

In recent years, state governments' efforts to curb disreputable tour operators, such as by passing state sellers of travel laws, have proliferated. The National Tour Association is concerned that a haphazard patchwork of ad hoc regulatory schemes will place severe financial requirements on respectable, upstanding tour operators and restrict their ability to do business. These compliance costs are deeply felt by NTA tour operators, most of whom are small businesses.

In June 2001, Nevada became the 15<sup>th</sup> state to pass a sellers of travel law. NTA and its allied associations did not have the opportunity to provide input on the legislation until after the bill's passage. NTA was actively involved in the rulemaking process in an effort to make the law palatable to sellers of travel throughout North America.

NTA and allied association efforts paid off in June 2003, when Nevada passed a seller of travel law more favorable to tour operators and the tour/travel industry. Under the old law, each employee involved in the sale of travel would have to be protected by a \$50,000 bond. This provision, and other provisions in the law, was vociferously criticized by NTA and ASTA. Due to industry pressure, the law was changed and now tour operators in Nevada or with a sizeable business presence will have to register in Nevada, pay a \$25 registration fee, and create a trust account for monies received from Nevada residents. This solution is more fair than a \$50,000 bond for each employee.

**The National Tour Association opposes state sellers of travel legislation for the following reasons:**

1. NTA requires that each member maintain \$1 million of errors, omissions and professional liability insurance and meet a rigid set of standards and stringent code of ethics. NTA members have taken great strides to self-police themselves; to comply with multiple sets of regulations is repetitive, costly and time consuming.
2. NTA members have demonstrated their commitment to the principle of protecting the traveling public. It would be an unnecessary burden for NTA members to comply with regulations such as:
  - registering in the 15 states currently with sellers of travel laws;
  - paying substantial registration fees in these states;
  - using a plethora of different registration numbers in advertisements; and
  - paying money into several trust accounts and consumer funds.

Regardless of the mechanism for regulating tour operators, it is NTA's belief that its tour operator members should be exempt from excessive state consumer regulation. NTA will continue to monitor and react to legislation in the state assemblies as new proposals are brought forth.

