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Senator Nelson and members of the Florida congressional delegation:

I am honored to testify before you today as the CEO and owner of *Mise en Place*, a premier Tampa restaurant and event company since 1986, and the hospitality business which it created - the *Mise en Place Hospitality Group*. I am also here as a board member of the U.S. Travel Association, the trade association representing all sectors of the national travel and tourism industry. On behalf of the 876,000 Floridians and 15.3 million Americans whose livelihoods depend on a vibrant travel sector, thank you for holding this field hearing. It couldn't be more important to us.

The mission of U.S. Travel is to increase travel to and within the United States – which together yields $2.3 trillion in economic output annually, supporting one in nine American jobs. Last year, America attracted 75.6 million international visitors, making travel the nation's top service export.

Tourism is Florida's largest and, I would submit, most impactful, industry and an integral component of the new economy. Tourism provides employment to individuals from all walks of life and levels of education as well as a unique opportunity for on-the-job training that results in substantial possibilities for advancement. Beyond that, tourism provides community, a sense of place and destinations that other industry sectors, such as technology, desire to call home. In 2016, we welcomed 112.8 million visitors, who spent $108.8 billion and supported 1.4 million Florida great jobs and highlighted countless great places to work and live as well as to visit.

We are a resilient, self-reliant industry – and have recovered faster than any other industry from the economic recession. We thrive when we serve the public well by providing safe, efficient, productive and enjoyable travel experiences.

In this context, we today respectfully urge your support for:

- full funding of Brand USA;
- retaining the Survey of International Air Travelers;
- lifting the cap on the Passenger Facility Charge user fee;
- protecting U.S. Open Skies agreements; and
- balancing needed visa and travel security protocols with a clear welcome message for international visitors to the United States.

My testimony will briefly address the progress we've made on each of these priorities and steps the Congress can take to enhance travel's contributions to our economy.

Brand USA

By attracting international visitors, Brand USA enhances economic growth, spurs job creation and advances public diplomacy – all at no expense to American taxpayers. As a member of its board of directors, I can report that Brand USA's activities are supported by private sector contributions, matched by a $10 fee on visitors from Visa Waiver Program nations.

Brand USA was created by statute in 2010 to help address the post-9/11 decade of declining U.S. share in the booming global travel market, costing the U.S. economy nearly a half-million travel-related jobs. Prior to 2010, the United States was one of the few developed countries in the world without a national destination marketing organization. I remember attending World Travel Market in London for the first time and being shocked by the underwhelming presence of the United States at the show. It was a graphic manifestation of the impact of travel which the U.S. was ignoring. The Travel Promotion Act, enacted and reauthorized in 2014, and supported by large congressional majorities, sought to restore our leading position in the highly competitive worldwide travel marketplace.

Overseas business and leisure travelers are critical to local economies across our nation. To help attract these visitors, Brand USA has forged working relationships with hundreds of communities – large and small, urban and rural – and leveraged their varied promotional efforts into a coherent, cost-effective and productive national marketing campaign.

According to Oxford Economics, over the last four years, Brand USA has attracted 4.3 million incremental visitors; $13.6 billion in related spending; and $29.5 billion in total economic impact, including nearly $3.9 billion in federal, state and local taxes. This has supported 50,900 incremental jobs annually and overall yielded an astonishing 27-to-1 return on investment.

In addition to marketing the U.S. as a destination, Brand USA is charged with communicating our evolving visa and entry policies, by addressing confusion about our security protocols that can discourage potential visitors from choosing U.S. destinations. Brand USA helps ensure that such visitors get accurate explanations of our changing rules – and ultimately return home to spread the word about America's attractions and hospitality, generating goodwill for years to come.

In short, Brand USA is an extraordinarily successful public-private partnership – and not only for gateway cities. During my terms on the United States Travel and Tourism Advisory Board, under the auspices of the Department of Commerce, I witnessed the power and impact of thoughtfully-created, high-quality public-private partnerships as we deployed a whole-of-government approach. I was inspired by the organization and its efforts to represent all of our industry. I found it to be both inspiring and personally rewarding to support the close and successful partnership of extraordinarily talented civil servants and truly remarkable travel and tourism professionals. Brand USA is another fine example of this and its work has been particularly beneficial for small destinations with limited marketing resources that can leverage Brand USA's coordinated outreach overseas to market their brands in the global marketplace.

Nonetheless, the President's fiscal year 2018 budget proposes to de-fund Brand USA by redirecting its resources to the Department of Homeland Security. We have been gratified by the bipartisan congressional support for Brand USA, including from Senator Nelson and Senator Thune of this Committee. Furthermore, last month – the House Appropriations Committee rejected the White House recommendation

We appreciate the House Appropriations Committee's acknowledgement of the uniformly positive impact of Brand USA's work – and seek your support as the process continues in the Senate. With misperceptions of the size, quality, and vitality of America's welcome mat now in the foreign press, Brand USA's efforts and proven-results have never been more important to our communities.

