

Be the Voice of Business Travel

GBTA U.S. Legislative Summit June 14-15 | Washington, D.C.



Topics for the GBTA U.S. Legislative Summit

The 2023 U.S. Legislative Summit is your opportunity to speak for issues that will benefit the business travel industry. The chosen three (3) topics are;

- 1. Passage of the FAA Reauthorization Bill
- 2. Increase Sustainable Aviation Fuel and
- 3. Improved airport screening in the U.S.
- Passage of the Federal Aviation Administration Authorization Congress must enact legislation to set the FAA's funding levels and policy priorities (known as "reauthorization"). FAA's current authorization expires September 30th. This legislation funds the FAA for five years, providing long-term funding and planning stabilization to the processes of upgrading the air traffic control system and NextGen programs.

Prior to the pandemic, GBTA research on the U.S. economic impact of business travel showed 515 million domestic business trips were taken annually. Nearly 30 percent involved air travel – second only to personal vehicles – meaning business travelers take to the skies on over 144 million trips a year.

Recent GBTA polling cited delayed (76%) and canceled flights (72%) as the most frequently heard complaints about business travel. Numerous near misses of planes either in the process of landing or taking off have been cited already in 2023. Business travelers need an air travel network that is reliable and safe.

Passage of a 5 Year Reauthorization will allow for the needed upgrades and fixes of the U.S. airspace operations.

2. Increase SAF Production – Travel buyers are being pushed by their CEOS and stakeholders to reduce their carbon footprint. To do this, there are two options, travel less or use technology to decarbonize air travel. Unfortunately, the travel less option is gaining steam. A recent <u>study by Deloitte</u> found that Climate concerns will likely put a cap on corporate travel gains for several years to come. Four in 10 European companies and a third of U.S. companies say they need to reduce travel per employee by more than 20% to meet their 2030 sustainability targets.

The business travel industry needs technology to help balance this dynamic. Sustainable Aviation Fuel (SAF) reduces lifecycle GHG emissions by up to 80% compared to conventional jet fuel. Coupled with carbon capture and other practices, emissions can be negative.

Last year, GBTA was successful in the passage of legislation that offers a tax credit to spur the production of Sustainable Aviation Fuel. This year, the tax credit is at risk of being pulled. We need to protect this tax credit to continue the production of SAF, offer options for travel that are in line with new corporate travel policies, and continue the rebound of business travel.

3. Improved airport screening to the U.S. – CBP's Preclearance program allows travelers departing for the United States to be 'precleared' prior to boarding. Upon arrival in the United States, precleared passengers bypass the traditional CBP and Transportation Security Administration's (TSA) inspection and screening processes and proceed directly to their connecting flight or destination.

Preclearance provides a unique benefit to the business travel community by improving security while removing significant chokepoints in the business travel journey. Reducing the time spent in transit provides a myriad of benefits for the business travel community ranging from greater productivity and economic return to lower cost.

According to the U.S. Department of Commerce, border delays result in losses to output, wages, jobs, and tax revenue due to decreases in spending by companies, suppliers, and consumers. The travel industry also estimates long CBP wait times discourage international visitors, who spend an average of \$4,200 per visit, from traveling to the United States. Additionally, the Joint Economic Committee has found that border delays cost the U.S. economy upwards of \$5 billion annually.

The United States has made progress in the recovery and growth of the U.S. travel market. However, many macroeconomic conditions continue to impact the timing, trajectory and pace of business travel's recovery, pushing the forecast for full recovery into 2026 instead of 2024 as previously forecasted, according to the 2022 GBTA Business Travel Index Outlook.

Prior to the pandemic, CBP had engaged several countries to expand Preclearance. As our country emerges from the pandemic, **GBTA** is urging the **U.S. Government to restart those negotiations and expand the program to new countries.** This increased safety and ease of travel will be a benefit to the industry with the potential expansion of overseas travel into the U.S.