal reasons, such as vacation/holiday, visiting friends/relatives, etc.)

(2) Business travel
   a. Expenditures by border, seasonal and other short-term workers (expenditures on goods and services by foreign residents who commute to work in the United

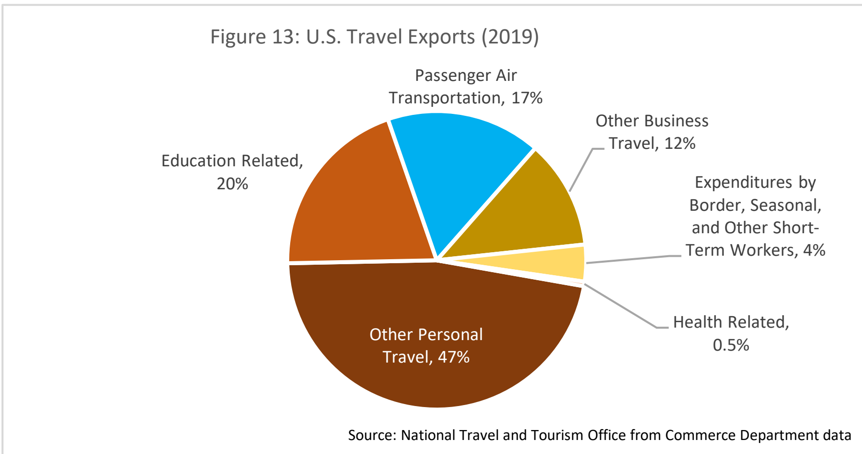
[18] U.S. Department of Commerce, Bureau of Economic Analysis and the National Travel and Tourism Office.

States, by other foreign workers temporarily employed in the United States, and by U.S. residents employed temporarily abroad)

b. Other business (i.e. "general business") travel (expenditures by those traveling for other business reasons such as visiting customers or suppliers, sales/marketing, attending an internal company meeting, convention, conference, or trade show, etc.)

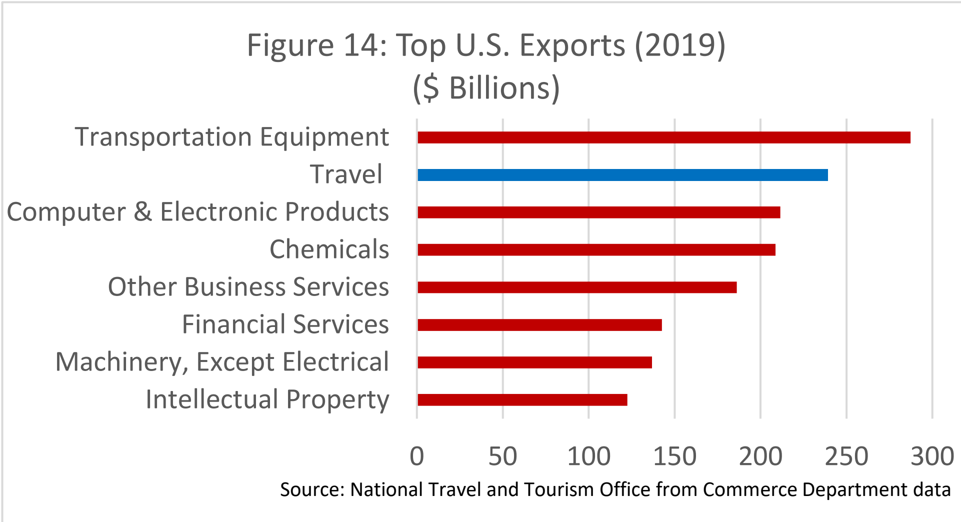
(3) Passenger air transportation (expenditures on international flights of foreign-flagged air passenger carriers)

In 2019, other personal, or "leisure", travel accounted for 47% of U.S. travel exports, followed by education (20%), passenger air transportation (17%), other business travel (12%), expenditures by border, seasonal and other short-term workers (4%), and health related (0.5%) (Figure 13).



Prior to the pandemic, travel was a major source of export income for the U.S. economy. In 2019, travel exports of $239.1 billion accounted for 9.4% of total U.S. exports of goods and services.[19] By major industry, travel was second only to transportation equipment and larger than other leading U.S. exports, such as computer and electronic products, chemicals, financial services, and machinery (Figure 14).

[19] U.S. Department of Commerce, International Trade Administration, National Travel and Tourism Office, International Travel Receipts and Payments Program, https://www.trade.gov/sites/default/files/2024-04/Annual-International-Visitor-Spending-in-the-United-States.xlsx



In 2019, nearly two-thirds (63%) of U.S. total exports of goods and services were sold to twelve countries. Of these dozen countries, travel's share of U.S. exports ranged from China (20%) to Brazil (15%), to the United Kingdom and South Korea (11%), to Canada and Mexico (6%), to Switzerland (3.5%).

Throughout the 21st century, travel consistently generated a trade surplus for the U.S. economy. Prior to 2020, travel not only generated a trade surplus over 19 consecutive years, but also over every month (240 consecutive months) of those 19 years. In 2019, travel exports of $239 billion less travel imports of $185 billion generated a travel trade surplus of $54 billion.

Impact of COVID-19 on U.S. Total Travel Trade. The severe and lengthy disruptions to international visitation between the United States and the rest of the world in early 2020 through most of 2021 had a dramatic impact on U.S. travel trade.

From 2019 to 2020:

- Travel exports declined 65% from $239 billion to $84 billion.
- Other exports of goods and services declined 10%.
- Travel's share of total U.S. exports of goods and services declined from 9.4% to 3.9%.
- The $155 billion decline in travel exports accounted for 40% of the decline in total U.S. exports of goods and services.
- Travel imports declined 75% from $185 billion to $47 billion.
- The travel trade surplus narrowed from $54 billion to $37 billion.

As international outbound departures from the United States recovered faster than international inbound arrivals, the travel trade balance deteriorated further in 2021.

From 2020 to 2021:

- Travel exports declined 0.2% from $84.2 billion to $84.1 billion.

- Other exports of goods and services increased 20%.
- Travel's share of total U.S. exports of goods and services declined from 3.9% to 3.3%.
- Travel imports increased 58% from $47 billion to $75 billion.
- The travel trade surplus narrowed from $37 billion to $10 billion.

In the wake of the lifting of major restrictions on international travel to and from the United States in November 2021, both travel exports and travel imports increased significantly in 2022. Because travel imports (generated by outbound travel) rose more than travel exports (generated by inbound travel), the travel trade balance deteriorated again in 2022.

From 2021 to 2022:

- Travel exports increased 97% from $84 billion to $165.5 billion.
- Other exports of goods and services increased 15%.
- Travel's share of total U.S. exports of goods and services rose from 3.3% to 5.5%.
- Travel imports increased 117% from $75 billion to $162 billion.
- The travel trade surplus narrowed from $10 billion to $3.5 billion.

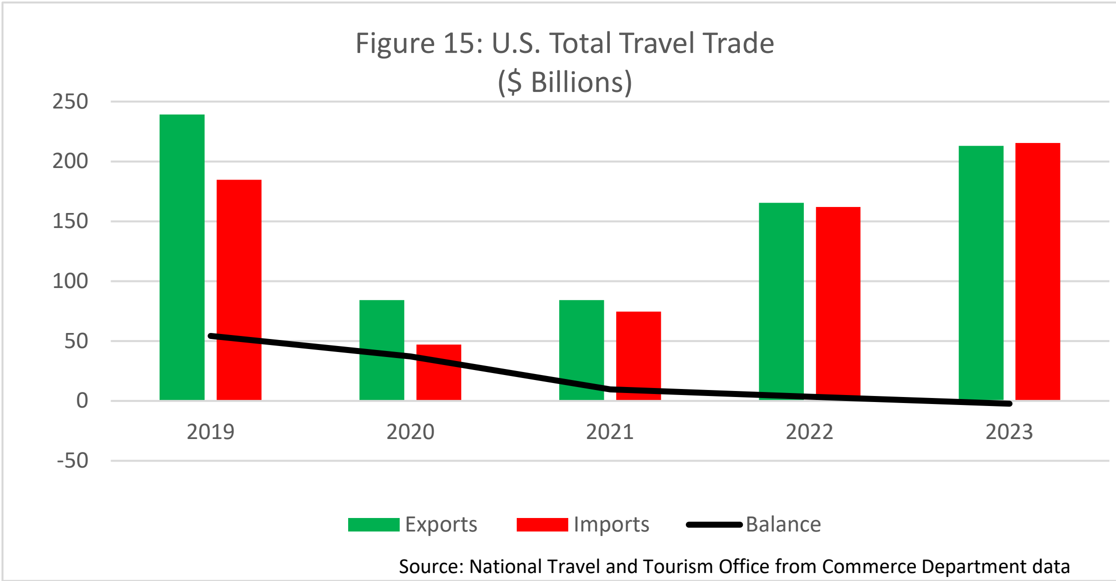
In 2023, travel exports and imports continued to recover. Because travel imports (generated by outbound travel) rose more than travel exports (generated by inbound travel), the travel trade balance deteriorated again in 2023.

From 2022 to 2023:

- Travel exports increased 29% from $165.5 billion to $213 billion.
- Other exports of goods and services decreased 0.5%.
- Travel's share of total U.S. exports of goods and services rose from 5.5% to 7%.
- Travel imports increased 33% from $162 billion to $215 billion.
- The travel trade balance changed from a $3.5 surplus to a $2.3 billion deficit.

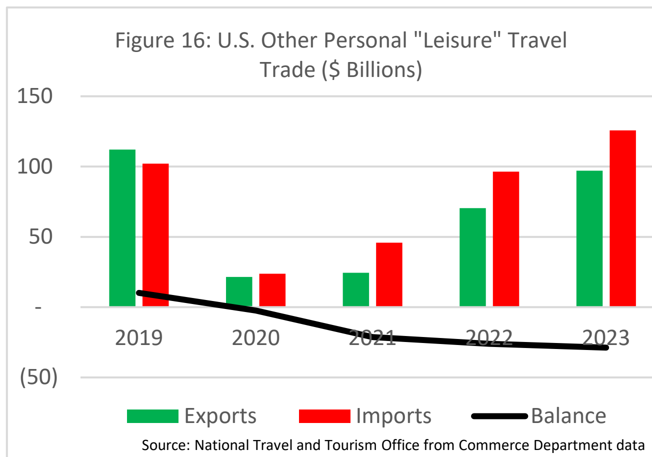
In 2023 compared to 2019:

- Travel exports were 11% lower.
- Travel imports were 17% higher.
- Travel generated its first annual trade deficit this century or ever (Figure 15).

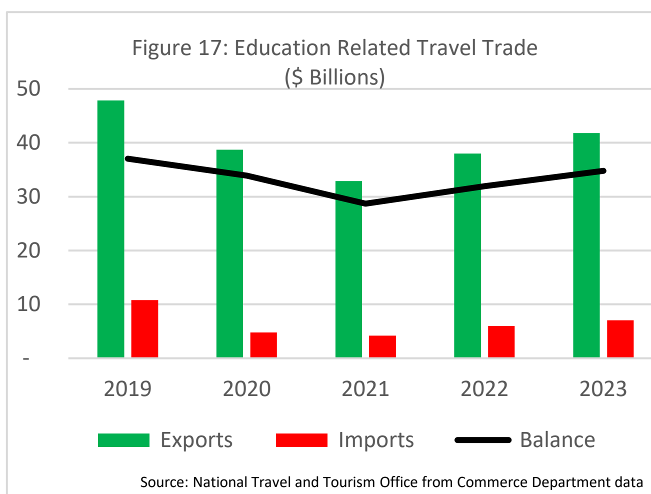


Impact of COVID-19 on U.S. Travel Trade by Component.

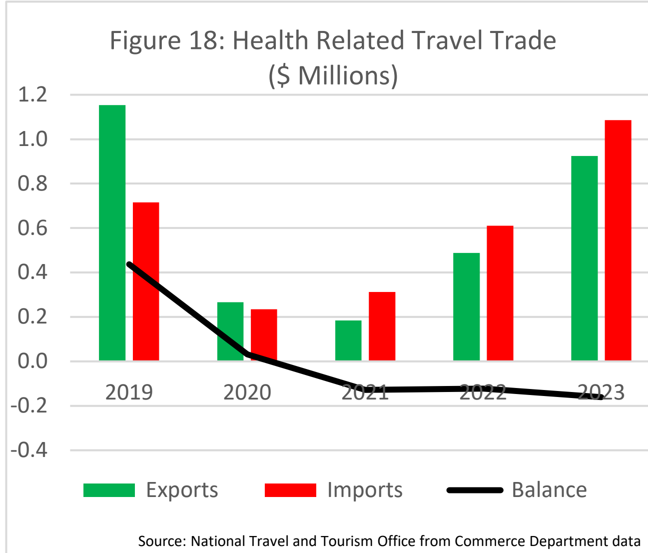
Other Personal "Leisure" Travel exports and imports declined 81% and 77%, respectively, from 2019 to 2020. In 2021, exports rose 13% while imports increased 92%. In 2022, both exports and imports more than doubled. By 2023, exports remained 13% below 2019 while imports were just 23% above. A $10 billion trade surplus in leisure travel in 2019 turned into a $29 billion deficit in 2023. The last time leisure travel generated a trade deficit was in the 2002-2007 period (Figure 16).



