



February 26, 2009

Sen. John Kerry  
U.S. Senate  
218 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Kerry:

On behalf of thousands of trade and professional associations and industry partners who are dependent on a healthy and vibrant meetings industry, I must respectfully ask you to consider the cooling effect your proposed legislation of Feb. 24 – the TARP Taxpayer Protection and Corporate Responsibility Act – would have on an essential cog in the U.S. economy.

The American Society of Association Executives (ASAE) represents more than 24,000 association professionals from all 50 states and 50 countries abroad – the overwhelming majority of whom hold annual meetings, conventions, educational seminars and trade shows in the United States. These meetings are a multi-billion dollar business and an integral piece of the related hospitality and travel industries, as well as the economic stability of destinations in the Commonwealth of Massachusetts and every other state in the union.

While we understand and share your regret that some firms receiving TARP funds have used those resources in ways that have breached the public trust, we urge you to consider the unintended fallout from your proposed legislation to prohibit any recipient of TARP funds from hosting, sponsoring or paying for conferences and events.

We absolutely agree that companies receiving TARP funds must end all extravagant spending practices and be accountable to taxpayers. But the Treasury Department has already instituted new guidelines this month to ensure that public funds issued to struggling institutions are directed only toward the public interest in strengthening our economy, and not toward inappropriate, frivolous gain.

The Treasury guidelines require the boards of directors of companies receiving TARP funds to adopt company-wide policies on any expenditure related to travel and conferences and events. These rules clamp down on excessive or unnecessary

spending, while permitting reasonable expenditures for educational conferences, trade shows, and other legitimate events.

To assist companies in abiding by the new Treasury guidelines, the leaders of key organizations representing the meetings, events and incentive travel industries collaborated to issue model policies for approval of company travel to meetings and events. These model policies are designed to ensure transparency and accountability from recipients of government lending, while protecting the more than 1 million American jobs supported by corporate meetings and events. We have enclosed these model policies with this letter for your review.

The public furor over these reported abuses of TARP funds, while warranted, comes at a time when economic pressures are already forcing many companies to reduce business travel in their budgets. The hospitality and travel industry has confirmed that the portrayal of meetings and events as lavish, unnecessary expenditures has led to cancelled bookings from other organizations – including those not receiving emergency lending from the government.

According to the U.S. Travel Association, which represents all components of the \$740 billion travel industry, the Department of Labor reported a loss of nearly 200,000 travel-related jobs in 2008 and the Commerce Department predicts a loss of an additional 247,000 travel-related jobs in 2009.

Now is not the time to exacerbate the decline of a vital industry in the United States. Meetings and events are crucial to the bottom lines of associations like ours and those of our members, and we must have policies in place that allow these legitimate meetings to take place. Given the dollars at stake, meetings and events should be a key contributor to America's economic recovery, not further evidence of its precipitous decline.

Thank you for your consideration of this important issue, and please do not hesitate to contact us for more information. If we can assist your understanding of issues impacting associations and the meetings industry, please contact me or Jim Clarke, ASAE's senior vice president for public policy, at 202-626-2865 or [jclarke@asaenet.org](mailto:jclarke@asaenet.org).

Sincerely,

A handwritten signature in black ink that reads "John H. Graham IV". The signature is written in a cursive style with a prominent "J" and "G".

John H. Graham IV, CAE  
President and CEO