



COUNCILMEMBER CHRIS CATE

SIXTH DISTRICT
CITY OF SAN DIEGO

June 26, 2020

The Honorable Martha McSally
U.S. Senate
404 Russell Senate Office Building
Washington, DC 20510

RE: Support for S.4031 - American Tax Rebate and Incentive Program Act

Dear Senator McSally:

I am writing to express my personal support for S.4031 - American Tax Rebate and Incentive Program Act, or American TRIP Act, which would make available a temporary, nonrefundable tax credit for travel, lodging, entertainment, and other expenses in hopes of stimulating the economy from the effects of COVID-19. The bill also provides \$50 million for Destination Marketing Organizations to promote travel and tourism nationwide.

San Diego is the nation's eighth largest city and is an extremely popular tourist destination year-round. Our tourism economy was booming prior to the COVID-19 pandemic, with nearly 25 million passengers flying through San Diego International Airport in 2019. Today, passenger traffic at our airport is down 95 percent as we are seeing record lows in flights, hotel stays, consumer spending, and more.

Additionally, tourism is the second largest segment of San Diego's economy and employs approximately 194,000 people. There were 35.8 million visitors to San Diego last year, of which almost 18 million were overnight and over 17.7 million were day visitors. Visitors spent \$11.5 billion at thousands of San Diego businesses during their stay with 70 percent of those dollars spent at businesses other than lodging, including restaurants, museums, parks, and retailers.

Finally, tourism is the City of San Diego's third largest source of revenue, generating nearly \$150 million in revenue each year. The impact COVID-19 has had on this vital industry is immeasurable. Between the loss of tens of thousands of jobs, and the ability to use these revenues to provide basic services for our residents, all levels of government must work to re-establish this vital segment of our economy.

As Chair of the City of San Diego's Economic Development & Intergovernmental Relations Committee, I am committed to ensuring that the City of San Diego is on its way to economic recovery and, if passed, the American TRIP Act would be an important piece to that puzzle.

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It is for these reasons I lend my support for the American TRIP Act and look forward to its passage. Should you have any questions, please don't hesitate to contact my office at (619) 236-6616.

Sincerely,



Chris Cate
Councilmember, Sixth District
City of San Diego

cc: The Honorable Senator Dianne Feinstein
The Honorable Senator Kamala Harris