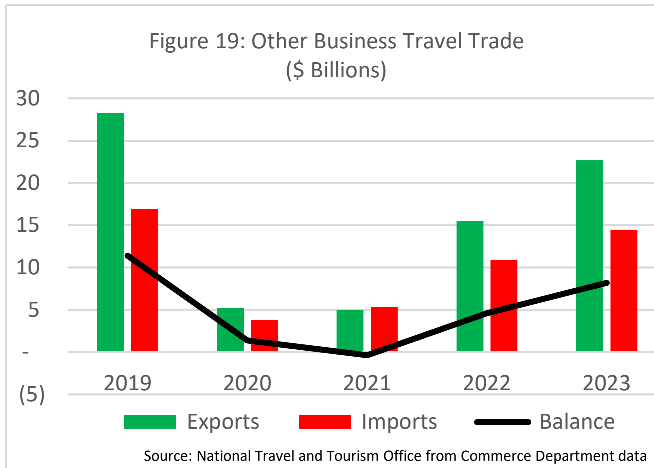
Education Related Travel exports and imports declined 19% and 56%, respectively, from 2019 to 2020. Exports and imports both declined again in 2021, by 15% and 12%, respectively. In 2022, exports increased 15% and imports rose 42%. By 2023, exports remained 13% below 2019 levels while imports were 35% below. A $37 billion trade surplus in education related travel in 2019 narrowed to a $35 billion surplus in 2023 (Figure 17).



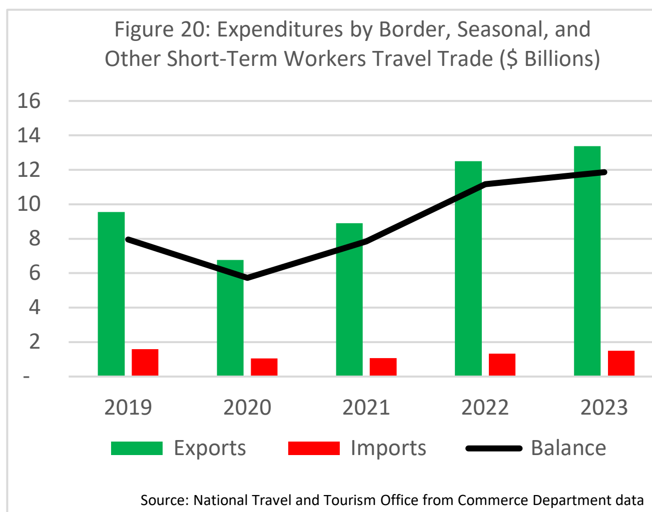
Health Related Travel exports and imports declined 77% and 67%, respectively, from 2019 to 2020. In 2021, exports declined 31% while imports increased 33%. In 2022, exports increased 165% and imports rose 96%. By 2023, exports remained 20% below 2019 levels while imports were 52% above. A $437 million trade surplus in health-related travel in 2019 turned into a $161 million deficit in 2023. Prior to 2021, the United States never ran a trade deficit in heath related travel dating back to 1999 (Figure 18).



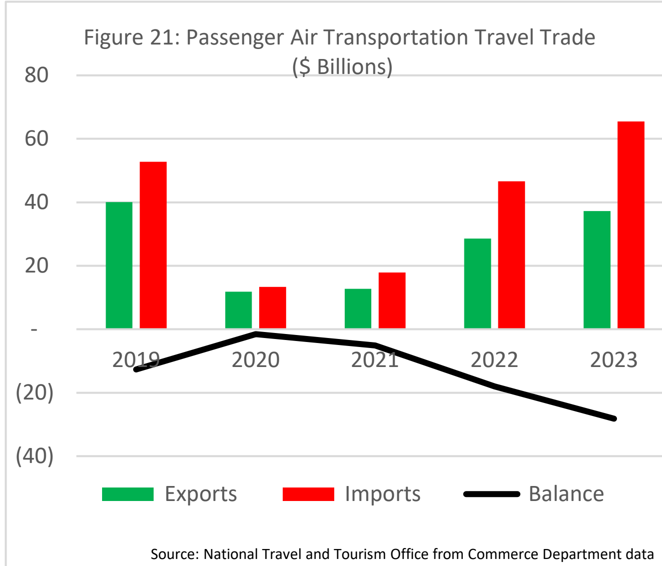
Other Business "General Business" Travel exports and imports declined 82% and 78%, respectively, from 2019 to 2020. In 2021, exports declined 4% while imports increased 41%. In 2022, both exports and imports more than doubled. By 2023, exports remained 20% below 2019 levels while imports were 14% below. An $11 billion trade surplus in general business travel in 2019 narrowed to an $8 billion surplus in 2023 (Figure 19).



Expenditures by Border, Seasonal, and Other Short-Term Workers Travel exports and imports declined 29% and 34%, respectively, from 2019 to 2020. In 2021, exports increased 31% while imports increased just 2%. In 2022, exports increased 40% and imports rose 25%. By 2023, exports were 40% above 2019 levels while imports were 5% below. An $8 billion trade surplus in expenditures by border, seasonal, and other short-term workers travel in 2019 improved to a $12 billion surplus in 2023. Only this component of travel trade in 2023: (1) generated more exports, and (2) generated an improved trade balance compared to 2019 (Figure 20).



Passenger Air Transportation Travel exports and imports declined 71% and 75%, respectively, from 2019 to 2020. In 2021, exports rose 8% while imports increased 33%. In 2022, both exports and imports more than doubled. By 2023, exports remained 7% below 2019 levels while imports were 24% above. A $13 billion trade deficit in passenger air transportation deteriorated to a $28 billion deficit in 2023 (Figure 21).



D. Overall Travel and Tourism Economic Impact

Funded by NTTO and produced by BEA, the Travel and Tourism Satellite Account (TTSA) is the Federal Government's official estimate of the economic impact of the travel and tourism industry in the United States.

Produced annually at the national level, the TTSA includes estimates of direct and indirect economic output and employment generated by travel; travel value added; demand for travel commodities by type of visitor (resident households, business, government, and nonresidents); travel inflation; tourism compensation; average compensation per tourism employee; and real output (in chained 2017 dollars). As of the writing of this report, the TTSA is available through calendar year 2022.

As detailed in Section II, the travel and tourism industry was rapidly expanding during the decade leading up to the COVID-19 pandemic, with real travel and tourism output increasing at nearly double the pace of real GDP; travel exports rising 1.2 times faster than total U.S. exports of goods and services; travel-supported employment rising nearly twice as fast as overall employment in the United States; and travel's share of U.S. GDP rising to the highest level since 2000.

Many of the travel restrictions on international travel detailed in Section III, as well as domestic restrictions on human interaction aimed to limit the spread of COVID-19 during the early months of the pandemic, precipitated a cascade of negative impacts on the U.S. travel and tourism industry in 2020. This began with a dramatic decline in travel demand, which subsequently led to a large decline in the output of travel and tourism services, which resulted in significant employment losses as well as a dramatic decline in travel and tourism value added (GDP).

<u>Travel Demand.</u> The demand for travel and tourism services in the United States plummeted 49% from 2019 to 2020.[20]

- Resident household travel and tourism demand declined 44%.
- Business travel and tourism demand declined 52%.
- Government travel and tourism demand declined 59%.
- Nonresident (international visitors) travel and tourism demand declined 84%.

From 2019 to 2020, demand for all 24 travel and tourism commodities within the TTSA declined. The commodities that suffered the largest declines in travel demand by value were:

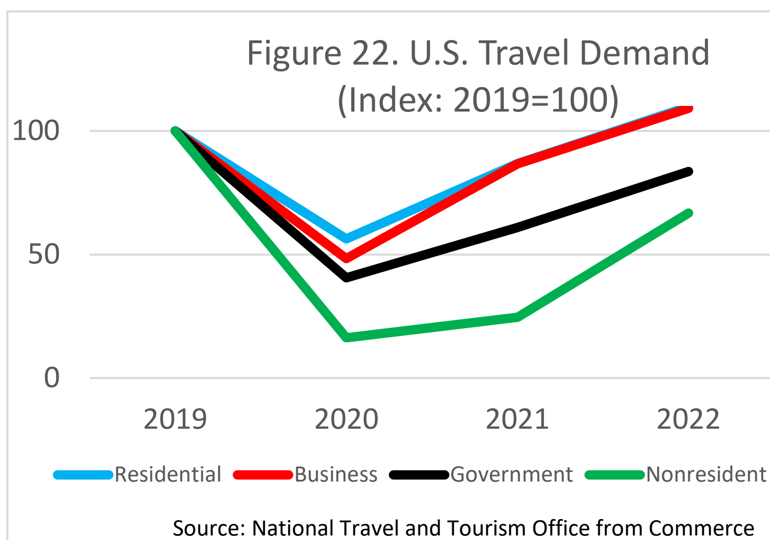
- Shopping (-$95 billion), domestic passenger air transportation services (-$94 billion), food and beverage services (-$92 billion), traveler accommodations (-$74 billion) and international passenger air transportation services (-$74 billion).
- Together, these five commodities accounted for 69% of the decline in travel demand from 2019 to 2020.

From 2019 to 2020 the commodities that suffered the largest declines in travel demand by percent change were:

- Local bus and other transportation services (-77%), passenger rail transportation services (-68%), international passenger air transportation services (-67%), passenger water transportation services (-65%) and shopping (-64%).

Easing restrictions on travel prompted a recovery to begin in 2021 and continued in 2022, with overall travel demand rising 86% from 2020 to 2022 to a level just -6% compared to demand in 2019:

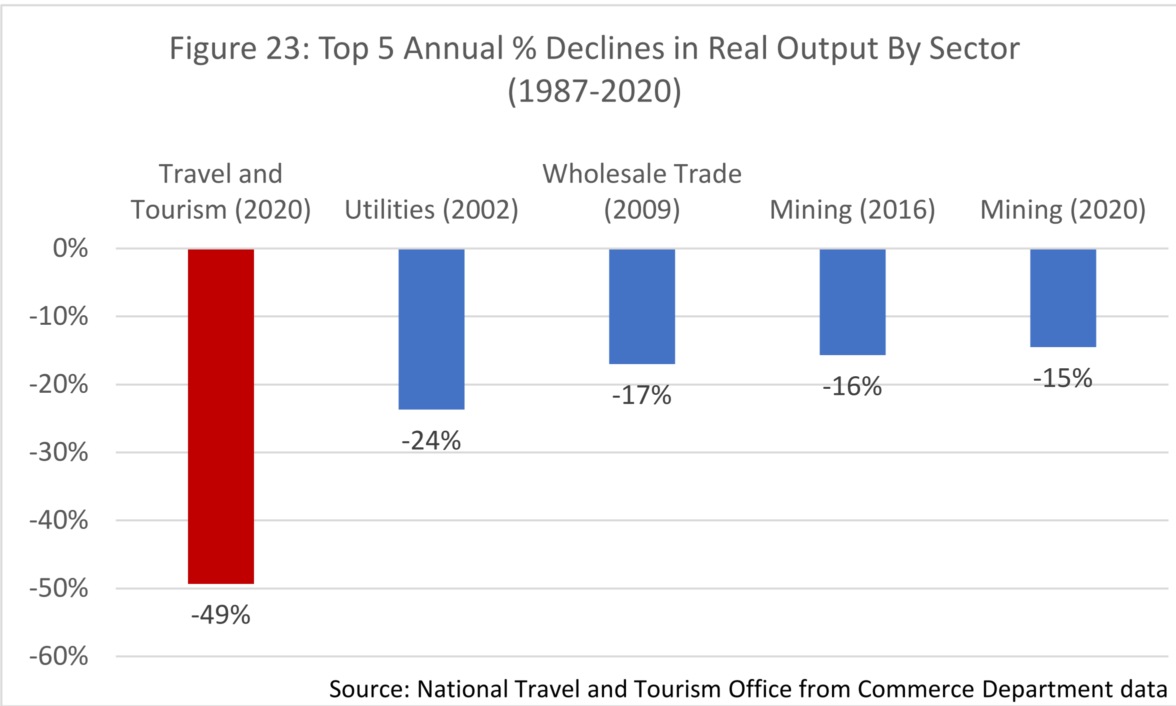
- Resident household travel and tourism demand increased 95% (to a level +10% compared to 2019).
- Business travel and tourism demand increased 126% (+9% compared to 2019).
- Government travel and tourism demand increased 106% (-16% compared to 2019).
- Nonresident (international visitors) travel and tourism demand increased 310% (-33% compared to 2019) (Figure 22).



