

Written Testimony Of: American Indian Alaska Native Tourism Association, Inc.

Prepared For: U.S. Senate Committee on Indian Affairs

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Chairman Schatz, Vice-Chairwoman Murkowski and members of the committee, thank you for the opportunity to provide testimony on behalf of the American Indian Alaska Native Tourism Association, Inc. (AIANTA). This testimony will focus on the devastating impact we are facing from COVID-19 and to encourage you to support FY2022 funding needs for American Indians, Alaska Natives and Native Hawaiians engaged in tourism. We also encourage you to support full implementation of the Native American Tourism and Improving Visitor Experience (NATIVE) Act.

Prior to COVID-19, tourism was a leading opportunity for jobs and economic development in Indian Country. In some rural and remote communities, it is one of the only viable opportunities for household income. According to U.S. Department of Commerce, approximately 1.9 million overseas visitors traveled to an American Indian Community in 2019. These visitors are good for the Native Nations and communities they visit and for the entire tourism economy because they stay longer in the U.S. than the average overseas traveler and visit more destinations (2019 U.S. Travel and Tourism Statistics, National Travel and Tourism Office, U.S. Dept of Commerce). As we emerge from the devastating impact of COVID-19, tourism to American Indian, Alaska Native and Native Hawaiian tourism destinations has a bright future that lies in the more than one billion leisure travelers in the world, and the interest of domestic travelers and international visitors in the American Native cultures and what their communities offer— memorable and unique experiences, warm hospitality and unusual landscapes.

AIANTA is the only organization specifically dedicated to advancing Indian Country tourism across the United States. AIANTA helps tribes develop, sustain and grow tourism destinations through technical assistance, training, experiential learning opportunities and resources. Our mission is to define, introduce, grow and sustain American Indian, Alaska Native and Native Hawaiian Tourism that honors traditions and values.

COVID-19

The economic devastation caused by the pandemic cannot be understated. According to the U.S. Travel Association, the pandemic has impacted travel economies in every state and territory, with Hawai'i suffering the most of any state (-60% y/y). In Alaska, with the cancellation of the 2020/2021 cruise ship season, the losses are impacting the entire state, including Native Alaskans along the panhandle forced to shutter cultural tourism operations decreasing much needed revenue and jobs for the region and for the State's economy. The impact is estimated at \$3 billion in gross product loss for each year the cruise season is not in operation. (Office of Governor Mike Dunleavy, Report to White House: Alaska Economy Devastated by CDC Decision on Cruise Ships, April 8, 2021)

Further, from March – December 2020, the pandemic resulted in \$492 billion in cumulative losses for the U.S. travel economy, equating to a daily loss of approximately \$1.6 billion for the past 10 months. These losses also represent \$64 billion lost in federal, state, and local tax revenue since March 1, 2020.



In general, the travel and tourism industry in the United States generated more than \$1.87 trillion in economic impact in 2019, according to the U.S. Travel Association. Additionally, tourism supports 9.2 million direct U.S. jobs and accounts for 2.8% of the entire U.S. GDP.

During the COVID-19 pandemic, two thirds of all U.S. jobs lost were supported by travel, also according to the U.S. Travel Association. In particular, the franchise lodging sector, a model frequently used by Indian Country hoteliers, lost more than 200,000 jobs last year.

Research commissioned in early 2020 by the National Indian Gaming Association found that nearly every one of the 524 Native American casinos closed last year, resulting in a loss of 296,000 jobs and \$1.5 billion in lost gaming revenue.

These lost jobs and decimated gaming revenues have had a dramatic and far-reaching affect, crippling Native American economies well beyond tourism, in return devastating programs such as health and safety, infrastructure, education and food programs across Indian Country.

More critically, programs not considered essential or lifesaving, such as cultural heritage activities, museums and cultural centers, language programs, cultural events, and even sacred observances became all but extinct in 2020 as decimated budgets were channeled into programs considered most critical.

Nearly every tribal museum and cultural center closed last year. Not only do these facilities create jobs and generate incremental tourism revenues for local communities, but they also serve to perpetuate indigenous cultures, which were already in jeopardy of being permanently lost prior to the pandemic.

The concern over the loss of indigenous culture is so critical, the issue has been defined by the United Nations as one of the six mandated areas of the United Nations Permanent Forum on Indigenous Issues.

Rebuilding the tourism economy for American Indian, Alaska Native and Native Hawai'ians across the United States is critical to the broader pandemic recovery efforts – particularly in rural areas suffering from chronic under-investment in infrastructure, data collection and analysis, technical support and economic development opportunities. This under-investment has real and devastating effects including economic devastation and catastrophic health implications. For example: Navajo Nation has been overwhelmed by the virus with over 30,000 positive cases of COVID-19 and 1,284 confirmed deaths – for a total population of 180,462. Navajo Nation, to protect their Nation, made difficult decisions to close the reservation to outside visitors, implemented a shelter in place order and instituted daily curfews.

Navajo Nation is just one example of many across Indian Country. Tribal governments and communities put their people first during these trying times and they will need support to shore-up their systems (many of which are dependent on revenue generated from tourism) and address the underlying inequities caused by lack of investment to support economic opportunities and business development, including for tourism.

American Indian, Alaska Native and Native Hawai'ian owned hospitality related businesses (according to the U.S. Census) receipts from hospitality sector businesses in 2012 equaled \$7.681 billion. This thriving sector of many Native Nations' economies are suffering from lost revenue and jobs including native owned destination/tourism destinations to individually owned tribal business/tourism companies.

