

Joint Testimony

of

**Michael Stroud
Acting Assistant Secretary
Private Sector Office
U.S. Department of Homeland Security**

and

**John Wagner
Acting Assistant Commissioner
Office of Field Operations
U.S. Customs and Border Protection
U.S. Department of Homeland Security**

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Chairman Schatz, Ranking Member Scott and members of the Subcommittee, we are pleased to appear before you today to discuss the U.S. Department of Homeland Security’s (DHS) major travel and tourism initiatives. There is no better area in which to showcase our dual goal of economic and national security than our work to foster and facilitate travel to and within the United States. The U.S. travel and tourism sector is critical to our Nation's prosperity and drives economic growth. Last year international visitors alone supported more than 1.3 million U.S. jobs.

In May 2012, the Administration launched the National Travel and Tourism Strategy for expanding travel to and within the United States with a goal of attracting and welcoming 100 million international visitors annually by the end of 2021. Once achieved, these visitors are estimated to spend \$250 billion on an annual basis. Two years later, we are on track to meet that goal. We have made significant progress on specific actions to encourage and make it easier for international travelers to visit the United States while continuing to secure our country.

Today, our testimony will provide an overview of DHS’ innovative efforts to improve the entry process and streamline the experience for international travelers moving through U.S. ports of entry.

Every year, DHS facilitates the travel of tens of millions of international tourists visiting our Nation. The facilitation and security of travel and tourism is a priority for the Department and we are taking concrete steps, working closely with the Department of Commerce, to boost America's tourism industry. The focus of these efforts is to grow our economy, create more jobs, and continue to secure our country. At DHS, we view effective and efficient security as a contributor to facilitation, and not a barrier. Security measures are vital to protecting travel and tourism from the damaging effects of terrorist or other security incidents. Our goals of national security and economic prosperity are fundamentally intertwined.

DHS programs, such as the Visa Waiver Program (VWP), provide valuable security and facilitation benefits before visitors even travel to the United States. VWP allows citizens of participating countries¹ to travel to the United States without a visa for stays of 90 days or less, if they meet all requirements. Visitors traveling to the United States by air or sea and intending to apply for admission in accordance with the VWP must first apply for travel authorization through CBP's online application system — Electronic System for Travel Authorization (ESTA). Through this process, CBP incorporates targeting and database checks to identify individuals who are ineligible to enter the United States under the VWP and those who may pose an overstay risk, or who may present a national security or criminal threat if allowed to travel. CBP also continuously reviews ESTA applications for new derogatory information to identify persons whose eligibility for entry into the United States has changed since the ESTA authorization was initially approved. The VWP provides eligible low-risk visitors an opportunity to streamline and simplify the travel and admission application process before even arriving at a U.S. port of entry.

Building on a range of earlier travel and tourism promotion activities, DHS and the Department of Commerce started work last month to develop a national goal for improving service levels for international air passenger arrival. As part of this effort, DHS and the Department of Commerce will assess and identify opportunities to reduce the time passengers spend waiting for primary inspection and to fulfill other steps of the arrival process. Specific airport action plans are under development, including actions from both private and public sectors to measurably improve the entry experience.

These goals and action plans will align with and build upon recent successful activities conducted in partnership with international airports, such as improvements at Dallas-Fort Worth (DFW) and Chicago O'Hare (ORD). At these locations, a combination of technology, trusted travel programs, and, at DFW, reimbursable service agreements, reduced wait times by nearly 40 percent on average over 12 months. These efforts reduced the percentage of travelers waiting over 30 minutes by more than half, resulting in a new 15-minute average wait time at DFW and ORD air ports of entry.

¹ The 38 countries currently designated for participation in the VWP are: Andorra, Australia, Austria, Belgium, Brunei, Chile (joined March 31, 2014), the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, South Korea, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, the Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovakia, Slovenia, Spain, Sweden, Switzerland, Taiwan, and the United Kingdom. With respect to all references to "country" or "countries" in this document, it should be noted that the Taiwan Relations Act of 1979, Pub. L. No. 96-8, Section 4(b)(1), provides that "[w]henver the laws of the United States refer or relate to foreign countries, nations, states, governments, or similar entities, such terms shall include and such laws shall apply with respect to Taiwan." 22 U.S.C. § 3303(b)(1).