[20] NTTO calculations of changes in real (inflation-adjusted) travel demand based TTSA statistics produced by the Bureau of Economic Analysis.

From 2020 to 2022, demand for 23 of the 24 travel and tourism commodities increased. The commodities that enjoyed the largest increases in travel demand by value were:

- Domestic passenger air transportation services (+$108 billion), food and beverage services (+$93 billion), gasoline (+$68 billion), shopping (+$66 billion) and traveler accommodations (+$60 billion).
- Together, these five commodities accounted for 72% of the increase in travel demand from 2020 to 2022.
- Demand for five travel and tourism commodities in 2022 surpassed demand in 2019: all other recreation and entertainment (+84% compared to 2019), domestic passenger air transportation services (+7%), travel arrangement and reservation services (+6%), participant sports (+1%) and food and beverage services (+1%).

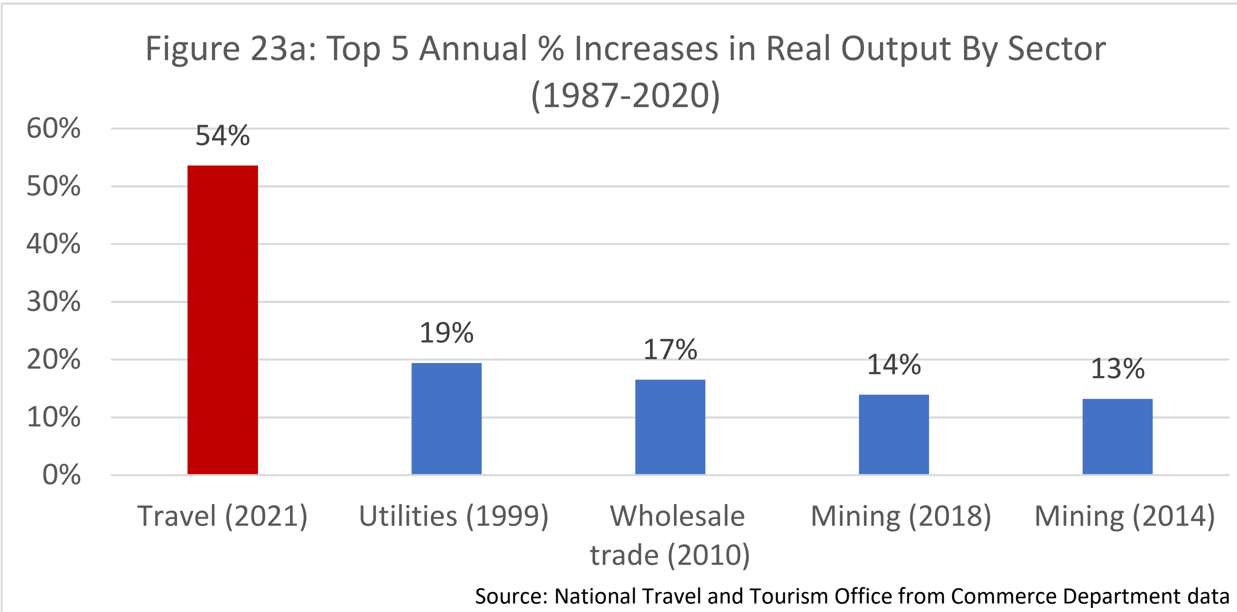


<u>Real Travel Output.</u> Real travel and tourism economic output declined 49% from 2019 to 2020.[21] **This decline was – by far – the steepest one-year decline in the output of any sector of the economy over the past three decades.** In fact, the 2020 decline in travel and tourism output was more than double the next-largest annual decline in the output of any major sector of the economy (utility sector's 24% decline in 2002) since 1987 (Figure 23).

In terms of value change in real output (in real 2017 dollars), travel and tourism output declined $595 billion in 2020 (from $1.2 trillion in 2019 to $611 million in 2020). **Travel and tourism accounted for 50% of the total output decline of nearly $1.2 trillion across all industries of the U.S. economy in 2020.**

[21] U.S. Department of Commerce, Bureau of Economic Analysis, Travel and Satellite.

The economic recovery in travel and tourism began in 2021. Real travel and tourism output surged 54% from 2020 to 2021 to a level of $939 billion, just 22% below output in 2019. **This was the single largest annual increase in output of any major industry in the U.S. economy since 1998, highlighting the resiliency of the travel and tourism industry.** In fact, the rebound in real travel and tourism output in 2021 was three-times greater than the next-fastest increase in real output of a major sector of the U.S. economy during the past quarter century (Figure 23a).

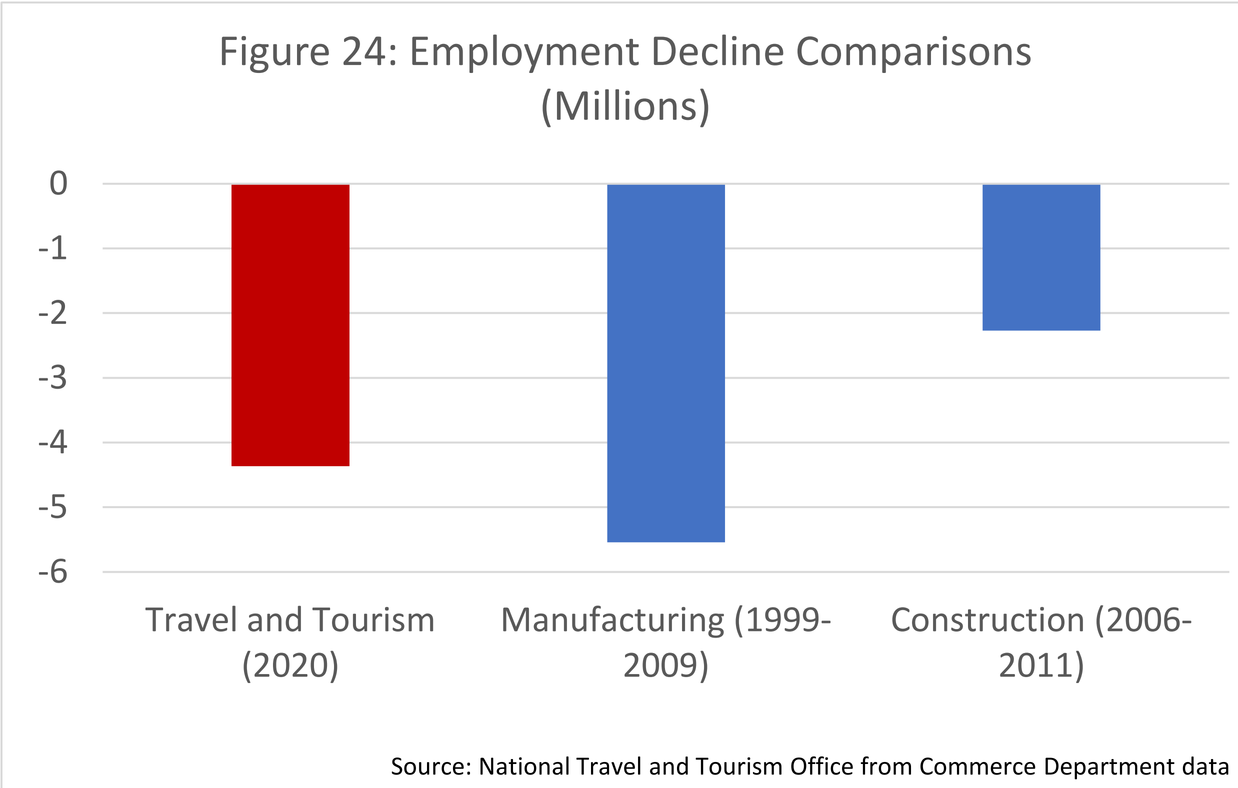


In 2022, travel and tourism output increased 21% to a level just 6% below the level of output in 2019.

Travel Employment. Total employment[22] supported by travel and tourism declined from 11.4 million in 2019 to 7.0 million in 2020. This decline of 4.4 million jobs accounted for nearly half (47%) of the overall 9.3 million employment decline across all industries in the United States in 2020. The 38% decline in travel-supported employment from 2019 to 2020 was more than 11 times greater than the 3.4% decline in employment in the rest of the economy in 2020. To put this historic decline into perspective, this one-year decline in travel and tourism employment is:

- Equivalent to 79% of the 5.5 million job losses suffered by the entire manufacturing sector over 10 consecutive years from 1999 to 2009.[23]
- Nearly two-times greater than the 2.3 million job losses suffered by the construction sector from 2006 to 2011 (Figure 24).

[22] U.S. Department of Commerce, Bureau of Economic Analysis, Travel and Tourism Satellite Account (employment includes direct and indirect employment)
[23] U.S. Department of Commerce, Bureau of Economic Analysis, Travel and Tourism Satellite Account and the National Income and Product Accounts, Table 6.4D



The largest declines in travel-supported employment from 2019 to 2020 were in food service and drinking places (-1.3 million), traveler accommodations (-831,000), air transportation services (-439,000), participant sports (-309,000), and retail trade, excluding gasoline service stations (-262,000). Collectively, the 3.1 million job losses from these five industries accounted for 71% of the decline in travel-supported employment and 33% of the total employment decline across all industries in 2020.

For 24 of the 26 industries[24] included in the TTSA, the percent change in travel-supported employment from 2019 to 2020 ranged from -71% (urban transit systems and other transportation) to -28% (travel arrangement and reservation services). The two travel industries with the mildest declines in employment were automotive repair services (-3%) and vacation home rentals (-1%).

[24] The industries included in the TTSA are: traveler accommodations; nonfarm residential tenant occupied permanent site; food services and drinking places; air transportation services; rail transportation services; water transportation services; interurban bus transportation; interurban charter bus transportation; urban transit systems and other transportation; taxi service; scenic and sightseeing transportation services; automotive equipment rental and leasing; automotive repair services; parking lots and garages; toll highways; travel arrangement and reservation services; motion pictures and performing arts; spectator sports; participant sports; gambling; all other recreation and entertainment; petroleum refineries; industries producing nondurable PCE commodities, excluding petroleum refineries; wholesale trade and transportation services; gasoline service stations; and retail trade services, excluding gasoline service stations.

From 2020 to 2022, travel-supported employment increased 34.5% to 9.5 million, remaining 16.9% below 2019 employment. By contrast, employment in the rest of the economy in 2022 was 2.3% above the level in 2019.

Just two travel-supported industries continued to reduce employment in 2022: vacation home rentals (-4,000) and water transportation services (-7,000). Of the remaining 24 travel-supported industries, 22 experienced double-digit percent growth in employment from 2020 to 2022. However, only four fully recovered to above 2019 levels of employment by 2022: spectator sports (+39% above 2019 employment), retail trade services, excluding gasoline service stations (+10%), motion picture and performing arts (+8%) and automotive repair services (+2%).

Travel GDP. The 2020 recession was a travel recession. Travel and tourism GDP declined by 30% in 2020 in nominal terms. **This reduction was responsible for 97% of the overall decline in U.S. GDP from 2019 to 2020.** Outside travel and tourism, U.S. GDP decreased just 1% in 2020. As a result, travel and tourism's share of U.S. GDP declined from 3% in 2019 to 2.1% in 2020.

As the travel sector began to recover, travel's share of GDP increased to 2.8% in 2021 and 3% in 2022, the same share as 2019. One of the contributing factors to travel's increase in GDP from 2020 to 2022 was that the price of travel commodities rose faster than overall inflation in the United States. Driven primarily by the price of gasoline (+77%), rental and leasing of automobiles (+37%) and other vehicles (+50%), and domestic passenger air transportation services (+22%), overall travel inflation increased 20% from 2020 to 2022, much faster than the overall 12% rise in prices for the overall economy during this period.[25]

E. State-Level Travel Expenditures

Because the TTSA only measures the economic impact of the travel and tourism industry at a national level through 2021 as of the writing of this report, the analysis of state-level travel expenditures in this section of the report is based on statistics provided by the U.S. Travel Association, which does produce state-level travel expenditures estimates.[26] These estimates have been included in the Statistical Abstract of the United States. The state-level annual expenditure estimates provided by the U.S. Travel Association are adjusted for inflation for years 2019 through 2022, with the 2022 data marked as preliminary.

