



Chris Lehane
Senior Vice President, Policy & Communications

Airbnb
888 Brannan Street
San Francisco, CA 94103

March 17, 2020

The Honorable Nancy Pelosi
Speaker
US House of Representatives
H-232 US Capitol Building
Washington, DC 20004

The Honorable Kevin McCarthy
Republican Leader
US House of Representatives
H-204 US Capitol Building
Washington, DC 20004

Dear Speaker Pelosi and Leader McCarthy:

Thank you for your leadership in providing funds and guidance to enable a robust, urgent, coordinated, and whole-of-government response to the coronavirus pandemic. Emergency supplemental legislation is critical to support public health, medical response, and economic relief for American workers with income streams interrupted by this crisis. Airbnb is committed to doing our part to take care of our community of hosts, guests, and cities feeling the strain of limited travel, and we would like to share with you our efforts.

In addition, as Congress and the Administration consider proposals to aid economic recovery, we offer some policy proposals aimed at helping the travel industry's everyday heroes, Americans who share their homes to earn extra income, entrepreneurs who offer local tourist experiences, and small business owners who make up the backbone of the Airbnb community, and of whom more than half depend on their Airbnb income to meet their monthly needs. Of our US hosts, 14% said they are teachers or live with a teacher, more than half of hosts are women, and seniors are one of our largest host cohorts. We are asking federal policymakers to first and foremost consider our hosts: hardworking women and men across the country who share their assets and depend on this income to pay the bills.

Airbnb Response to Coronavirus Crisis

Our first priority is the health of the public and our communities. Our actions have been organized around the safety and wellbeing of our guests, hosts, employees and the communities in which we operate.

On Saturday, March 14, 2020, we put in place a global policy allowing all guests to cancel reservations and refunded 100% of the cost—including all fees.¹ This is a continuation of the cancellation policies we have had in place in specific regions since the coronavirus outbreak began earlier this year. Under this "extenuating circumstances policy" we offer hosts and guests the option of cancelling eligible reservations without charge in severely impacted

¹ <https://news.airbnb.com/extenuating-circumstances-policy-activated-around-the-world/>



areas.² The policy applies to all existing reservations for Airbnb accommodations and Airbnb Experiences³ made on or before March 14, 2020, with a check-in date of April 14, 2020 or earlier. This policy applies globally, with the exception of domestic trips in mainland China, where we first applied the policy in January and are now scheduled to lift it on April 1, 2020. Airbnb has not taken any fees on these cancellations. We know this will mean a significant loss of bookings and a large number of cancellations for our hosts and we are working on a plan of action to help them get through this extremely difficult time.

To address bookings beyond April 14, 2020, we are also building a new suite of tools and programs to help hosts and guests meet their needs to cancel or postpone their hosting and travel plans. These include rewards for hosts willing and able to offer refunds on cancellations that would have otherwise been subject to charges; new search filters to help guests find and book accommodation options that have the most appropriate cancellation policy; and a refund of the Airbnb Guest Service Fee in the form of a travel coupon for travelers who cancel new bookings up to June 1, 2020..

We have also sought to prioritize the health and safety of our employees. Beginning last Monday, March 9, 2020, adhering to the direction of local governments, we directed our American employees to work from home. In addition, we are committing over \$4 million to ensure hourly workers—including food service, janitorial, security, and other support staff employed by companies contracted by Airbnb—continue to be paid their normal wages while our employees across the US work from home. We have continued to buy perishable food from local vendors and are donating this food to local area homeless shelters.

And we are working to support the communities in which we operate. We are working with local governments and nonprofits to identify ways we can organize our community of hosts to help support government needs. We are also looking for ways to make our housing program, Open Homes, available to first responders.⁴

Coronavirus Impact on Travel Industry Solo-Entrepreneurs and Small Businesses

Going forward, as Congress and the Administration consider measures to mitigate the financial blow of this public health emergency, we would like to take this opportunity to provide insight into the economic implications of a travel crisis for Airbnb's community of hosts and guests.

In 2018, the travel and tourism sector generated more than 10% of global gross domestic product and accounted for one in every 10 jobs, according to the World Travel & Tourism Council (WTTC), including one in every five jobs created from 2014 through 2018. In recent days, however, both the WTTC and the United Nations World Tourism Organization (UNWTO) have issued grim forecasts for 2020: The UNWTO has revised its earlier prediction of growth in international arrivals around 4% for 2020 to negative growth of 1-3%, while the WTTC has announced that "international travel could be adversely impacted by up to 25% this year—the equivalent to a loss of three months of travel, corresponding to a 12-14% reduction in jobs." As

² <https://www.airbnb.com/help/article/2701/extenuating-circumstances-policy-and-the-coronavirus-covid19>

³ <https://www.airbnb.com/s/experiences>

⁴ <https://www.airbnb.com/openhomes>



a result, the WTTTC estimates that as many as 40-50 million jobs around the world are now effectively at risk.