Improving the Entry Process

Since 2009, we have experienced remarkable growth in international travel to the United States with total passenger volumes in our airports rising approximately four percent each year. In Fiscal Year (FY) 2013, U.S. Customs and Border Protection (CBP) processed more than 362 million passengers in the land, sea, and air environments, welcoming a record 102 million air travelers. Travel and tourism are absolutely vital to our economy, and according to the U.S. Department of Commerce, in 2013, one new American job was created for every 73 travelers arriving from overseas.

Our greatest asset in both securing and facilitating these immense volumes of international travelers is our dedicated workforce. Thanks to the support of Congress, funding for 2,000 new CBP officers was included in the Consolidated Appropriations Act, 2014.² The 2,000 will be allocated utilizing CBP's Workload Staffing Model (WSM) and directed to the ports with the greatest need for additional officers. They will enhance security, help reduce wait times, and facilitate growing volumes of legitimate goods and travelers that are critical to the health of our Nation's economy. We are pleased to report that the job opportunity announcement for these positions opened on May 2, 2014 and we are poised to hire all 2,000 by the end of FY 2015. It is important to note that this is a good down payment, but unfortunately, no port of entry will be "made whole" with this allocation. CBP will continue to pursue transformation efforts, new reimbursement authorities, and partnerships with our stakeholders. The President's FY 2015 Budget request calls for user fee increases that would fund an additional 2,000 CBP officers.

The extent to which wait times affect the local and national economy was most recently studied by the National Center for Risk and Economic Analysis of Terrorism Events (CREATE), a DHS Center of Excellence. CREATE issued "The Impact on the U.S. Economy of Changes in Wait Times at Ports of Entry"³ in March 2013. Their analysis of 17 major passenger land crossing ports of entry (POE), 12 major freight crossing POEs, and 4 major passenger airport POEs, found that an increase or decrease in staffing at the ports of entry has an impact on wait times and, therefore, on the U.S. economy. More specifically, adding a single CBP Officer at each of the just 33 studied border crossings equates to annual benefits of: \$2 million increase in Gross Domestic Product; \$640,000 saved in opportunity costs; and 33 jobs added to the economy.

To further facilitate rising volumes of international travel, streamline entry processes, and improve the international traveler's experience, DHS is partnering with private industry, leveraging advanced technology, and expanding voluntary trusted traveler programs and international initiatives.

² Pub. L. No. 113-76

³ "The Impact on the U.S. Economy of Changes in Wait Times at Ports of Entry," National Center for Risk and Economic Analysis of Terrorism Events (CREATE), University of Southern California, released April 4, 2013 (dated March 31, 2013).

Partnering with Private Industry

DHS will continue to work closely with industry to learn from their expertise, engage on best practices, and identify new opportunities to improve our operations. We are taking a fresh look at the entry process and looking for new ways to create an easier and more welcoming entry experience for visitors to the United States. It is only through strong partnership and cooperation that we can realize the full benefit of innovation and our mutual goal of facilitating travel to the United States. The significant improvements realized in DFW and ORD exemplify what can be accomplished through this type of public-private collaboration.

Another example of DHS' efforts to leverage private sector expertise is the Loaned Executive Program. This program brings government and industry expertise together to support efforts that promote the Transportation Security Administration (TSA) and CBP-led travel and tourism goals. Last month, DHS announced the opening of six assignments under the Loaned Executive Program for private sector leaders to support the Department's travel and tourism initiatives. We want to leverage the private sector's best talent to improve the travel experience for the American public and those who we welcome as visitors to our country. Private sector integration in the development of our policies and processes ensures a coordinated approach to identifying innovative solutions to our homeland security challenges. We look forward to the input from these experts as we work to transform operations at our airports.

DHS is also working to develop stronger metrics to measure our progress in improving customer service at air ports of entry. CBP recently hosted a meeting with dozens of travel industry stakeholders to begin to define metrics for an entire range of customer service processes and procedures. Our intention is to develop national goals and effective measurements for improved service levels that consider a variety of factors such as wait times, volume of travelers, economic benefits of tourism, and enforcement statistics.

Using Technology to Automate and Streamline

CBP staffing levels have not kept pace with increases in both trade and travel since 2009, resulting in increased wait times and service levels at many ports of entry. CBP developed and implemented the Resource Optimization Strategy (ROS) to ensure the efficient use of staffing and other resources. The ROS has three main components: (1) optimize current business processes through Business Transformation Initiatives (BTIs); (2) identify staffing requirements accurately through the WSM; and (3) explore alternative funding strategies to increase revenue sources supporting staffing.

