

AAHOA Statement on Bipartisan Call to Stabilize GSA Per Diem Rates

ATLANTA, Ga., Mar. 22 – AAHOA President & CEO Cecil P. Staton issued the following statement in response to the Restored, Equitable, Coronavirus Adjusted Lodging (RECAL) Act, a bill introduced by U.S. Representatives Charlie Crist (D-FL) and Bill Posey (R-FL) that calls for future General Services Administration (GSA) per diem rates to be set at Fiscal Year (FY) 2020 levels to avoid cuts due to the impact of COVID-19 on the lodging and travel industries:

“America’s hoteliers applaud Congressmen Crist and Posey for calling upon the GSA to stabilize future per diem rates by locking them in at FY 2020 levels. Future rates are calculated on a trailing twelve-month basis from April to March. The COVID-19 pandemic and associated stay-home orders, shutdowns, and social distancing measures caused the average daily rate at hotels to plummet. Using the depressed industry figures from the past year as the basis for future per diem rates would hinder our government officials’ ability to travel in service to the American people and cut a crucial source of revenue for hotels and other small businesses. At a minimum, the current FY 2020 per diem rates should be the floor for rates in FYs 2023 and 2024.

“The hospitality industry is facing its biggest recovery effort since the 2008 financial crisis. Industry experts expect leisure travel to rebound before business travel with a recovery lasting well-into 2024. Some experts are forecasting that business travel will only recover to about 80 percent of pre-pandemic levels. It is imperative that the GSA move quickly to stabilize per diem rates.”

About AAHOA:

AAHOA is the largest hotel owners association in the world. The nearly 20,000 AAHOA members represent almost one in every two hotels in the United States. With billions of dollars in property assets and hundreds of thousands of employees, AAHOA members are core economic contributors in virtually every community. AAHOA is a proud defender of free enterprise and the foremost current-day example of realizing the American dream.

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