Survey of International Air Travelers (SIAT)

The Survey of International Air Travelers (SIAT), conducted on a monthly basis continuously since January 1983, provides information on passenger trip planning, travel patterns, demographics and spending. This travel data from inbound foreign visitors is critical to the promotion strategies of destinations in Florida and across the nation.

The Administration's FY2018 budget proposed disrupting SIAT's funding – but the Senate Appropriations Committee last month included report language explicitly rejecting the Administration proposal and even encouraging an increase in the sample size – important because the Commerce Department is also considering reducing the survey size and raising its fees.

The pending House version of the Commerce funding bill is silent on SIAT, so we still have work to do – and we would appreciate your support.

Passenger Facility Charge

A key barrier to the travel industry's growth and future competitiveness is the poor condition and performance of our nation's airports. As a result of misguided federal policies, too many of our nation's airports are outdated and unable to handle passenger demand.

These problems are forecast to worsen and will soon be unsustainable. Within the next four years, the top 30 U.S. airports will experience passenger volumes, congestion and delays equal to the day before Thanksgiving at least once per week. The Federal Aviation Administration predicts that travel demand will exceed capacity at many of the nation's largest airports within the next 15 years, unless airports achieve sustainable levels of capital investment.

The Passenger Facility Charge (PFC) user fee is an indispensable tool for local communities to make their own decisions about whether and how to finance airport modernization. Adjusting the PFC ceiling would finally allow each airport authority to tailor its own PFC rate on a project-by-project basis in order to maximize efficiency, reduce project costs and ensure fiscal responsibility. This would also allow large hub airports to rely almost entirely on local user-fee funding, and enable Congress to redirect Airport Improvement Program (AIP) grants for large hubs to smaller airports that require more federal assistance. At Tampa International Airport, the PFC was used to expand Airside F, enabling new service from Copa Airways, Edelweiss Air, Lufthansa Airlines and, in three weeks, Icelandair. This is in addition to British Airways expanding their service at Tampa International Airport and Southwest Airlines adding commercial service to Havana, Cuba. One daily non-stop flight from Europe creates a $156 million annual impact for this region and creates 1,200 jobs. These jobs are essential to the economic health of our State. The Mise en Place Companies are a good example of the PFC being used in a way that spurs growth and jobs. We joined forces with other local companies and a national concession powerhouse to create TPA Hospitality Partners, LLC, to invest millions of dollars in retail build-out at the airport, and to own and operate eight food service establishments.

I'm pleased to report that last month, in the FY2018 transportation-funding bill, the Senate Appropriations Committee included an increase in the PFC cap, from $4.50 to $8.50 for originating passengers. By adjusting the federal limitation on the cap, the committee language would unlock desperately needed airport infrastructure investments that will improve the passenger experience, facilitate growth in domestic and international air travel, and make America's economy more globally competitive. This would be the first increase in 17 years and would protect rural passengers from having to pay a higher PFC twice on connecting flights.

The Senate committee language was supported across the political spectrum, from the Heritage Foundation to the U.S. Conference of Mayors. But the path ahead is uncertain. There is no such provision in the Senate FAA reauthorization bill; and as you well know, the overall appropriations process faces parliamentary turbulence. Still, this is significant progress on which to build – and we're grateful for the Senate's leadership.

Open Skies

In recent decades, a cornerstone of American aviation policy has been the 100+ Open Skies agreements that the U.S. has negotiated with countries around the world. By reducing government interference in air travel, Open Skies agreements have yielded hundreds of thousands of American travel and manufacturing jobs, billions of dollars in U.S. economic growth, lower airfares for travelers, more flights to airports beyond major gateways and new opportunities for U.S. airlines willing to take advantage of them.

Regrettably, the large legacy airlines have sought to disrupt existing Open Skies agreements with the Gulf carriers. U.S. Travel has participated in a diverse coalition of airlines, travel businesses, destinations, cargo companies and others opposed to this attack on our Open Skies treaties.

On the merits of the Open Skies debate, we feel strongly that:

- **Open Skies is critical to fixing America's trade deficit.** These agreements grow international inbound visitation. Every dollar spent by an overseas visitor to the U.S. counts as an export and closes our trade deficit. In 2016, U.S. travel exports contributed $246 billion to our balance of payments.

- **Open Skies creates jobs and has great economic impact across Florida.** In 2016, Gulf carrier flights brought 143,000 additional visitors to Fort Lauderdale, Miami and Orlando. These additional visitors spent $451 million at Florida businesses in these markets, which supported more than 6,000 jobs and $291 million in income to Floridians.

- **Open Skies agreements boost made-in-America manufacturing.** Because of Open Skies, the Gulf carriers have committed to purchasing American products and strengthening our manufacturing base. The three Gulf airlines have over 300 Boeing planes on order or currently in use, including 777s and new Dreamliners. These orders support thousands of American manufacturing jobs across the Boeing supply chain.