In addition, CBP continues to transform border processing operations by implementing and optimizing innovative solutions based on operational need. A hallmark of CBP's efforts to modernize the travel process is the expansion of Automated Passport Control (APC), which enables eligible air travelers to complete the administrative portion of their processing at a kiosk, reducing overall inspection time from approximately 55 seconds to 30 seconds – a savings of over 60,000 inspectional hours through FY 2015. APC kiosks also increase security by allowing officers to focus on the passenger instead of paperwork. In the past year, 15 airports purchased and deployed this streamlining technology, and there are plans for another 10 to join by the end

of the year. A number of these airports, including John F. Kennedy International Airport, Orlando International Airport, ORD, and DFW, have experienced reductions in average wait times of 30 percent or more after APC kiosks have been installed.

To increase efficiency, reduce operating costs and streamline the admissions process, CBP has automated Form I-94, DHS Arrival/Departure Record, for foreign visitors arriving at air and sea ports of entry. CBP now gathers travelers' arrival and departure information automatically from their electronic travel records, making the entry process easier and faster for travelers as well as increasing security and reducing federal costs. CBP estimates the automated process will save the agency \$15.5 million per year in administrative costs and over \$10 million in salaries and expenses through the savings of 80 CBP Officers through FY 2015.

Trusted Traveler and Expedited Screening Programs

Identifying and separating low-risk travelers from those who may require additional scrutiny is a key element in DHS's efforts to facilitate and secure international travel. DHS has increased the enrollment and usage of trusted traveler programs that are essential to our risk-based approach to facilitating the flow of travelers into the United States. CBP's trusted traveler programs, such as SENTRI, NEXUS, and Global Entry, provide expedited processing upon arrival in the United States for pre-approved, low-risk participants through the use of secure and exclusive lanes and automated kiosks. At the end of 2013, more than 2 million people had access to CBP's Trusted Traveler Programs — a nearly 60 percent increase from the previous year. These trusted traveler programs have reduced CBP's resource requirements by over 70 CBP officers. Global Entry is available for eligible participants at 47 airports. Travelers using Global Entry kiosks now account for 10 percent of all international air arrivals on the busiest travel day of the week.

CBP has also partnered with TSA to extend TSA Pre✓™ benefits to our trusted travelers. TSA Pre✓™ is a voluntary prescreening process used to perform risk-assessments on passengers prior to their arrival at the airport. These programs are a valuable contribution to the efficient processing of travelers. They enable TSA and CBP to focus resources on the small percentage of passengers warranting additional scrutiny, while expediting the screening and processing for known and trusted travelers. Today, TSA is providing expedited screening to more than 5 million travelers each week, and over 40 percent each day at 118 domestic airports in partnership with participating U.S. air carriers and CBP.

DHS also announced recently that travelers flying on Air Canada may be eligible to receive expedited security screening through TSA Pre✓™ when flying out of participating U.S. airports. With this announcement, Air Canada becomes the first international carrier to partner with DHS and offer its customers advanced security screening that is the hallmark of TSA Pre✓™. We are working closely with other international air carriers and expect to announce similar partnerships later this year. Expanding the TSA Pre✓™ initiative to international carriers that have a significant presence at U.S. airports has been a long-term goal of our risk-based and intelligence-driven approach to aviation security.

International Initiatives

Since the formation of DHS in 2003, we have collaborated with our international partners to push security measures out beyond our domestic ports of entry. These effective security programs also provide valuable facilitation benefits to international travelers. We believe that new initiatives should offer a net security benefit — that is, any measure proposed should do more than merely displace the risk from one location to another. This is why we firmly believe that establishing preclearance operations in strategic areas will assist in identifying terrorists, criminals, and other national security threats prior to boarding aircraft bound for the United States. We recognize the benefits private-public partnerships bring to the preclearance business plan. We intend to establish more of these at overseas airports that are last points of departure for flights into the United States. Each proposed location for expansion is reviewed carefully to ensure the operation would be cost effective and provide positive returns with regards to a wide spectrum of U.S. interests.

Expansion of preclearance will positively impact the overall traveler experience by reducing wait times at both CBP and TSA U.S. domestic air ports of entry and provide economic opportunities to air carriers and tourism stakeholders.