To gain additional intelligence on the impact of the pandemic on the travel and tourism industry at the local level, NTTO sent a questionnaire to the top travel officials of every state and U.S.

[25] U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, Table 1.1.9 Implicit Price Deflator for Gross Domestic Product.

[26] The U.S. Travel Association defines "travel expenditure" as the exchange of money or the promise of money for goods or services while traveling, including any advance purchase of public transportation tickets, lodging or other items normally considered incidental to travel, but which may be purchased in advance of the trip. In addition, certain of the "fixed" or capital costs of owning a motor vehicle (including campers, motor homes, etc.) or a vacation or second home are included as associated with taking a trip. Source: Economic Review of Travel in America (ERTIA) U.S. Travel Association.

territory in the summer of 2023. Selected responses are incorporated below. All responses are included in Appendix A of this report for reference.

From 2019 to 2020, travel expenditures in the United States, which include spending by both U.S. residents as well as international visitors, declined by 38.4 %. Travel expenditures declined in every state, as well as the District of Columbia and Puerto Rico.

NTTO's questionnaire asked respondents to "Please list up to 5 descriptive words that describe how the COVID-19 pandemic impacted the travel and tourism industry in your state or territory." The word cloud below illustrates the answers received.

From 2019 to 2020, the largest percentage declines in travel expenditures occurred in Hawaii (-65.7%), the District of Columbia (-64.5%), California (-51.8%), New York (-51%), and Massachusetts (-50.6%). The smallest declines occurred in South Dakota (-12.8%), Mississippi (-16.6%), New Mexico (-16.8%), Wyoming (-17.9%) and Florida (-18.5%).

"*Like most states, the number of tourism businesses, travel and hospitality jobs and the amount of visitor spending and taxes generated nosedived beginning March 2020. After a decade of growth and a record $144.9 billion in travel spending in 2019, the bottom fell out. Travel spending fell 53% in 2020. The number of tourism businesses that fund Visit California's marketing programs dropped from 21,000 to 16,000 in three years. Some 500,000 tourism workers – half the workforce – lost their jobs by the end of 2020. To maximize safety, California's business restrictions vastly exceeded those in other states, particularly for restaurants and theme parks. State guidelines for large meetings were delayed to 2021, hindering recovery for that sector. With remote work more prevalent, and business and international travel lagging leisure trips, urban tourism assets remain slow to recover." – Caroline Beteta, President & CEO, Visit California.*

"Because we are an outdoor destination with iconic national and state parks, and because our governor made the decision to keep our state open, we did well during the pandemic. Visitation

was down, but still decent. Visitor spending was decent." – James Hagen, Secretary of Tourism, Travel South Dakota.

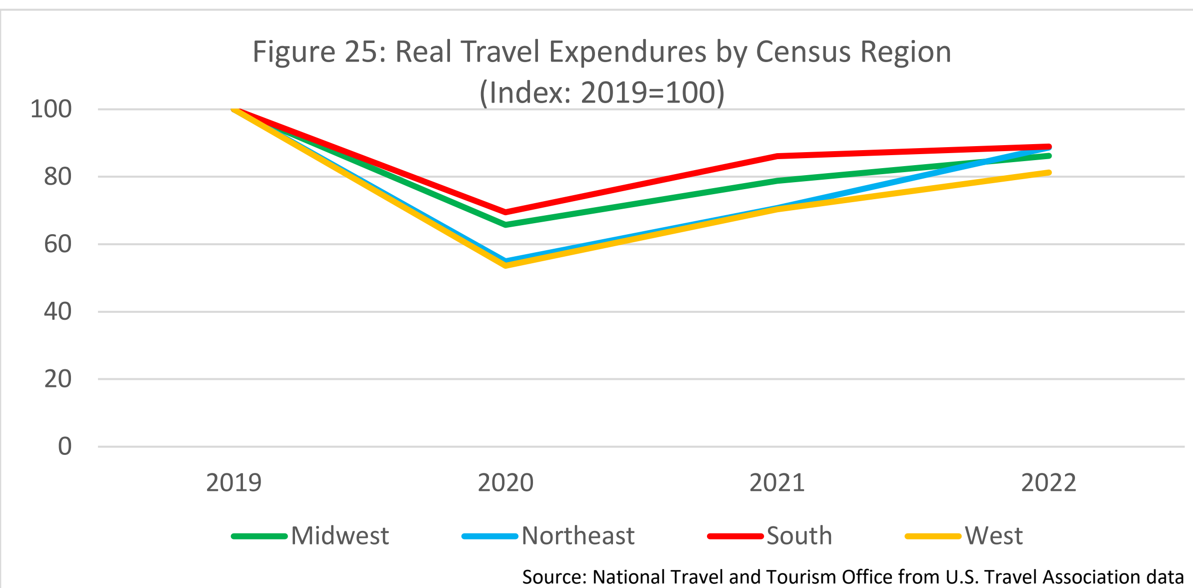
By Census Region, the decline in travel expenditures in 2020 was as follows: South (-30.5%), Midwest (-34.3%), Northeast (-45%) and West (-46.4%).

From 2020 to 2021, travel expenditures in the United States increased 25.9% to a level that was 77.5% of 2019 expenditures. The increase was near universal across states and territories. The largest percentage increases occurred in Hawaii (+77.7%), Nevada (+74.1%), Puerto Rico (+70.4%), Texas (+48.6%), and Maine (+46%). The smallest percentage increases (or declines) occurred in Mississippi (-2.6%), Wyoming (+5.9%), West Virginia (+6.4%), Alabama (+8.2%), and Minnesota (+8.7%).

By Census Region, the increase in travel expenditures in 2021 was as follows: Midwest (+19.9%), South (+23.9%), Northeast (+28.8%), and West (+31.2%).

From 2021 to 2022, travel expenditures in the United States increased 11.1% to a level that was 86.2% of 2019 expenditures. The largest percentage increases occurred in the District of Columbia (+60.5%), Massachusetts (+46.7%), New York (+37.9%), California (+30.2%), and Illinois (+28.5%). The largest percentage declines were South Dakota (-11.6%), Puerto Rico (-9.2%), Utah (-7.1%), Wyoming (-6.7%), and New Mexico (-5.4%).

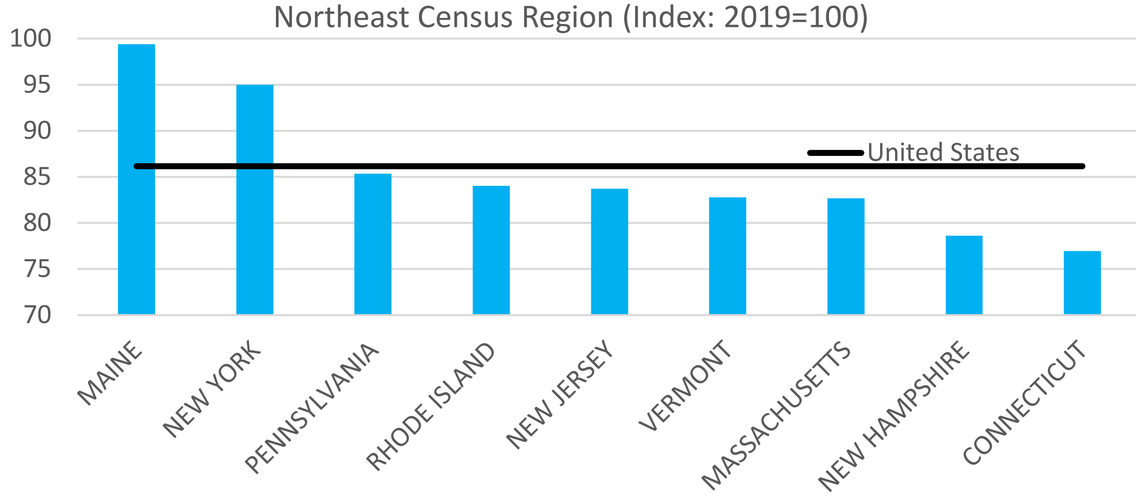
By Census Region, the increase in travel expenditures in 2022 was as follows: South (+3.4%), Midwest (+9.3%), West (+15.6%), and Northeast (+25.3%). By 2022, real travel expenditures remained below 2019 levels across all Census Regions, with the South and the Northeast regions reaching 89% of 2019 expenditures, the Midwest reaching 86%, and the West reaching 81% (Figure 25).



Despite the recovery seen in 2021 and 2022, no state fully recovered to pre-pandemic 2019 levels of real travel expenditures by 2022. The degree of recovery differed not only across Census Regions, but also by State within each Region.

- *Northeast Census Region.* Two of the nine states within the Northeast Census Region of the United States outperformed the overall U.S. recovery by 2022 – Maine (99.4% of 2019 expenditures) and New York (95%), while seven states underperformed the overall U.S. recovery – Pennsylvania (85.3%), Rhode Island (84%), New Jersey (83.7%), Vermont (82.8%), Massachusetts (82.7%), New Hampshire (78.6%), and Connecticut (77%) (Figure 26).

Figure 26: 2022 Real Travel Expenditures Northeast Census Region (Index: 2019=100)



Source: National Travel and Tourism Office from U.S. Travel Association data

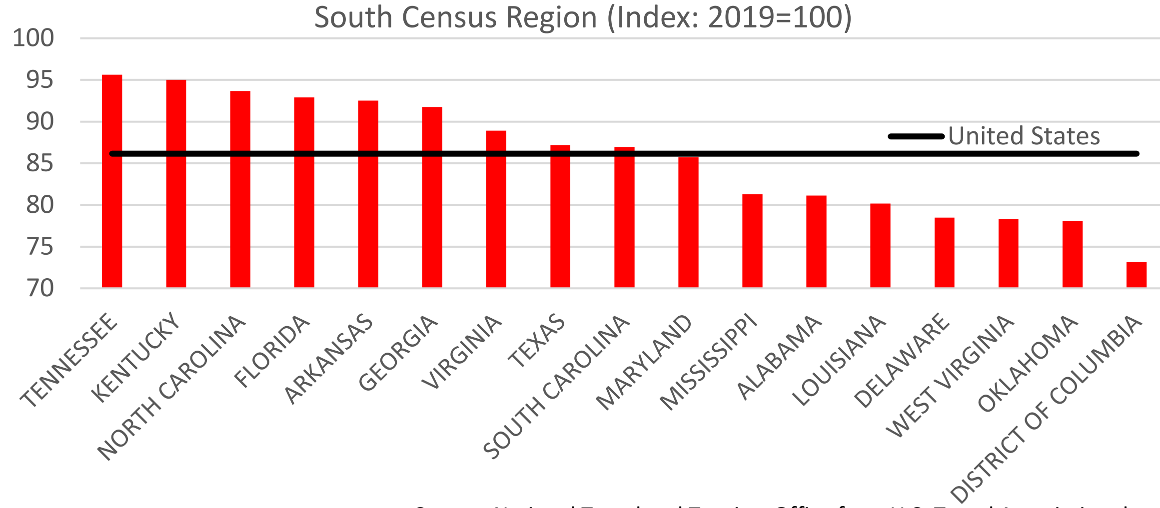
"Tourism in New York State has been steadily improving from the record low levels of the statewide COVID shutdowns in 2020 but has not quite rebounded to pre-pandemic record highs experienced in 2019. While still lagging in some regions like New York City which appear to be impacted by the slower return of international, business and meetings / conference related travel, tourism is showing solid recovery with visitation trending in the right direction throughout the state." – Ross Levi, Executive Director/Vice President, Empire State Development.

"In 2023, visitation still hasn't recovered to pre-pandemic levels, although direct expenditures have increased. Canadian inbound automobile traffic at the border is still down more than 50% from 2019. Gross lodging sales in the state are up 55% in the first 6 months of 2023 compared with 2019 and gross restaurant sales are up 22% for the same period. However, ADR in the first 7 months of 2023 is up 28% over the first 7 months of 2019. Staffing continues to be an issue with many tourism/hospitality businesses unable to fill all of their vacancies." – Steve Lyons, Director, Maine Office of Tourism.

"Tourism is doing well in New Hampshire. We have had two back-to-back record years for visitation and spend. This summer has been a little soft due to weather (rain)." – Lori Harnois, Director, New Hampshire Division of Travel and Tourism Development.