In recognition of the broad economic benefits of U.S. Open Skies agreements, the Senate Appropriations Committee recently included positive report language on Open Skies in the 2018 transportation-funding bill. The Committee directed the Transportation Department to consider whether any further action is necessary in response to allegations by the large legacy U.S. carriers regarding unfair subsidies – and further encouraged DOT to protect the interests of travelers, the travel industry and the broader economy if any further action is taken.

Open Skies agreements have led to hundreds of thousands of new American travel and manufacturing jobs, billions in U.S. economic growth, lower airfare for travelers, more flights to more airports, and new opportunities for U.S. airlines. Overall, they create a widespread effect for not only the large companies, as is often thought, but also a trickle down effect that actually benefits to small companies, communities and individuals. The Committee's report dismisses the U.S. legacy carriers' parochial arguments to roll back those agreements – and we will continue to press this issue with the Administration and in the Congress.

Balancing Security and Travel Facilitation

In recent months, the Administration has proposed or implemented a battery of new policies intended at protecting national security – from the President's executive order on immigration and travel to stricter vetting of visa applications. The travel industry certainly appreciates the need to adapt to evolving terror threats because, without confidence in public safety, no one will choose to travel here.

But there is more to the equation, for the United States – and especially for Florida, one of the nation's prime destinations for inbound international visitors. America needs to convey a clear global message that, while we aggressively confront all threats, we still welcome overseas visitors coming here to relax on our beaches or close deals in our boardrooms.

As specific security proposals have been rolled out over the last few months, travel professionals across the country have sought to help federal officials explain and implement them. At the same time, we have drawn on our expertise to analyze and detail for policymakers how these changes impact the real-life travel experience – with particular concern about unnecessarily exacerbating delay, confusion and inefficiency for travelers.

The international travel marketplace is highly competitive. While the United States – and states like Florida in particular – are highly attractive destinations, foreign travelers have countless other choices. And it is clear that one factor in consumer decisions about where to travel is the perception of a potential destination's hospitality.

America is renowned as a welcoming nation. From our iconic cities to the nation's heartland, visitors know ordinary Americans will greet them with open arms – but only if they can get here. In the echo chamber of the foreign press, the series of stricter visa and entry policies announced in recent months could serve to discourage potential visitors.

In the years after the September 11 attacks, labeled by our industry as the "Lost Decade," travel to the United States plummeted. We battled back to regain our historic share of the marketplace, but it took ten years – and was then possible only because of sustained White House commitment to a National Travel and Tourism Strategy. This inter-agency strategy, announced in 2012 in Orlando, not only set ambitious goals for volumes of international visitors, but also made sensible, low-cost management reforms that yielded remarkable success.

For instance, delays in the visa process had gotten so serious that applicants in key visiting nations – such as China, India and Brazil – had to wait over three months for a visa interview. After a presidential order requiring most visa interviews within three weeks, the delays were reduced to a few days, removing a disincentive to travel here and reducing misperceptions about U.S. policy. That was outstanding work that could be used as a model. I recall once more my time on the Travel and Tourism Advisory Board. The work on this subject, by dedicated individuals from the private and public sector, was long and arduous with results that were broad and deep. Great progress was made and overwhelmingly positive effects were realized – more travel, more jobs, more prosperity and, we believe, more security through greater understanding of one another as people and communities.

For this reason, we were alarmed when the Trump Administration recently reversed the State Department's goal to meet a three-week visa interview goal for most visa applicants. After engaging the Administration to review its rationale, U.S. Travel – joined by 20 national travel and business leaders – wrote to President Trump to ask him to reconsider. Our letter detailed the significant economic impact of visa processing delays, then asked the White House to reiterate our nation's commitment to an efficient, world-class visa process – and to back that statement up with full staffing of consular personnel to meet the growing demand from overseas visa applicants.

The good news is: so far this year, visitors are still choosing travel to the United States. The data is still very preliminary since international travel is typically planned long in advance, but our fingers remain crossed. And this is where Brand USA comes in: never has its statutory mission of explaining our security protocols overseas been more essential.

Open For Business

In Florida and across the nation, the travel community is being challenged on a daily basis but we remain upbeat and optimistic. The United States remains the top global destination. We're working each day to grow our share of the competitive and lucrative international market – while also serving the needs of our domestic travelers.

It's our role to create the jobs – but there are government policies that can help, rather than hurt. As outlined, above, we need to adjust the PFC cap, support Brand USA, and defend Open Skies. By accelerating airport modernization, promoting the United States as a global destination, and preserving successful international air route governance, we can go a long way to conveying a clear global message – to both leisure and business travelers – that America is open for business.

Thank you again for the opportunity to participate in today's hearing.