These closures and decreased visitor traffic will have severe economic impact on all native communities, especially small, rural destinations across the United States. When you consider, most American Indian,



Alaska Native and Native Hawaiian tourism operations and destinations are not supported by local, regional or national destination marketing organizations and/or the tourism industry because they are not included in the fees and tax support structures that fund tourism development and growth. Further, American Indians, Alaska Natives and Native Hawaiians are disproportionately unbanked, resulting in lack of access to financial tools to assist with recovery.

In a recent AIANTA tourism sentiment survey, 77% of respondents feel that tourism has weakened greatly in their region in the past year and only 5% believed tourism improved greatly. Further, nearly one in four respondents had to close their business during the COVID-19 pandemic. (AIANTA's State of Indian Country Tourism, Spring 2021).

The findings of this year's survey are in sharp contrast to survey responses pre-pandemic in 2019 with nearly 75% of respondents indicating they believed tourism would increase greatly (28%) or somewhat (47%) in the coming year and 33% of respondents expected to increase tourism employment in the coming year. (AIANTA's State of Indian Country Tourism, Spring 2019).

When done well, tourism provides social and economic stability to the most remote rural communities and mainstream city neighborhoods, complementing the effort of American Indian, Alaska Native and Native Hawaiian enterprises, businesses, organizations, and agencies working to build economies and contribute to the growth of the U.S. tourism industry. For example, by investing in Native agritourism, you are also investing in sustainable practices, water protection and equitable distribution of resources while addressing food insecurity caused by reliance on the greater food distribution system for access to healthy and abundant food supplies. Tourism, including agritourism, brings revenue to Native Nations and communities providing jobs, localized investments and the perpetuation of cultural practices.

Request for Support to Address the Impact of COVID-19 and Chronic Under-Investment

Funding is *immediately* needed to accelerate and fully implement the *Native American Tourism and Visitor Experience Act* (NATIVE Act). The NATIVE Act is designed to "enhance and integrate Native American Tourism, empower Native American communities, increase coordination and collaboration between Federal Tourism assets, and expand heritage and cultural tourism opportunities in the United States." We have seen the impact of initial investments in the NATIVE Act including AIANTA's work to identify and provide technical assistance and training with 2020 seeing some of our largest participation levels in our programming. Another example of impact can be seen in the swift investments made by the U.S. Forest Service upon receiving NATIVE Act implementation funding in cultural tourism infrastructure and projects across the United States.

Implementation of the NATIVE Act:

Priority Agency Investment Recommendations: Initiate agency wide investments in implementation of the NATIVE Act through appropriation requests across the federal departments and agencies as named in the Act to begin to realize the purposes and intent of the Act. We urge the committee to support full implementation in the intent and purpose of the NATIVE Act. Through appropriations and support for technical assistance and training, alongside direct investment at this critical juncture in the COVID-19 recovery efforts, Native Nations and communities will rebuild economic opportunities. Investments now will also help address many of the underlying disparities from chronic underinvestment exacerbated by COVID-19.

AIANTA's Role and Vision for Rebuilding the Future

AIANTA will work with American Indians, Alaska Natives and Native Hawaiians to develop, grow and sustain cultural tourism enterprises, businesses and organizations through technical assistance, training, marketing and resources.



AIANTA will work with the U.S. Department of Interior to ensure inclusion of Native Nations and communities in the department and agency management plans;

AIANTA will work with the U.S. Department of Agriculture to support recreation and rural development planning and initiatives;

AIANTA will work with the U.S. Department of Commerce and its divisions: National Travel and Tourism Office, International Trade Administration and Economic Development Administration to integrate tribes into the research and development programs offered by Commerce.

AIANTA will work with the National Endowment for the Arts, National Endowment for the Humanities, Institute for Museum and Library Science, Administration for Native Americans, and in Smithsonian projects to ensure tourism tribes are well represented in all federal grant programs through technical assistance and training opportunities;

AIANTA will collaborate with the U.S. Department of Labor on data collection and tourism workforce development;

AIANTA will collaborate with the U.S. Department of Health and Human Services to support investments in cultural tourism programming and initiatives;

AIANTA will collaborate with the U.S. Department of Transportation on infrastructure initiatives and investments that support cultural tourism in Native Nations and communities; and

AIANTA stands ready to help rebuild Native Nations and communities and support full implementation of the NATIVE Act as we move through this crisis.



ATTACHMENTS:

- A. Travel Impact: AK
- B. Travel Impact: HI
- C. Travel Impact: KS
- D. Travel Impact: MN
- E. Travel Impact: MT
- F. Travel Impact: NV
- G. Travel Impact: NM
- H. Travel Impact: NV
- I. Travel Impact: OK
- J. Travel Impact: SD
- K. Travel Impact: WA
- L. Office of Governor Mike Dunleavy, Report to White House: Alaska Economy Devastated by CDC Decision on Cruise Ships, April 8, 2021
- M. Research Fact Sheet Travel: The Hardest Hit U.S. Industry
- N. Case Studies in Tribal Agritourism
- O. AITC 2020 Regional Meeting Summary
- P. 2019 State of Indian Country Survey
- Q. 2020 State of Indian Country/Cultural Heritage Tourism Impact of COVID-19
- R. 2021 State of Indian Country Survey
- S. Letter of Support Burke
- T. Letter of Support Cherokee Nation
- U. Letter of Support Sun Tours