
ECONOMIC PRIORITIES FOR HOTEL INDUSTRY

As lawmakers consider additional legislation to address the ongoing health crisis and economic fallout from COVID-19, the American Hotel & Lodging Association (AHLA) sent a letter to Congress calling for additional help in several areas, including extending the Paycheck Protection Program (PPP) for severely impacted businesses and their employees, creating targeted lending facilities and liquidity measures to help hoteliers meet debt service, and passing tax reforms to benefit both hotel employees and employers. A copy of the letter can be found [here](#). Together, these provisions will help ensure hotels can retain and rehire employees, protect employees and guests, keep hotel doors open, and incentivize Americans to travel again when it's safe.

The hotel industry has been historically impacted by the COVID-19 health crisis. According to the Bureau of Labor Statistics (BLS), the leisure and hospitality sector has lost 4.8 million jobs since February—more jobs than construction, manufacturing, retail, education, and health services combined. The human toll on hotel employees and the hotel workforce is devastating, with hotels still staffed at less than half their pre-pandemic levels. The economic impact is the worst the industry has ever faced.

AHLA is urging Congress to provide immediate assistance in these areas:

0. Provide additional liquidity for severely impacted businesses through a targeted **extension of the Paycheck Protection Program (PPP)**.
 1. Create **hotel industry relief opportunities** utilizing Federal Reserve and Treasury authority.
 2. Establish a **Commercial Mortgage-Backed Securities (CMBS) market relief fund**, with a specific focus on the hotel industry, as part of the Federal Reserve's lending options.
 3. Make **structural changes to the Main Street Lending Facility** established under the CARES Act to ensure hotel companies can access the program.
 4. Include **limited liability** language to provide a limited safe harbor from exposure liability for hotels that reopen and follow proper public health guidance.
 5. Include **targeted tax provisions** that will benefit severely injured businesses and their employees, including **tax credits for capital expenditures or expenses** to meet the industry's Safe Stay initiative; enhanced **Employee Retention Credit (ERC)**; a **temporary travel tax credit**; exempting taxation on phantom income from loan modification forgiveness or cancellation, and allowing full deductibility of the **food and entertainment business expense**.

In partnership with AHLA, you can be assured that OHLA will emphasize this same funding messaging with our members of Congress.