

**Statement of the Honorable Mary Bono Mack**  
**Subcommittee on Commerce, Manufacturing, and Trade**  
**Hearing on “Where the Jobs Are: Promoting Tourism to America”**  
**May 16, 2012**

*(As Prepared for Delivery)*

Rebounding from both a prolonged recession and the demoralizing 9/11 terrorist attacks on our nation, tourism is once again a growth industry in America.

Clearly, sustaining that growth, as well as creating long-term stability in the tourism marketplace, are keys to creating tens of thousands of new jobs across the United States.

The President’s Task Force on Travel and Competitiveness has set a lofty goal of attracting 100 million international visitors, who will spend \$250 billion annually, by the end of 2021. Can we accomplish that goal? Well, as chairman of this subcommittee, here’s my answer – let’s roll up our sleeves and get to work.

Today, tourism is among the top three employers in 29 states. And it’s the #1 industry in my district, which includes Palm Springs and the Coachella Valley.

Last year, tourism nationwide generated \$1.2 trillion in economic activity and supported nearly 8 million jobs. But here’s what’s really encouraging: In 2011, travel and tourism in America grew by 3 ½ % -- more than twice the rate of growth for the entire economy.

And there’s more good news. The United States has set records for international visits in four of the last five years. Today, more money is spent on tourism in the U.S. than in any other country around the world. So how do we sustain that growth and create even more American jobs?

One important way is to maximize the effectiveness of the Travel Promotion Act, which Congress approved in 2010 with bipartisan support. The Act created the non-profit Corporation for Travel Promotion, or CTP, with specific duties intended to increase international travel to the U.S.

These duties include:

- Providing information to foreign travelers, such as U.S. entry requirements, fees, and required documentation.
- Identifying and correcting misperceptions regarding U.S. entry policies.
- Maximizing economic and diplomatic benefits of travel to the U.S. through advertising, outreach, and trade shows.

- Ensuring that international travel benefits all states and identifying strategies to promote travel to rural and urban areas equally.
- And, finally, placing a priority on countries whose citizens are most likely to travel to the U.S.

The CTP is funded through a transfer of fees collected from international travelers who access the Electronic System for Travel Authorization system for visitors under the Visa Waiver Program.

The fee is currently set at \$14, of which \$4 is dedicated to maintaining the ESTA system and the remaining \$10 is directed to the Treasury to be held for CTP. The Secretary of the Treasury may transfer up to \$100 million per year of these funds to the CTP, but first the CTP must raise matching funds through contributions of industry members. The Treasury Secretary's authority to collect these fees will sunset on September 30, 2015.

Should these fees be renewed in the future? Should they be increased? How effective has CTP been in promoting tourism? These are all critically important questions which we will have an opportunity to ask today. Among those testifying at this hearing is James Evans, Chief Executive Officer for the Corporation for Travel Promotion – known as Brand USA.

I'm also anxious to hear the thoughts of our administration witness, the Honorable Nicole Lamb-Hale, who serves as Assistant Secretary for Manufacturing and Services at the International Trade Administration. The Department of Commerce – through ITA – is responsible for strengthening U.S. competitiveness, promoting trade and investment, and enforcing trade laws and agreements.

Here's the challenge: If we are going to achieve the administration's tourism goals within the next decade, both ITA and CTP will have to step up their games in the years ahead.

While the number of visitors to the United States has grown impressively – increasing from 41 million in 2003 to 62.3 million in 2011 – how do we get to 100 million visitors by 2021? What could hold back that growth? Is there a Plan B?

As we found out all too painfully during the recent recession, the tourism industry tends to suffer when times are tough. We witnessed that “up close and personal” in the Greater Palm Springs area when many businesses were forced to close or lay off workers. But can we mute that negative economic impact in the future by substantially increasing international travel to the United States?

As I said earlier, given the importance of tourism to the U.S. economy – and given the promise of creating tens of thousands of new American jobs – it's our job to make certain that we have a sound strategy and forward-looking policies in place, which will positively promote the United States around the world, provide international travelers with a unique experience and leave them with lasting, treasured memories of their trip to the U.S.

After all, there's no better travel promotion in the world than having a friend "plug" their visit to another friend.

And on that note, don't forget: The Palm Springs area is a fabulous place to visit anytime during the year. The welcome sign is always out!