South Census Region. Nine of the 16 states within the South Census Region of the United States outperformed the overall U.S. recovery by 2022 – Tennessee (95.6% of 2019 expenditures), Kentucky (95%), North Carolina (93.7%), Florida (92.9%), Arkansas (92.5%), Georgia (91.8%), Virginia (87.2%), Texas (87.2%), and South Carolina (87%), while seven states and the District of Columbia underperformed the overall U.S. recovery – Maryland (85.7%), Mississippi (81.3%), Alabama (81.1%), Louisiana (80.2%), Delaware (78.5%), West Virginia (78.3%), Oklahoma (78.1%), and the District of Columbia (73.2%) (Figure 27).

Figure 27: 2022 Real Travel Expenditures
South Census Region (Index: 2019=100)



Source: National Travel and Tourism Office from U.S. Travel Association data

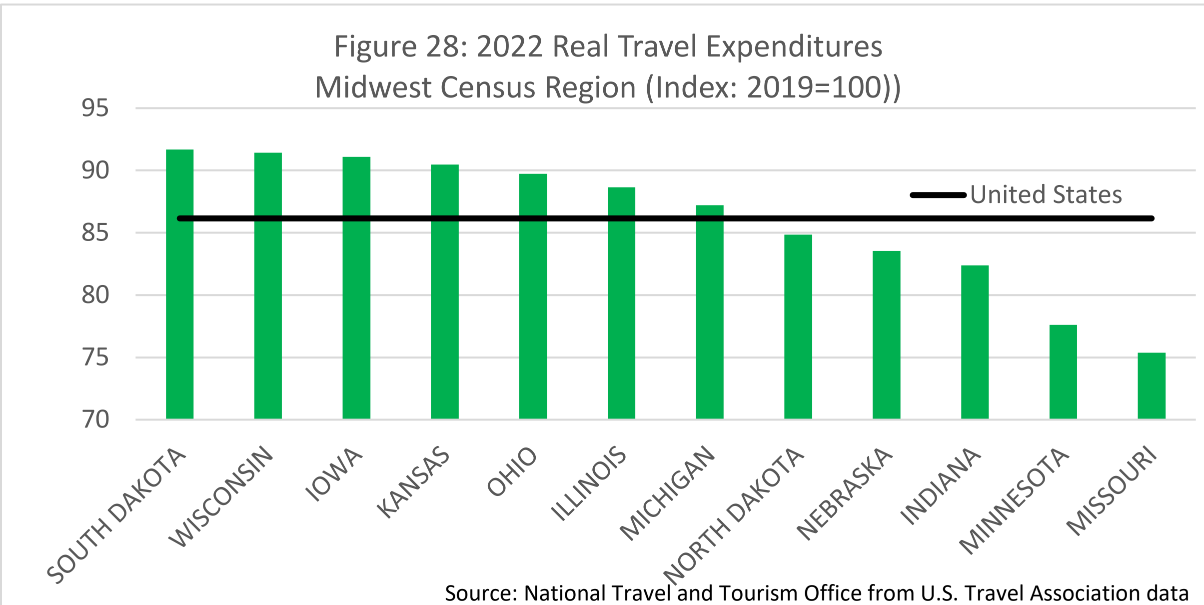
"COVID helped underscore the importance of tourism across communities in Tennessee. We are currently on track for a full recovery, and our resilient partners are outperforming 2019. With the help of additional funds, including those from CARES and ARPA, Tennessee has gained market share by emphasizing our outdoor destinations. We're focused on helping advocate for our industry and continuing that momentum." – Mark Ezell, Commissioner, Tennessee Department of Tourist Development.

"Alabama is experiencing a third record year in row with highest numbers of guests and expenditures ever. With one month remaining in October fiscal year, we anticipate expenditures of $24 billion versus $13.4 billion in 2020." – Lee Sentell, Director, Alabama Tourism Department.

"We are in recovery. The push of visitors to the mountains and coast is getting back down to normal and visitation has come back to the urban areas. Business and international travel is

still not back to normal but it is showing positive signs. Employment is really holding us back from growing because so many businesses are limiting hours and services due to staffing shortages." – Wit Tuttell, Executive Director, Visit North Carolina.

Midwest Census Region. Seven of the 12 states within the Midwest Census Region of the United States outperformed the overall U.S. recovery by 2022 – South Dakota (91.7% of 2019 expenditures), Wisconsin (91.4%), Iowa (91.1%), Kansas (90.5%), Ohio (89.7%), Illinois (88.6%), and Michigan (87.2%), while five states underperformed the overall U.S. recovery – North Dakota (84.9%), Nebraska (83.5%), Indiana (82.4%), Minnesota (77.6%), and Missouri (75.4%) (Figure 28).



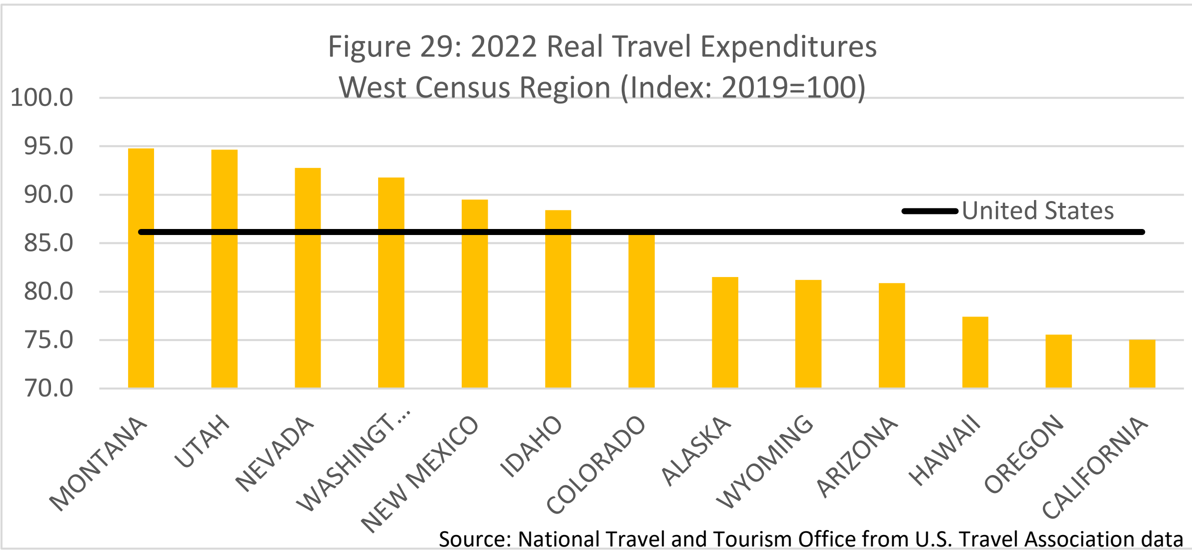
"Travel spending is back to 2019 levels, if not more. Traveler awareness has improved since we are a drive state. Travel and hospitality workers may not recover to pre-pandemic levels." – Amy Howell, Vice President of Tourism, Marketing and Communications, Visit Indiana.

"Leisure travel has surged back and beyond 2020 levels thanks to deep investment by decision makers at all levels of government. Our industry is leading the great recovery, even as meetings and conventions and business travel lags. The national and international environment has grown much more competitive and the cost of attracting visitors has risen dramatically. Workforce is an ongoing challenge." – Anne Sayers, Secretary, Wisconsin Department of Tourism.

"Missouri's leisure travel economy seems to have recovered very well from the impacts of COVID-19. In the state's fiscal year 2022, Missouri welcomed 40 million visitors; visitor spending increased to $10.8 billion; and the total economic impact of tourism was projected at $18.4 billion. Tourism-related employment rebounded to about 281,000 jobs in FY22. Since 2021, some of our destinations have seen record visitation and visitor spending. Our five remaining welcome centers have resumed normal operations and hours, and welcomed nearly 390,000 visitors in fiscal year 2022. We believe there is still room for growth in the

convention/major event market." – Stephen Foutes, Director of Tourism, Missouri Division of Tourism.

West Census Region. Six of the 13 states within the West Census Region of the United States outperformed the overall U.S. recovery by 2022 – Montana (94.8 % of 2019 expenditures), Utah (94.7 %), Nevada (92.8 %), Washington (91.8%), New Mexico (89.5%), and Idaho (88.4%), while seven states underperformed the overall U.S. recovery: Colorado (85.9%), Alaska (81.5%), Wyoming (81.2%), Arizona (80.9%), Hawaii (77.4%), Oregon (75.6%), and California (75%). (Figure 29).



NTTO's questionnaire asked travel directors to "Please list up to 5 descriptive words that describe the current condition of the travel and tourism industry in your state or territory." The word cloud below illustrates their answers.

Additionally, below are some additional perspectives on the effects on the travel and tourism industry from the pandemic[27]:

"Idaho Tourism has experienced incredible growth with lodging tax collections. These collections fund our domestic and international marketing programs. The FY22 ended on June 30, 2022, and was up 39.4 % over the fiscal year 2021. The fiscal year 2023 surpassed FY22 with an increase of 3.42%. In the 40 years, the Idaho tourism program has existed, there has never been year-over-year growth like what we just experienced." – Diane Norton, Tourism Manager, Idaho Tourism.

"Leisure travel is back to pre-COVID levels, though international visitation and spending still lags and is not expected to recover until 2024 or 2025. International air service to Europe, Canada and Mexico is restored; service to Asia is still suspended. Visitor spending in 2022 climbed to $13.9B and employment rebounded to 118,000." – Todd Davidson, CEO, Travel Oregon.

"Utah national and state park visitation peaked in 2021, with a desirable outdoor product attractive to all navigating ongoing COVID concerns. 2022 saw a new record, with nearly $12 billion in direct visitor spending in Utah. Domestic travel, while still down over 2019 baseline numbers, is coming back. Utah's skier visit days also saw a record in 2022, with more than 7 million ski day visits, and an estimated $2.65 billion in economic impact. Conventions are coming back, urban recovery is occurring. International visitation and spending is still below the 2019 baseline, but is expected in 2024/2025. Unemployment is low, and workforce shortages are concerning." – Vicki Varela, Managing Director, Utah Office of Tourism.

"By the week of March 22, 2020, Hostelling International experienced a 95% decline, compared to 2019. By April 12, we were totally closed for five months. Our revenues fell from $48 million in fiscal year 2019 to $1 million for all of fiscal year 2021. As a small business, we needed to just sell property – about half of our properties – and we laid off about 80% of our staff to survive the pandemic." – Russ Hedge, President and CEO, Hostelling International USA, and TTAB Member.

"The pandemic caused travel unemployment to rise sharply to 51% in 2020, more than twice the 25% unemployment rate the broader economy experienced during the worst year of the Great Depression in 1933. Revenue losses were also ten times greater than what the industry experienced in the aftermath of 9/11. Americans stopped traveling and businesses stopped meeting in person. – U.S. Travel Association.

"For at least 22 months the pandemic disrupted cruise operations from U.S. ports, with 15 of those months having no cruise operations, resulting in zero domestic product as compared to 2019, when U.S. cruise operations were responsible for 436,000 jobs and $55 billion to the U.S. economy. The majority of jobs lost came from small and medium-

[27] These are responses received from a questionnaire sent by NTTO to the top travel officials of every state and U.S. territory in the summer of 2023, as well as travel and tourism associations. NTTO also asked TTAB members for input on how the pandemic affected their organization/industry/destination.

sized U.S. businesses that support cruise operations." – Cruise Lines International Association.

"U.S. business travel spend lost $191 billion in 2020. It fell from $313 billion to $122 billion peak-to-trough, according to the GBTA Business Travel Index report. This represents a 61% decline." – Global Business Travel Association.

"The State of Alaska documented "$1.7 billion in direct [gross domestic product] losses to the state, but it is important to recognize that the cruise industry and the visitors they serve account for $3.0 billion of the state's economy. Together with induced and indirect impacts of reduced economic activity from the industry, the $3.0 billion gross state product associated with the cruise industry has effectively dropped to zero." – Alaska Department of Revenue, Department of Commerce, Community, and Economic Development, Department of Labor and Workforce Development.

"The loss of arrivals and the collapse of a main pillar of Guam's economy had significant impacts to overall economic activity. According to estimates from the U.S. Bureau of Economic Analysis, between 2019 and 2020, Guam's economy contracted by 11.4% with significant reductions seen in the exports of services (-77.4%) and personal consumption of goods (-21.5%). The first year of the pandemic saw the largest contraction of the economy in two decades, but the impacts were partially offset by a 12.1% growth in local government expenditures." – COVID-19 Impact on the Commonwealth of the Northern Mariana Island and Western Pacific Region, Tan Holdings.

