

The Honorable Robin Carnahan Administrator U.S. General Services Administration 1800 F St NW Washington, DC 20006

Dear Administrator Carnahan,

I write to you on behalf of the Asian American Hotel Owners Association (AAHOA), urging the GSA to increase the FY 2023 per diem to reflect the state of our nation's economy. AAHOA represents more than 20,000 first- and second-generation Americans. Our members are small-business owners who own and operate 60% of the hotels nationwide, supporting 1.1 million quality jobs in hospitality. As franchisees and independent operators, our members consistently contribute to the economy through job creation, tourism promotion, real estate development, and community investment – in fact, our members contribute 1.7% to the nation's GDP.

The COVID-19 pandemic caused the average daily rate at hotels to plummet. Using the depressed industry figures from the past years 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. Accordingly, the GSA stabilized the per diem rate to compensate for the circumstances. Given the high rates of inflation currently affecting the economy, we ask that your agency go beyond stabilization and raise the FY 2023 per diem.

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. At a minimum, the current FY 2022 per diem rates should be the floor for rates in FYs 2023 and 2024. Optimally, the GSA would increase the per diem rate for the upcoming fiscal year. Thousands of small business owners and those they employ depend on these rates from the GSA. AAHOA is grateful that the GSA has repeatedly moved quickly and consistently on this matter.

Thank you for your leadership on this important issue. If you have any additional questions, please reach out to AAHOA's VP of Government Affairs, Dean Heyl, at Dean@aahoa.com or 202-236-5985.

Respectfully,

Neal Patel

AAHOA Chairman