

U.S. TRAVEL
ASSOCIATION®

WRITTEN STATEMENT

OF

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ON

**“REVIVING CONVENTIONS AND
TOURISM THROUGH INTERNATIONAL TRAVEL”**

**BEFORE THE U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION’S
SUBCOMMITTEE ON TOURISM, TRADE, AND EXPORT PROMOTION
JUNE 7, 2022**

Subcommittee Chair Rosen, Ranking Member Scott, Chair Cantwell, Ranking Member Wicker, and members of the subcommittee, good afternoon.

I'm Tori Emerson Barnes, Executive Vice President of Public Affairs and Policy for the U.S. Travel Association. Thank you for holding this important hearing, which examines one of the most difficult challenges facing the travel industry: the revival of international business and leisure travel, and how the federal government can eliminate barriers to economic recovery.

Before I start, I'd like to thank the members of this subcommittee as well as the full committee for their leadership on the Omnibus Travel and Tourism Act, particularly Chair Rosen, Ranking Member Scott, Ranking Member Wicker, and Senators Klobuchar, Blunt, Sullivan, Sinema, King, and Cortez Masto. The Omnibus Travel and Tourism Act —also known as the TourBus bill—would significantly improve the way the government facilitates travel exports. We look forward to its swift enactment, hopefully this year.

Importance of Travel Exports

As you know, exports are a key driver of economic growth and are one of the ways we became the world's greatest economic power. Prior to the pandemic, international travel to the U.S. was our nation's second largest industry export overall.

While the federal government devotes a great deal of resources to the export of agriculture, cars, heavy machinery and other American-made goods, the same emphasis is not placed on international travel. In fact, there is often an underappreciation of the value that international travel exports provide to local communities, workers, and the broader economy.

For example, this week I'm in Orlando, Florida, for U.S. Travel's annual IPW trade show, which brings together thousands of international travel buyers with American destinations and travel companies to sell future travel bookings to the U.S. Past IPWs have generated an estimated \$28.9 billion in export spending in the U.S, which is equivalent to exporting 69 Boeing 747s, 700 GE9X engines or nearly 58,000 John Deere Combines. This demonstrates international travel's substantial economic power and shows why it should be prioritized alongside other top U.S. exports.

To put it simply, every time a foreign visitor spends money on a meal, hotel room, or rental car in the U.S.—that purchase is just as much an export as if we took that meal, hotel room, or rental car, boxed it up and sent it to another country. Not only that, but international business travel adds another dimension to this story, benefitting other sectors of the economy by facilitating new business relationships, sales opportunities, or the kinds of in-person exchanges that can lead to scientific, technological or professional breakthroughs.

Certainly, Nevada and Florida are no stranger to the economic power of international conferences, exhibitions and events, but this scenario plays out throughout the country in cities small and large.

Prior to the pandemic, international travel spending generated \$239 billion in exports, which created a \$53 billion trade surplus. Unfortunately, the pandemic led to a loss of \$315 billion in travel exports in 2020 and 2021.¹

I wish I could say everything is back to normal now, but we're still not where we need to be. By the end of 2021, international inbound travel spending was still down 78% and spending on meetings and events was down 70%. But even when we get back to full strength, that doesn't make up for the last two years of losses or our new trajectory of stunted growth. Perhaps most concerning, we find ourselves much farther behind other nations that have lifted COVID-era travel restrictions and prioritized the return of international visitors.

That's why we think it's crucial for Congress and the administration to tackle both the immediate and long-term issues that are crippling the industry's recovery and future growth potential.

Pre-departure Testing

In the short term, the administration must end the pre-departure COVID-19 testing requirement for vaccinated international travelers, which is depressing a significant amount of travel to the U.S. and doesn't provide any meaningful benefit to public health. According to a recent Morning

¹ <https://www.ustravel.org/sites/default/files/2022-05/ust-data-master.pdf>

Consult survey, 47% of international travelers said the U.S.'s predeparture testing requirement is one of the top deterrents from booking a trip to the U.S. Meanwhile, other countries with similar case and vaccination rates—including Canada, Mexico, the U.K., Australia, Spain, France, Germany—have already removed their pre-departure testing requirement for vaccinated travelers.