Improving and Streamlining the Traveler Experience

First impressions are important. A foreign visitor's first and primary encounter with the U.S. Government is often with the Departments of State and Homeland Security, and these interactions shape visitors' opinions about the United States. DHS and our travel industry partners have worked together to improve processes for welcoming travelers into our country while maintaining the highest levels of security and professionalism.

In February 2011, CBP launched a new comprehensive basic training program for new officers. The program prepares trainees mentally, physically, and ethically to meet the challenges and demands of a law enforcement position and equips them with the specific skills needed to perform their duties with a high level of competence. CBP has taken a proactive management approach in addressing passenger processing issues and is constantly working in partnership with airport authorities, airlines, and the travel industry to identify new ways to more efficiently facilitate the entry process.

Our commitment to improving customer service also led to the development of the Model Ports program. Created in 2006, the Model Ports program focuses on making the entry process more streamlined, understandable, and welcoming. One of the best practices of the Model Ports program is the establishment of the Passenger Service Manager (PSM) position, a key advocate for promoting traveler satisfaction. The PSM is a uniformed CBP manager able to respond to traveler complaints or concerns; oversee issues related to travelers requiring special processing; observe overall traveler processing; address issues on site as they occur; and provide recommendations for improvement of traveler processing and professionalism. Photographs and contact information for all PSMs are prominently displayed for maximum traveler visibility and access and will be available at over 300 ports of entry this year.

To increase effective communication with arriving travelers, CBP previously installed audio and video technology in the passport primary queuing area to display CBP's informational video, "Welcome to the United States 'Simple as 1, 2, 3,'" which presents travelers with step-by-step instructions on what to expect during CBP processing. The video is subtitled in eight languages and is seen by over 25 million visitors each year. CBP is currently updating this technology and videos to educate travelers on how to use APC kiosks. CBP is also partnering with the airlines to show these new, educational products on planes where possible.

Reducing Wait Times

CBP strives to process arriving travelers, regardless of the port environment, as quickly as possible while maintaining the highest standards of security, and we closely monitor wait times for international travelers.

Although CBP continues to address ways to manage wait times, other issues affect wait times, including concurrent arrivals that exceed the capacity of the airport and the need to staff multiple terminals. CBP is working to address these challenges by using existing resources more effectively, partnering with carriers and airport authorities on facilitation measures, and enhancing risk segmentation by increasing membership in trusted traveler programs.

The Airport Wait Time Console is used to report on primary processing passenger wait times at the top 63 air ports of entry. This data is based on measurements of time intervals between the arrival of the aircraft and the processing of the passenger on primary. The wait time for each arriving passenger is recorded, and aggregates of these wait times may be obtained based on the individual flight, class of admission, time of day, or any other data element associated with an arriving air passenger. CBP reports wait times on our public website, and we continue to refine the reporting.

The Airport Wait Time Console Real Time Flightboard utilizes live data feeds from multiple sources to create a view of passenger arrival data that allows CBP Field Operations personnel to make optimal staffing decisions. By taking into account such factors as aircraft arrival time and facility constraints, as well as passenger volume and admission class, CBP management at our air ports of entry are able to foresee how changes in any of the elements will require corresponding adjustments to staffing.

Partnership with Brand USA

In support of efforts to expand legitimate travel and tourism to the United States, DHS works with The Corporation for Travel Promotion, doing business as Brand USA. The Corporation for Travel Promotion, established under the Travel Promotion Act of 2009, is a public-private marketing entity that encourages travelers from all over the world to visit the United States.⁴ CBP works closely with Brand USA to promote CBP programs such as the Electronic System for Travel Authorization (ESTA) and Global Entry and to identify ways of improving the

⁴ Pub. L. No. 111-145, § 9

traveler experience at U.S. ports of entry based on feedback from the customer satisfaction survey.

The experience of an international arrival passenger at one of our ports of entry is not limited to their interaction with the U.S. government. CBP has made significant investments in improving the international arrivals process for both security and facilitation. Airports, airlines, and local governments also figure heavily into the passenger's experience — and they all have an essential role to play in creating a positive first impression.

DHS is working to foster and facilitate a thriving travel and tourism industry, while maintaining the highest security standards. DHS continues to welcome the input and engagement of Congress, the private sector and the traveling public to pursue our mission in an increasingly innovative, efficient, and effective way.

Thank you for the opportunity to appear before you today. We look forward to answering your questions.