While Airbnb may be asset-light as compared with some of our travel sector peers, we are community-heavy and we are focused on helping our community weather this crisis. At the end of last year Airbnb's accommodation marketplace included more than 1.1 million active listings in the US, and the majority of these hosts depend on their monthly earnings generated through the Airbnb platform. Airbnb hosts keep up to 97% of their listing price and in a recent survey we conducted, more than half of hosts surveyed in the US (53%) said their Airbnb income helped them stay in their homes. Nearly one in five (18%) said hosting on Airbnb helped them avoid eviction or foreclosure.

In addition, small businesses—many of which are located outside traditional tourist districts and not served by hotel-supported tourism—also benefit from the Airbnb community. Over 96% of US hosts surveyed said they recommend places to visit to guests, and of that group, 91% said they make recommendations in the neighborhoods of their listings and 93% businesses that are locally owned. Seventy-eight percent of US guests said they visited the places recommended by their Airbnb hosts, a majority (56%) that saving money by staying at an Airbnb allowed them to spend more on goods and services during their stay, and on average, said 43% of their spending occurs in the neighborhood of their Airbnb listing. In the past year, Airbnb guests spent an estimated \$13 billion in restaurants and \$5 billion shopping in the US.⁵ Please see the attached report for more data on the economic impact of hosting in the US.

Federal Policy Proposals to Help Travel Entrepreneurs and Small Businesses

We support the current discussion around how best to provide corporate tax or other economic relief to the travel and tourism industry through these challenging times. However, we are primarily concerned about the everyday people who depend on travel and tourism for their livelihood. We have identified the measures below to support these entrepreneurs, and welcome conversation during your work to ensure any economic relief package includes these or other measures to financially support American short-term rental operators and travel industry solo-entrepreneurs and small businesses during this time of crisis and recovery.

1. **Increase rental income earning opportunities:** Expand the Minimal Rental Use federal income tax exemption⁶ to 60 days from 14 days.⁷
2. **Let Americans keep more of their supplemental income:** Introduce a tax credit or an allowable deduction or deferral of taxes on the 1099 income earned by short-term rental operators and travel industry solo-entrepreneurs and small businesses.
3. **Ensure access to SBA disaster loans:** Clarify that short-term rental operators and travel industry solo-entrepreneurs and small businesses are eligible recipients of the

⁵ According to more than 22,000 responses to a voluntary survey of host and guest accounts that used Airbnb in the US in 2019. No payment or other incentive was provided in exchange for completing the survey.

⁶ <https://www.irs.gov/taxtopics/tc415>

⁷ <https://www.irs.gov/pub/irs-pdf/p527.pdf>



SBA Economic Injury Disaster Loans (EIDLs),⁸ made available in the context of COVID-19 following the March 6, 2020 emergency supplemental.⁹

4. **Incentivize low interest loans:** Incentivize lenders with a transferable tax credit or tax incentive for providing low interest loans to short-term rental operators and travel industry solo-entrepreneurs and small businesses.

Thank you again for your leadership during this time of domestic and global crisis. We at Airbnb stand ready as a committed partner to the federal government in creating and implementing policy solutions to support the travel and tourism economy and our Airbnb community. Together, with collective public and private efforts and the resilient strength of the American people, I am confident we will overcome, recover, and rebuild toward a world where anyone can belong anywhere.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Chris Lehane'.

Chris Lehane
Senior Vice President, Policy & Communications
Airbnb

- CC:
- The Honorable Nita Lowey, Chairwoman, US House Appropriations Committee
 - The Honorable Kay Granger, Ranking Member, US House Appropriations Committee
 - The Honorable Richard Neal, Chairman, US House Ways & Means Committee
 - The Honorable Kevin Brady, Ranking Member, US House Ways & Means Committee
 - The Honorable Maxine Waters, Chairwoman, US House Financial Services Committee
 - The Honorable Patrick McHenry, Ranking Member, US House Financial Services Committee
 - The Honorable Nydia Velasquez, Chairwoman, US House Small Business Committee
 - The Honorable Steve Chabot, Ranking Member, US House Small Business Committee

⁸ <https://disasterloan.sba.gov/ela/Information/EIDLLoans>

⁹ <https://www.congress.gov/bill/116th-congress/house-bill/6074/text>