"As a result of the COVID-19 pandemic and the governmental response to it, this business came to an almost complete halt in March 2020 and remained there for many months. Since early 2020, our members have had to grapple with a succession of viral variants and complex, ever-changing government restrictions on and warnings against travel. As a result, our sector's recovery was painfully slow, with average travel agency revenue levels still down 71% compared to 2019 according to ASTA member surveys as late as February 2022." – American Society of Travel Advisors.

"For Las Vegas, our first COVID case was on March 5, 2020. We were closed by March 17. We unfortunately had to lay off 62,000 employees within literally two weeks, 35,000 in Las Vegas alone." – Bill Hornbuckle, CEO and President, MGM Resorts, and TTAB Chair.

"By the end of December 2022, total employment in Leisure & Hospitality [in Puerto Rico] was 92,200, representing an 11% increase over pre-COVID levels. Further, this sector now represents 9.7% of total employment on the Island, compared to 9.1% pre-COVID. The gains in employment levels within Puerto Rico's leisure and hospitality sector far outpace the national average. As of December 2022, U.S. employment levels in this sector were down 3% from pre-COVID levels, whereas Puerto Rico saw an 11% increase over pre-COVID levels at the same time . . . As further proof of the employment rebound experienced by the Island's tourism sector, employment in the accommodations

sector was 3% higher than it was in December 2019, and 13% higher in food service establishments over the same time." – Brad Dean, Chief Executive Office, Discover Puerto Rico and TTAB Vice Chair.

"In real terms, once we recognize inflation, the industry in 2022 was still 14% down from 2019 levels. When we look at where the industry would have been if it were not for the pandemic, the industry cumulatively over these three years has lost $1.1 trillion." – Adam Sacks, President, Tourism Economics, and TTAB Member.

"The number of total visitors to Los Angeles fell from 50,730,000 in 2019 to 26,940,000 in 2020, a 46.9% decline. The number of visitors increased to 39,100,000 in 2021 and 46,250,000 by 2022. To date, recovery has primarily been driven by domestic leisure travel, while international visitation, individual business travel, and professional meetings and events are projected to take another 24-36 months to fully recover. The number of international visitors to Los Angeles fell from 7,420,000 in 2019 to 1,620,000 in 2020, a 78.2% decline. In 2021 there was a further decrease in international visitors, with only 1,580,000 that year. International visitors began to return to Los Angeles in 2022, reaching 4,350,000 visitors. This segment is critical to the region's recovery since international guests stay longer and spend significantly more than their domestic counterparts. Major inhibitors to international recovery include a lack of direct air service to the United States relative to 2019 levels and lengthy visa wait times." – Los Angeles Tourism and Convention Board.

"The Ides of March - Economic Devastation Almost overnight, in March 2020, the COVID-19 pandemic hit the U.S. and the bottom fell out of the airline industry. As travel restrictions and stay-at-home orders were implemented, demand for air travel declined sharply and suddenly. Though air cargo volumes have held, the pandemic eviscerated passenger air travel. Coming off all-time highs in 2019, passenger traffic on U.S. airlines rose five % in the first two months of 2020 only to fall by 96 % six weeks later, to a level not seen since the dawn of the jet age in the 1950s. There was a slight uptick over the summer and into the fall, but passenger levels remain 60 % below year-ago levels.

Years of work to strengthen balance sheets – recognized widely by analysts and investors – were reversed overnight by COVID-19, as evidenced by a series of downgrades by the major rating agencies. After 10 consecutive years of modest profitability, U.S. passenger carriers reported $46 billion in pretax losses in 2020, with analysts currently projecting $18 billion more in 2021. To put it into perspective, 2018 and 2019 were two years of modest profit for the industry. However, when combined with 2020 and 2021, the cumulative pre-tax losses for that four-year period are expected to exceed $30 billion. Quite simply, the losses have been swift and profound.

Given the economic maelstrom, the U.S. airline industry will remain smaller for years to come. It took 10 years—from April 2010 to March 2020—for U.S. passenger airlines to add 83,000 workers to their payrolls. Sadly, it took just 10 months—from March to November—to shed 93,000 jobs. Rebuilding will take time. The return of demand, *particularly from corporate travelers, will be key to that timeline." – Airlines for America (A4A) – March 1, 2021 (Excerpt)*

V. Data Unavailable at the Time of the Study

In preparing this study, NTTO has reviewed relevant data available and has included as much responsive information as possible. However, NTTO did not have nor was aware of the availability of information relating to the following matters:

- The effects of changes in employment rates, revenues, and contributions on minority communities, including Native Americans, Native Hawaiians, and Alaska Natives.
- Reports on the economic impact of COVID-19 issued by other federal agencies.
- Costs and health benefits associated with COVID-19 requirements for air travel for entry into or exit from the United States and any consequent disincentives for tourism.
- Any federal barriers related to the response to COVID-19 pandemic that are disincentivizing international tourism in the United States, including source and policy rationale for these barriers.

In preparation for this study, NTTO consulted with relevant stakeholders in the travel and tourism industry, including the TTAB, to seek their input on how their sectors were impacted by the pandemic. Further, NTTO strived to identify and gather all available research statistics, data, and studies that may be responsive to the factors outlined by Congress. NTTO continues to work with the agencies of the Tourism Policy Council to review any further reports or research on the economic impact as they may become available.

Commerce appreciates Congress' support for its travel and tourism activities as outlined in the Visit America Act (Act) as part of the Fiscal Year (FY) 2023 Consolidated Appropriations Act. As envisioned in the Act, Commerce would conduct additional reporting, including an annual forecasting report on the travel and tourism industry, employment needs, inbound volume and spending taking into account the effects of COVID–19, and domestic volume and spending, including Federal and State public land travel and tourism data. However, Commerce would need additional appropriations from Congress to ensure the successful implementation of the Act and these new responsibilities.

VI. Policy Considerations and Next Steps for the Federal Government

As the travel and tourism industry continues to recover from the pandemic, it is critical to consider how the public and private sectors can work together to create a more sustainable and inclusive industry moving forward – one that is more resilient to future health and other shocks.

Given NTTO's review and analysis of the effects of the pandemic on the travel and tourism industry – including the economic state of the industry prior to the pandemic; government actions that addressed the health and economic impacts of the pandemic; and how the travel and tourism industry was impacted by the pandemic – NTTO offers the following policy recommendations:

- **Coordinate and share best practices with other countries and international organizations on decisions that involve travel and tourism.** Travel and tourism is a global, interconnected industry, and any impacts can be felt around the world. It is important for governments to continuously share updates and information, to the extent possible, among countries and through international organizations that could help inform responses to crisis situations.

- **Continue to prepare the public and private sectors to increase sustainability and resiliency for the future.** The 2022 National Travel and Tourism Strategy focuses not only on recovering the international competitiveness of the United States as a travel destination, but also on creating a more diverse, inclusive, accessible, sustainable, and resilient industry moving forward. The goal is to ensure that travel and tourism businesses – and particularly small businesses – are better prepared for any future shocks and can recover as quickly as possible.

- **Emphasize the importance of timely data collection.** During any type of disaster, it is important to collect data that is as timely as possible to assist in developing responsive policies. For example, NTTO created the COVID-19 Data Monitor directly following the start of the COVID-19 pandemic to highlight the effects of the global health crisis on the travel and tourism industry and the U.S. economy. Information from the Data Monitor and other NTTO research were used by industry during the recovery and were foundational inputs throughout the creation of the 2022 National Travel and Tourism Strategy.

- **Policy options should continue to strive to appropriately mitigate risk**. Responses to health and other emergencies should incorporate ongoing monitoring of traveler risk, health guidance, and stakeholder input to support policies that appropriately protect Americans and continue to consider potential impacts to the travel and tourism industry and the U.S. economy. Policy frameworks should aim to be flexible enough to adapt quickly to changing risk environments.

- **Continue to work with the U.S. Department of the Interior and the U.S. Department of Agriculture to implement the Native American Tourism and Improving Visitor**

Experience (NATIVE) Act to create a more sustainable and inclusive industry moving forward. As small and diverse businesses and communities were some of the hardest hit by the pandemic, one of the specific actions under the 2022 National Travel and Tourism Strategy is to invest in tribal communities through continued implementation of the NATIVE Act. Accordingly, NTTO will further support efforts to increase travel and tourism to Native American, Native Hawaiian, and Alaska Native communities under the NATIVE Act, working in close coordination with other agencies of the U.S. Department of Commerce and with the U.S. Department of the Interior and the U.S. Department of Agriculture. In addition to initiatives under the NATIVE Act, NTTO will also engage in activities with other historically underrepresented communities to further advance the sustainability and inclusiveness goals of the National Travel and Tourism Strategy.

VII. Conclusion

The decade leading up to the COVID-19 pandemic was a robust period of growth for the travel and tourism industry in the United States. In 2020, the pandemic devastated the travel and tourism industry across the 50 states, territories, and the District of Columbia, with historic declines in domestic and international travel, impacting travel and tourism output as well as employment. This decline was the steepest one-year decline in the output of any sector of the economy over the past three decades and was responsible for nearly the entire decline in U.S. GDP between 2019 and 2020 – demonstrating the importance of the travel and tourism industry to the U.S. economy.

With the introduction of COVID-19 vaccines and the reopening of borders to inbound and outbound travel, travel and tourism has made an impressive recovery – a testament to the resiliency of the industry. While a full recovery to pre-COVID 2019 levels of travel had not taken place as of 2022, the recovery that has been achieved to-date is nonetheless extraordinary and continues to the present.

The industry is eager to welcome travel and tourism again to the level it once enjoyed. Government actions have been important in encouraging the recovery experienced to date and will be important in supporting the industry going forward. The National Travel and Tourism Strategy provides a blueprint for this recovery effort, and the U.S. Department of Commerce continues to work closely with the federal agencies of the Tourism Policy Council to implement its actions.

Appendix A. Input Provided by State Tourism Directors from NTTO Questionnaire

Question: Please describe how the COVID-19 pandemic impacted the travel and tourism industry in your state or territory?

Alabama: "Our state was among the five states with the LEAST LOSS of tourism revenue (-20 % versus -45 % nationwide. Our state advertised heavily when other states did not." – Lee Sentell, Director, Alabama Tourism Department.

Alaska: "Visitor volume and revenue fell by 80% from 2019 to 2020. Alaska lost 100% of its cruise volume which is normally 60% of all visitors. Further, the Canadian border was closed so no one could drive across nor could ships conduct a port of call. Congress passed legislation called the Alaska Tourism Restoration Act which provided a temporary fix under the Passenger Vessel Services Act to allow ships to sail without stopping in Canada. Cruises resumed in 2022 but at lower capacity." – Jillian Simpson, President & CEO, Alaska Travel Industry Association.

Arizona: "The COVID-19 pandemic impacted Arizona tourism to an unprecedented degree. The loss of visitors and visitor spending was extremely difficult for communities statewide, many of which depend heavily on travelers to support livelihoods and fund essential services. For example, in 2019, tourism contributed an all-time record of $25 billion in direct spending to Arizona's economy. COVID-19 caused a $10 billion loss in this spending, resulting in $405 million in lost state tax revenue. COVID-19 also caused a massive loss and reduction of jobs/hours available to work throughout Arizona. In September 2019, visitor spending supported 192,800 Arizona tourism jobs. In 2020 it could only support 87,000 jobs. A visitor who canceled their trip also isn't staying in a hotel, renting a car, getting gas, playing golf, taking a day trip or going out to eat. Those losses had devastating impacts for those businesses and their workers." – Lisa Urias, Director, Arizona Office of Tourism.

California: "Like most states, the number of tourism businesses, travel and hospitality jobs and the amount of visitor spending and taxes generated nosedived beginning March 2020. After a decade of growth and a record $144.9 billion in travel spending in 2019, the bottom fell out. Travel spending fell 53% in 2020. The number of tourism businesses that fund Visit California's marketing programs dropped from 21,000 to 16,000 in three years. Some 500,000 tourism workers – half the workforce – lost their jobs by the end of 2020. To maximize safety, California's business restrictions vastly exceeded those in other states, particularly for restaurants and theme parks. State guidelines for large meetings were delayed to 2021, hindering recovery for that sector. With remote work more prevalent, and business and international travel lagging leisure trips, urban tourism assets remain slow to recover." – Caroline Beteta, President & CEO, Visit California.