We think the U.S. needs to follow the science the rest of the world is following. People have a lot of options about where to travel these days, and this unnecessary red tape is hurting our country's recovery.

Other issues that need attention include inefficient visa processing and the lack of coordination across the government for travel export facilitation.

Visa Processing

Pandemic-era policies created a backlog of visa applications. That backlog, combined with longstanding inadequacies in how we allocate resources within the State Department, has led to outrageously long wait times for visa interviews. Across the top 10 inbound markets that require a visitor visa for entry to the U.S., average wait-times for an appointment now exceed 400 days.² This is important because 43% of the 79 million international visitors that came to the U.S. in 2019 required a tourist or business travel visa.

That's why we're asking Congress to update the U.S.'s visa system. We know this is a difficult problem to solve, but we think a few simple reforms can immediately relieve some pressure and should be included in the next government funding package—or another “must-pass” bill—to ensure they get enacted this year.

The reforms we're urging Congress to pass are:

- (1) Supplemental funding for Consular Affairs to increase the number of consular officers on the ground at some of our posts with the longest visa interview wait times;

² U.S. Travel Association analysis of State Department data; [US Travel Association – Fact Sheet on U.S. Visa Challenges \(May 2022\)](#)

- (2) Language requiring the State Department to allow consular officers to conduct visa interviews remotely through the use of videoconferencing technology;
- (3) Explicit authorization for the State Department to waive in-person interviews for low-risk travelers, such as those who previously got a visa, were previously vetted, are from a low-risk country, and are now seeking a renewal;
- (4) And lastly, language directing the State Department to give large travel groups the option to have their visas processed together.

These are common sense ways to significantly reduce visa interview wait times and would make the process more manageable for both the State Department and travelers.

Travel Export Facilitation

Regarding the need for greater coordination between the many different areas of the government that impact travel exports, the Travel and Tourism Omnibus Act can be hugely beneficial.

The bill—like its predecessor, the Visit America Act—establishes an Assistant Secretary of Travel and Tourism at the Department of Commerce to develop and implement national travel policies; work with the International Trade Administration to facilitate U.S. bids for international exhibitions, conferences and events; and work with other countries on travel facilitation issues.

Since travel touches so many areas of government—from DHS, TSA, and CBP, to the Department of State, DOT, FAA, and more—a senior federal official is needed to more effectively coordinate policies across the government. It is also important to note that the U.S. is the only G20 country without a federal agency or cabinet-level official in charge of tourism policy.

Again, with travel serving as the country's second largest industry export pre-pandemic, we think it makes sense to give our issues the same kind of undivided attention that other important industries—like agriculture—receive.

We know that in the past, U.S. destinations—our local cities and towns—have lost out on bids for international conferences and events because we didn't have anyone at the federal level

committed to pulling together all the different areas of government that need to come together to make a large-scale event a success.

Event organizers are increasingly looking for that kind of coordination and forward-leaning leadership, so our government needs to step up. And this bill will help do that.

Conclusion

Lastly, I'd be remiss to not also mention the need to restore domestic business travel. Although domestic leisure travel is on a healthy trajectory, domestic business travel spending is still significantly depressed, down 56% last year—which amounts to a loss of \$152 billion annually. This is untenable for our industry. Despite making up 20% of total trip volume, business travelers accounted for 40-60% of lodging and air revenue pre-pandemic.

Business travel is a necessity for many businesses—including restaurants and entertainment venues. That's why we're hoping Congress can come together on a tax extenders package that includes an extension of full expensing for business meals and a temporary restoration of the entertainment business expense deduction.

They say a rising tide lifts all boats, so the more we can do to lift up these two sagging parts of the industry—domestic business travel and international inbound travel—the more workers, businesses, and communities we can lift up out of financial distress. And that's something I know we all support.

Thank you for your time today and I'm happy to answer any questions you have.