

Written Statement of Laura Chadwick President & CEO, Travel Technology Association for the "Daylight and Destinations: Examining Time, Travel, and Tourism" Hearing Subcommittee on Commerce, Manufacturing, and Trade Committee on Energy and Commerce U.S. House of Representatives

November 20, 2025

Chairman Bilirakis, Ranking Member Schakowsky, and members of the Subcommittee, thank you for the opportunity to submit written testimony for the "Daylight & Destinations: Examining Time, Travel, and Tourism" hearing. My name is Laura Chadwick, and I lead the Travel Technology Association, known as Travel Tech, which recently celebrated its twenty-fifth anniversary.

Travel Tech is the voice of the travel technology industry, advocating for public policies that promote transparency, competition, consumer choice, and innovation across the travel marketplace. Our members include Online Travel Agencies, Metasearch Engines, Short-Term Rental Platforms, Global Distribution Systems, Travel Management Companies, and a growing number of early-stage travel technology start-ups.

Travel Tech's founding members created the infrastructure and Internet-based marketplace from which travelers and travel service suppliers continue to benefit from today. Our members provide suppliers with access to the vast and diverse travel marketplace while offering consumers transparency, a wide range of competitive options, and customized experiences when purchasing and managing their travel. The services Travel Tech members provide generates substantial economic activity across the United States and are instrumental strengthening local tourism economies.

Our <u>recent consumer research</u>, "Click, Compare, Book," highlights this impact. Seventy-eight percent of travelers say comparison shopping tools save them both time and money, and 80 percent agree that these platforms increase competition among travel providers and help lower prices. The survey also found that 82 percent of consumers use travel technology platforms to research and compare options—even when they ultimately book directly with an airline, hotel, or car rental company.

To support travelers, the broader industry, and our member companies, Travel Tech is engaged on several policy issues relevant to the Commerce, Manufacturing, and Trade Subcommittee.

First, we are grateful for the Subcommittee's support of H.R. 1479, the Hotel Fees Transparency Act, particularly the leadership of Reps. Young Kim (CA-40), Kathy Castor (FL-14), Russell Fry (SC-07), and Kevin Mullin (CA-15). H.R. 1479 sets one national



standard for what constitutes a "total service price" regarding mandatory hotel fees and how they must be displayed, giving consumers clarity regardless of where or how they book lodging accommodations. H.R. 1479 was passed by the full U.S. House of Representatives in April of this year. The Senate Commerce Committee passed its companion legislation, S.314, in February, where it awaits consideration by the full Senate.

Second, with the 2026 FIFA World Cup, the 2028 Olympics, and other major events approaching, Travel Tech and its member companies support efforts to help cities benefit from and manage the influx of travelers and fans. Travel Tech has endorsed the bipartisan S.1218, the Transportation Assistance for Olympic and World Cup Cities Act of 2025 because it will provide critical resources to communities facing temporary but extraordinary strain on residents, airports, and public transit. We encourage House members to support this legislation as well. At the local level, Travel Tech is supporting temporary event waivers to allow short-term rentals to operate with added flexibility during major events. Such waivers will ensure communities can meet increased lodging demand and capture the full economic opportunities associated with large event travel.

At Travel Tech's Policy & Innovation Showcase event in May, during our <u>"From Stadium to Stay: Building a Better Travel Experience to Support Mega Sports Events" panel</u>, industry leaders discussed how travel reviews offered by its member companies provide important consumer protections to travelers, including those attending the World Cup. The ability to do so is grounded in Section 230 of the Communications Decency Act of 1996. Travel Tech members helped pioneer the use of user-generated content in the early 2000s, revolutionizing how travelers plan trips and explore the world. The ability to offer trusted, community-driven insights without legal exposure has allowed the industry to grow, innovate, and deliver better experiences to consumers.

Third, Travel Tech and its members strongly support Brand USA and its critical role in promoting the United States as a destination, drawing international visitors whose spending supports jobs and local businesses nationwide. Travel Tech is calling for the restoration of full federal funding for Brand USA. Its federal match was reduced from up to \$100 million annually to just \$20 million as part of broader federal spending cuts.

Beyond the jurisdiction of the Commerce, Manufacturing, and Trade Subcommittee to support travel and travel innovation, <u>Travel Tech advocated for and applauded the inclusion of key pro-innovation provisions of H.R. 1, the One Big Beautiful Bill Act.</u> The new law makes full expensing for domestic research and development (R&D) permanent, restores 100% bonus depreciation, preserves the 20% Qualified Business Income (QBI) deduction for pass-through businesses, and modernizes Qualified Small Business Stock (QSBS) rules. Travel Tech championed these pro-innovation policies because they provide essential support and unlock capital for startups, while also giving



larger travel technology companies the certainty to invest in new products, grow their workforce, and accelerate innovation across the industry.

Travel Tech is also deeply engaged on Digital Services Taxes (DSTs), which are unilateral gross-receipts taxes imposed by some foreign governments on digital platforms' revenues, typically ranging from two to seven percent. These taxes apply once a company crosses a certain threshold from users in that country. DSTs levy taxes on gross revenues rather than net income, which is especially punitive for high-volume, low-margin businesses like online travel platforms. Travel Tech members typically operate on slim profit margins while facilitating transactions between travelers and hotels, airlines, and other suppliers, and they do not retain most of the revenue that passes through their platforms. The Trump Administration has made ending DSTs a priority and successfully compelled Canada to abandon their tax, yet France has recently increased their DST and other countries are considering introducing their own.

Travel Tech is advocating for the initiation of new Section 301 investigations by the United States Trade Representative and remedies to combat DSTs. We are also calling for equal treatment between travel comparison platforms and travel service suppliers, since direct digital channels of airlines and hotel chains offering equivalent services are exempt from DSTs. This disparity distorts competition in the travel industry, raises consumer costs, and undermines the benefits that transparent, comparison-driven marketplaces provide.

Travel Tech remains committed to promoting transparency, competition, and consumer choice across the travel marketplace. As the country prepares for the 2026 World Cup and continues to strengthen its position in the global travel economy, technology platforms will play a central role in supporting consumers, local businesses, and the broader tourism sector. We look forward to working with the Subcommittee as it examines policies that shape the future of travel, tourism, and innovation.