Delaware: "The COVID-19 pandemic significantly impacted travel and tourism to our state, and we are still feeling some of the effects of the pandemic three years later. We are fortunate that Delaware is a drive-to state and could welcome visitors later in 2020 from nearby states, but the impact on our restaurants, small businesses, and other partners who rely on tourism was significant. Many of those businesses struggled during the pandemic and some have since closed due to the negative effects of the pandemic. One solace that we did find during the pandemic was that our State Parks thrived since visitors and residents could be outdoors in a safe environment in those parks." – Jessica Welch, Director, Delaware Tourism Office.

Idaho: "Some businesses had record years, while others took massive revenue hits and are barely hanging on or are out of business entirely. In just one month—between March and April 2020, Idaho's leisure and hospitality jobs plummeted 42 % from nearly 80,000 to 46,000. Another area of significant concern: meetings, conferences, and event industry. The Boise Centre shared in March 2020, over 120 groups cancelled meetings, conferences, events. These cancellations totaled over 52,000 room nights lost with an estimated economic impact of over $41 million dollars. The State's 2% lodging tax, the revenue that funds the Idaho Tourism program, is another key metric and indicator for the health of the industry. FY2020 finished down -3.91 % after a multiyear run of double-digit and near double-digit year-over-year growth. Before the full impacts of COVID hit in April of 2020, the program collections were up 10.4 % year over year to date – we were on track for another year of double-digit growth, which thankfully helped blunt the devastation of the first few months of the pandemic." – Diane Norton, Tourism Manager, Idaho Tourism.

Indiana: "The leisure and travel industry took a big hit. Indiana is still not at full employment in the industry. Restaurants went to take-out. Hotels housed frontline COVID workers. However, our state parks were overflowing." – Amy Howell, Vice President of Tourism, Marketing and Communications, Visit Indiana.

Iowa: "Although the pandemic was a sizable blow in an economic sense (a year-over-year loss of nearly $2 billion in visitor spending), the impact of the pandemic on the Iowa tourism industry in the long-term has had a silver lining. For the first time, we were able to convene a group of tourism industry leaders from several different sectors to discuss collaborative efforts for recovery and growth, resulting in tourism's inclusion in the state's Economic Recovery Plan. The state then developed a five-year strategic plan for tourism and secured increased funding for tourism development and marketing. Without the clear impact of the loss of visitor spending in 2020, tourism in Iowa would not have been elevated as an economic strategy going forward and new collaborative efforts would not exist." – Amy Zeigler, State Tourism Manager, Travel Iowa.

Kansas: "There was an immediate loss of revenue and jobs, coupled with uncertainty and fear. After that initial period, the industry seemed to go through a period of resetting and rethinking priorities and objectives. Urban areas were more negatively affected than our rural communities and took longer to recover. Federal dollars often made the difference between a business surviving or going under." – Bridgette Jobe, Director of the Kansas Tourism Division, Kansas Department of Commerce.

Kentucky: "Kentucky saw an approximate 26% decline in overall economic impact due to COVID. Our industry lost more than 20,000 jobs that it had supported pre-pandemic." – Mike Mangeot, Commissioner, Kentucky Department of Tourism.

Maine: "Out of state visitation came to a standstill due to travel restrictions. Direct tourism expenditure dropped 27% from 2019 to 2020, as did visitation and overall economic impact." – Steve Lyons, Director, Maine Office of Tourism.

Minnesota: "Increased outdoor recreation engagement/travel, decimated the Twin Cities and Southern MN hotels. We also experience the aftermath of the murder of George Floyd which changed the way outsiders viewed our state and continues to have an impact on our conversations about MN." – Lauren Bennett McGinty, Executive Director, Explore Minnesota.

Missouri: "Data provided by Tourism Economics indicates Missouri saw declines in visitor volume, visitor spending and overall economic impact as the result of the COVID-19 pandemic. Between the state's Fiscal Year 2019 and Fiscal Year 2021, visitation dropped from 42.9 million people to 33 million; visitor spending dropped from $10.7 billion to $7.9 billion; and the overall economic impact of tourism dropped from $17.7 billion to $13.5 billion. Missouri is projected to have lost 130,000 hospitality jobs between March 2020 and December 2020. As the result of budget shortfalls caused by COVID, the Division of Tourism closed three Welcome/Information Centers and modified the days and hours of operation at five other centers as budget-saving measures. Amid the challenges, our industry stayed focused on recovery and was ready to welcome visitors when economies re-opened. Federal funding provided to support tourism and hospitality played a critical role in recovery." – Stephen Foutes, Director of Tourism, Missouri Division of Tourism.

Montana: "The pandemic led to an unprecedented increase in visitation to Montana as well as record growth in new residents. At the same time, we saw a steep increase in challenges around workforce and supply chain issues. Significant pressure was put on public lands. The rate of growth in the industry has begun to level off. We are still seeing growth, but at a rate more in line with 2019." – Jennifer Pelej, Division Administrator, Montana Office of Tourism and Business Development

Nebraska: "The effects of the pandemic on the tourism industry in Nebraska can be best described as immediate and devastating. It could be argued that the state's tourism industry was the hardest hit in Nebraska. Visitor expenditures here experienced an estimated decline of 39.7% in 2020, from $3.5 to $2.1 billion, outplacing the U.S. travel industry that contracted 36%. Visitor volume plummeted 32.1% from 29.7 million person trips to 20.2 million. Travel-generated employment was down from 39,000 to 19,100 and local and state taxes declined 42.2% and 29.2% respectively." – John Ricks, Executive Director, Nebraska Tourism Commission.

Nevada: "The COVID-19 pandemic brought the travel industry in Nevada to a grinding halt. During the pandemic, casinos across the state, for the first time in their history, closed their doors to the public, and the Las Vegas strip looked like a ghost town. While Nevada had about 56 million visitors annually before the pandemic, 2020 had about half of that number. Further, as a destination that is funded through room tax collections, we are reliant on overnight visitation to the state. Prior to the pandemic, we were averaging a bit more than $2 million in collections each month. While our state was shutdown, however, this number dropped to less than

$200,000. Also, as our state is heavily reliant on the tourism industry as a job creator, with the shutdown in place from mid-March to June 2023, Nevada recorded the highest unemployment rate of any state at any point since that metric has been tracked with one month registering an unemployment rate of over 30% (per Nevada DETR)." – Kyle Shulz, Research Manager, Travel Nevada.

New Hampshire: "Was crushing initially but due to our location and decisions not to limit travel to our state, the industry adapted pretty well and probably did better than most of New England due to this. Many people lost their jobs or switched jobs and we are still recovering from this workforce shortage." – Lori Harnois, Director, New Hampshire Division of Travel and Tourism Development.

New York: "The COVID-19 pandemic was predictably devastating for most of New York's tourism industry, arguably more than any other sector of the economy. Statewide in 2020, there was a 40% decrease in visitation, 50% decrease in total economic impact and 34% decrease in tourism employment. It is worth nothing that the story was not exactly the same in every part of the state, or even within each region. For example, New York City took a particularly significant hit, going from a record high of 66.6 million visitors in 2019 to just 22.3 million in 2020, a loss of nearly two-thirds." – Ross Levi, Executive Director/Vice President, Empire State Development.

North Carolina: "We saw a tremendous loss of jobs in our urban areas. Rural and mountain/coast areas saw increases in visitation to the point that they couldn't handle the traffic. We are now settling back to a more normal pattern, but full employment has not returned." – Wit Tuttell, Executive Director, Visit North Carolina.

North Dakota: "The COVID-19 pandemic had a significant impact on North Dakota's tourism industry. In 2020, the state saw a 21% decrease in visitors, and visitor spending fell by 31%. The closure of the U.S.-Canada border, which is a major source of tourism for North Dakota, was a major factor in the decline. Other factors included travel restrictions, social distancing guidelines, and concerns about the safety of travel. Despite the challenges, North Dakota's tourism industry was able to open our tourism operations earlier than most states which helped our recovery. In 2022, the state saw the hotel revenue and general visitors spending near 2019 levels and 2023 has been even stronger. This growth was driven by domestic travelers, as international and business travel and remained slow to recover. While border crossings are finally rebounding, up 61.9% (YTD 2023) we still lag 2019 by more than 22,000 personal vehicles." – Sara Otte Coleman, Director- Tourism and Marketing Division, North Dakota Department of Commerce.

Oregon: "Travel spending in Oregon dropped from $12.8B in 2019 to $6.5B in 2020. Travel generated employment dropped from 120,000 to 92,000 (nearly 70% of all jobs lost in Oregon due to COVID were in Leisure and Hospitality." – Todd Davidson, CEO, Travel Oregon.

Puerto Rico: "The COVID-19 pandemic forced strict health and safety guidelines which were necessary to protect public health, but also served as a major impediment to inbound and outbound travel as well as our supply chain. Our ability to book meetings was severely impeded as planners were facing tremendous uncertainty. The temporary closure of the cruise industry caused a major setback. We also saw a halt to most construction which slowed down our product development substantially. One unanticipated challenge faced was the inclusion of U.S. territories in the CDC travel advisory, which differs from U.S. State Department advisories and unfairly portrayed territories as compared to U.S. states. Tourism economic impact fell 42% in 2020 (vs. prior year) and industry wages fell 35%." – Brad Dean, CEO, Discover Puerto Rico.

South Dakota: "Because we are an outdoor destination with iconic national and state parks, and because our governor made the decision to keep our state open, we did well during the pandemic. Visitation was down, but still solid. Visitor spending was also down, but stronger than expected." – James Hagen, Secretary of Tourism, Travel South Dakota.

Tennessee: "In 2019, Tennessee tourism outpaced the nation in all areas of travel, resulting in record travel spending and tax revenue. During the first four weeks of April 2020, travel spending declined 87%. Between March and December 2020, the state sales and use tax revenue saw a $303 million loss to the state budget overall. The decline was most significant in our large cities that rely on conventions and business travel. Our department worked closely with Governor Lee and the state's financial stimulus accountability group to secure CARES and ARPA funding, which enabled us to get back to market quickly. By 2021, Tennessee was well on the path to recovery, although still behind 2019 numbers due to the lag in international travel. While full 2022 reports are not yet in, we expect to report a full recovery for the year." – Mark Ezell, Commissioner, Tennessee Department of Tourist Development.

Utah: "The COVID pandemic impacted Utah's visitor economy in unprecedented ways. Coming off of a $10 billion high in direct visitor spending in 2019, 2020 saw visitor spending drop 30%, to ~$7 billion. Utah national park visitation dropped 27%. Lodging occupancy numbers fell precipitously, with many properties closing for a period of time, some forever. Conventions were canceled, restaurants closed; urban area visitation stopped. Leisure and hospitality jobs were lost. International visitors disappeared." – Vicki Varela, Managing Director, Utah Office of Tourism.

Wisconsin: "Dramatic decline in economic impact in 2020, followed by a surge ahead in 2021, to a record setting year in 2022 due to historic investment in the industry. The pandemic illustrated the power of our industry to the public and decision makers who recommitted to supporting it." – Anne Sayers, Secretary, Wisconsin Department of Tourism.

Wyoming: "Wyoming fared better than most. The first year we were down about 23% in travel outputs but have rebounded and even had a few "unicorn" years where travel was at unprecedented levels. Our product is relevant for wide open spaces and the great outdoors which has proven to be resilient." – Diane Shober, Executive Director, Wyoming Office of Tourism.

Question: Please describe the current condition of the travel and tourism industry in your state or territory?

Alabama: “Alabama is experiencing a third record year in row with highest numbers of guests and expenditures ever. With one month remaining in October fiscal year, we anticipate expenditures of $24 billion versus $13.4 billion in 2020.” – Lee Sentell, Director, Alabama Tourism Department.

Alaska: “Cruise sector has rebounded and this is should have a record number of passengers visiting Alaska. Independent travelers were very strong in 2022 but have softened in 2023. Although hiring continues to be a challenge, it is much better than 2022. Housing employees is a challenge though.” – Jillian Simpson, President & CEO, Alaska Travel Industry Association.

Arizona: “Leisure travel has been a primary driver of tourism recovery in Arizona. As one of the state’s chief economic engines, Arizona’s tourism industry reached post-pandemic highs in 2022 in metrics across the board, including tourism jobs generated and tax revenue collected. This recovery, which has enabled tens of thousands of vacant jobs to be filled, has been driven in large part by strong support from the federal government.

While leisure visitors have returned, we are still working to fully recover other equally important parts of Arizona’s tourism industry, including business travel, meetings and conventions business and international visitation. Rebuilding and expanding these segments is even more crucial when you consider that some portion of the robust leisure travel of the past two years was driven by pent-up demand, which is forecasted to soften over the next few years.” – Lisa Urias, Director, Arizona Office of Tourism.

California: “Buoyed by a steady increase in domestic leisure travel, overall visitor spending has recovered to 2019 levels, as has employment and tax generation. International visitation still lags behind pre-pandemic levels, particularly from India, China, Japan and Korea. Visit California has re-established programs in all 13 international markets to jump-start the overseas comeback. Business travel is improving steadily. Gateway destinations of Los Angeles and San Francisco are experiencing the slowest recovery in the state, while some outdoor recreation destinations continue to report record growth. Hotel labor actions and staffing shortages at hotels, restaurants and attractions have created some operational impacts. Upcoming large events – 2024 IPW, 2026 World Cup, 2028 Olympics – contribute to optimism for the future. A majority of Californians see tourism as a net positive in their communities and believe it creates a better quality of life in their region.” – Caroline Beteta, President & CEO, Visit California.

Delaware: “Our state is recovering very well from the COVID-19 pandemic in most market segments. Our leisure and sports tourism markets are doing especially well. We welcomed a record number of overnight visitors to Delaware in 2021 and 2022 and are continuing to see a steady flow of tourists to the state this year. We are hearing that restaurants and other businesses continue to experience worker shortages, and we are still struggling to bring back the group tour market. This is mostly due to worker shortages in group-friendly destinations (i.e. casinos) and a lack of interest from those destinations who previously welcomed group tours. We are working to strengthen those partnerships again and encourage those destinations to welcome groups.” – Jessica Welch, Director, Delaware Tourism Office.

Idaho: "Idaho Tourism has experienced incredible growth with lodging tax collections. These collections fund our domestic and international marketing programs. The FY22 ended on June 30, 2022, and was up 39.4 % over the fiscal year 2021. The fiscal year 2023 surpassed FY22 with an increase of 3.42%. In the 40 years, the Idaho tourism program has existed, there has never been year-over-year growth like what we just experienced." – Diane Norton, Tourism Manager, Idaho Tourism.

Indiana: "Travel spending is back to 2019 levels, if not more. Traveler awareness has improved since we are a drive state. Travel and hospitality workers may not recover to pre-pandemic levels." – Amy Howell, Vice President of Tourism, Marketing and Communications, Visit Indiana.

Iowa: "Tourism in Iowa has recovered to 2019 visitation levels and beyond, however, our visitor makeup looks different. Although Iowa has always been primarily a drive destination, that has increased even further with major airline carriers pulling out of smaller markets. Meetings, conventions, sports and group travel business are still recovering to 2019 levels. On the other hand, leisure travel to bike trails, state and county parks, and for other outdoor recreation activities gained popularity during the pandemic and have maintained visitation.

Tourism is now poised for growth due to the investments that were made after the pandemic. The Destination Iowa program has provided $115 million in grant funding to projects that will be catalysts for tourism, bolster quality of life and attract visitors. Millions of additional dollars of federal and state funding have been allocated to the Iowa Tourism Office to initiate strategic plan projects and increase marketing reach." – Amy Zeigler, State Tourism Manager, Travel Iowa.

Kansas: "At or above pre covid (2019) for lodging and attraction attendance. Workforce continues to be a big issue - especially in the restaurant and lodging sectors." – Bridgette Jobe, Director of the Kansas Tourism Division, Kansas Department of Commerce.

Kentucky: "Kentucky has not only recovered we have smashed previous records. Our travel spending is outpacing inflation significantly and we are seeing very strong tourism development with the opening of new attractions, hotels and air routes." – Mike Mangeot, Commissioner, Kentucky Department of Tourism.

Maine: "In 2023, visitation still hasn't recovered to pre-pandemic levels, although direct expenditures have increased. Canadian inbound automobile traffic at the border is still down more than 50% from 2019. Gross lodging sales in the state are up 55% in the first 6 months of 2023 compared with 2019 and gross restaurant sales are up 22% for the same period. However, ADR in the first 7 months of 2023 is up 28% over the first 7 months of 2019. Staffing continues to be an issue with many tourism/hospitality businesses unable to fill all of their vacancies." – Steve Lyons, Director, Maine Office of Tourism.

Maryland: "The industry continues to work together - although, workforce remains a challenge." – Liz Fitzsimmons, Managing Director, Visit Maryland.

Minnesota: "We are showing a lot of signs of improvement. The northern part of the state (north central and northeast) had full occupancy in 2021-2022 and some experienced excessive tourism. The metro area, NW and southern MN are still in recovery mode. Many of them have shifted into economic development opportunities to attract new businesses to then bring in more tourists. We even gave recovery grants this year to DMOs. A lot of our DMOs seem confused about what to do next or how to bounce back from everything as there are still a significant number of job openings and the cost of goods and services continues to rise." – Lauren Bennett McGinty, Executive Director, Explore Minnesota.

Missouri: "Missouri's leisure travel economy seems to have recovered very well from the impacts of COVID-19. In the state's fiscal year 2022, Missouri welcomed 40 million visitors; visitor spending increased to $10.8 billion; and the total economic impact of tourism was projected at $18.4 billion. Tourism-related employment rebounded to about 281,000 jobs in FY22. Though preliminary, data from our Department of Revenue for FY23 suggests tourism-related spending has climbed to more than $17 billion. Since 2021, some of our destinations have seen record visitation and visitor spending. Our five remaining welcome centers have resumed normal operations and hours, and welcomed nearly 390,000 visitors in fiscal year 2022. COVID's impact on travel helped highlight the importance of the industry, as it was among the most significantly impacted by shutdowns. The resurgence of the travel industry has had a significant and positive impact on Missouri's economy." – Stephen Foutes, Director of Tourism, Missouri Division of Tourism.

Montana: "As mentioned in previous answer, growth has leveled off. We continue to see growth, but at a rate more in line with 2019. It is difficult to differentiate the impacts of new residents from visitors on resource and local economic impacts. We are seeing areas of over-visitation and areas where growth potential exists in a more profound way after the influx of visitors during the pandemic - which we are embracing as an opportunity to diversify. We are also investing significantly in resiliency planning." – Jennifer Pelej, Division Administrator, Montana Office of Tourism and Business Development

Nebraska: "The pent-up demand ("revenge travel") coming out of the pandemic happened immediately in 2021 and has extended into 2022 and 2023, resulting in record visitor expenditures, visitor counts, lodging tax revenue and state/local taxes generated. Further, industry generated employment surpassed pre-pandemic levels in the first half of 2023.
This performance was very surprising and welcome. Initial projections for recovery predicted that the Nebraska tourism industry would return to record 2019 levels in mid-to-late 2023. Visitor spending jumped from approximately $3.6 billion in 2021 to $4.4 billion in 2022 – up 20%; employment increased 7.2% to 40,260; state taxes increased 8.5% to $216.5 million and local taxes jumped 16.1% to 82.2 million. Various post-pandemic consumer trends including visiting states with lower populations, wide open spaces, affordability and visiting new places helped drive these increases. Notably, overnight visitation in 2022 was up 500,000 – and 2023 is pacing at approximately 15% ahead of 2022." – John Ricks, Executive Director, Nebraska Tourism Commission.

Nevada: “Currently the travel industry in the state is doing well. Though the state still has not fully recovered the total volume of travelers that we had before the pandemic, we have well surpassed record levels of certain visitation statistics such as room tax collections and gross gaming revenue (though other metrics, such as employment levels in leisure and hospitality are still below their pre-pandemic peak). There is also considerable momentum and optimism in Las Vegas, with the recent opening of the innovate entertainment offerings such as the MSG Sphere and high level athletic events coming into Southern Nevada, such as Formula 1 in 2023 and the Super Bowl in 2024.” – Kyle Shulz, Research Manager, Travel Nevada.

New Hampshire: “Tourism is doing well in New Hampshire. We have had two back-to-back record years for visitation and spend. This summer has been a little soft due to weather (rain).” – Lori Harnois, Director, New Hampshire Division of Travel and Tourism Development.

New Mexico: “There are no sustainable federal grant programs for the travel/tourism industry. Tourism businesses are over leveraged which leads to instability and limits growth potential. Federal entities that manage tourism assets have not prioritized collaborating recovery efforts with state tourism and gateway communities. Brand USA does not serve destinations without robust international visitation i.e. rural America.” – Jen Paul Schroer, Cabinet Secretary for Tourism Department.

New York: “Tourism in New York State has been steadily improving from the record low levels of the statewide COVID shutdowns in 2020 but has not quite rebounded to pre-pandemic record highs experienced in 2019. While still lagging in some regions like New York City which appear to be impacted by the slower return of international, business and meetings / conference related travel, tourism is showing solid recovery with visitation trending in the right direction throughout the state.” – Ross Levi, Executive Director/Vice President, Empire State Development.

North Carolina: “We are in recovery. The push of visitors to the mountains and coast is getting back down to normal and visitation has come back to the urban areas. Business and international travel is still not back to normal, but it is showing positive signs. Employment is really holding us back from growing because so many businesses are limiting hours and services due to staffing shortages.” – Wit Tuttell, Executive Director, Visit North Carolina.

North Dakota: “The tourism industry in North Dakota is rebounding with strong occupancy rates, national park visitation, and event attendees. Hotel occupancy and RevPAR had fully recovered as of October 2022. North Dakota’s occupancy rate outperformed the national average in both July and Aug of 2023. June 2023 was the second highest month for visitation to TR National Park, which is up 10.6%. Marketing metric and signals of intent to travel are all very strong beating all targets. Airline deplanements have recovered, but Canadian border crossing are lagging at 82% of pre-pandemic levels. Workforce availability is one of the major limiting factors for growth.” – Sara Otte Coleman, Director- Tourism and Marketing Division, North Dakota Department of Commerce.

Oregon: "Leisure travel is back to pre-COVID levels, though international visitation and spending still lags and is not expected to recover until 2024 or 2025. International air service to Europe and Mexico is restored; service to Canada is partially (50%) restored; service to Asia is still suspended. Visitor spending in 2022 climbed to $13.9B and employment rebounded to 118,000." – Todd Davidson, CEO, Travel Oregon.

Puerto Rico: "Puerto Rico has fully recovered in nearly all segments of tourism (domestic leisure, meetings/conventions, domestic international, sports) with one exception: cruise is projected to fully recover by 2025. Today, we are enjoying our 3rd straight all-time record year with more visitor demand, spending, tax revenues and jobs than ever before; also, our meetings pipeline is higher than ever before and our convention center generated a small profit for the first time ever in FY 22-23." – Brad Dean, CEO, Discover Puerto Rico.

South Dakota: "As an industry, we did very well during the pandemic. This summer, however, we are feeling the competition with more cities and states welcoming visitors, (especially urban areas and those that restricted travel to their states/cities during the pandemic). Visitation is down this summer compared to previous summers, but spending is up. Things seem to have normalized for us and we are not seeing some of the wild swings we observed during the height of the pandemic." – James Hagen, Secretary of Tourism, Travel South Dakota.

Tennessee: "COVID helped underscore the importance of tourism across communities in Tennessee. We are currently on track for a full recovery, and our resilient partners are outperforming 2019. With the help of additional funds, including those from CARES and ARPA, Tennessee has gained market share by emphasizing our outdoor destinations. We're focused on helping advocate for our industry and continuing that momentum." – Mark Ezell, Commissioner, Tennessee Department of Tourist Development.

Utah: "Utah national and state park visitation peaked in 2021, with a desirable outdoor product attractive to all navigating ongoing COVID concerns. 2022 saw a new record, with nearly $12 billion in direct visitor spending in Utah. Domestic travel, while still down over 2019 baseline numbers, is coming back. Utah's skier visit days also saw a record in 2022, with more than 7 million ski day visits, and an estimated $2.65 billion in economic impact. Conventions are coming back, urban recovery is occurring. International visitation and spending is still below the 2019 baseline, but is expected in 2024/2025. Unemployment is low, and workforce shortages are concerning." – Vicki Varela, Managing Director, Utah Office of Tourism.

Wisconsin: "Leisure travel has surged back and beyond 2020 levels thanks to deep investment by decision makers at all levels of government. Our industry is leading the great recovery, even as meetings and conventions and business travel lags. The national and international environment has grown much more competitive and the cost of attracting visitors has risen dramatically. Workforce is an ongoing challenge." – Anne Sayers, Secretary, Wisconsin Department of Tourism.

Wyoming: "Exceeding 2019 levels." – Diane Shober, Executive Director, Wyoming Office of Tourism.