

**THE STATE OF U.S. TRAVEL AND TOURISM:
GOVERNMENT EFFORTS TO ATTRACT 100 MILLION
VISITORS ANNUALLY**

HEARING

BEFORE THE

SUBCOMMITTEE ON TOURISM, COMPETITIVENESS,
AND INNOVATION

OF THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

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JUNE 26, 2014
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Printed for the use of the Committee on Commerce, Science, and Transportation



U.S. GOVERNMENT PUBLISHING OFFICE

96-039 PDF

WASHINGTON : 2015

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
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ONE HUNDRED THIRTEENTH CONGRESS

SECOND SESSION

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**THE STATE OF U.S. TRAVEL AND TOURISM:
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THURSDAY, JUNE 26, 2014

U.S. SENATE,
SUBCOMMITTEE ON TOURISM, COMPETITIVENESS, AND
INNOVATION,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Subcommittee met, pursuant to notice, at 10:34 a.m., in room SR-253, Russell Senate Office Building, Hon. Brian Schatz, Chairman of the Subcommittee, presiding.

**OPENING STATEMENT OF HON. BRIAN SCHATZ,
U.S. SENATOR FROM HAWAII**

Senator SCHATZ. Good morning. We call this hearing to order.

Today's hearing will examine the Federal Government's efforts to reach our Nation's goal of attracting 100 million international visitors annually by the year 2021. Last month, we heard from key industry stakeholders on how we can achieve this goal. It was clear that there were areas where the Federal Government could do better.

Today, I would like to focus on three ways to increase tourism. The first is how the Federal Government engages in travel and tourism export promotion. Hawaii knows the importance of targeting international markets to grow this sector. Having the right data about international markets has been key to its success.

Looking at states like Hawaii as examples, the Federal Government should partner with industry to make sure the right data are collected. This will make us informed—this will help us to make informed decisions about which markets to target at the national level. We need to shift our approach from meeting existing demand to driving demand, and in doing so, we must ensure Federal resources are prepared to meet it.

The second issue is improving accessibility, a fundamental piece of travel promotion. We can do all the tourism promotion we want, but if we are not ready to receive travelers, our efforts are for naught.

A key component is the arrivals process. Customs and Border Protection has initiated several programs to reduce wait times at our ports of entry, but the United States still faces challenges with long wait times. This makes travelers less likely to return.

The U.S. has also experienced challenges meeting demands—demand for visas, especially in emerging economies, such as China and Brazil. The State Department has made progress in reducing visa interview wait times. As demand rises, we need to further streamline processes and leverage new technologies to make sure those who want to travel here can do so without unnecessary delay.

To address accessibility challenges, Senator Scott and I have introduced the INVITE Act. This bill would improve the arrivals process by expanding the Global Entry program and strengthening the Model Ports program. The INVITE Act would direct CBP and the State Department to look at ways to coordinate the passport, visa, and Global Entry application processes. This would help to streamline application processes and encourage more travelers to apply for Global Entry.

Our bill would also build upon the current Model Ports program and require CBP to develop metrics to measure the program's performance. And it would further public-private partnerships by establishing a matching grant program for eligible U.S. airports to create more user-friendly ports. I look forward to any comments the witnesses may have today related to this bill.

The third issue is how we provide a quality visitor experience to attract new visitors and encourage repeat visitors. The Federal Government has a role to play in reducing barriers to a quality experience. We need to shift our mindset to become more customer focused in how we deliver Federal services. This means rethinking how the Federal Government operates.

It also means investing in today's work force. We need to train employees at all levels to be forward leaning, to deliver better services and create a positive experience for our visitors.

As we address these issues, I look forward to hearing from the witnesses on how they are partnering with private sector stakeholders to grow our travel and tourism industry. Thank you all for being here today.

If Senator Blunt has an opening statement, we would be happy to hear from him.

**STATEMENT OF HON. ROY BLUNT,
U.S. SENATOR FROM MISSOURI**

Senator BLUNT. Chairman, I am just pleased you are holding this hearing. And you understand these travel and tourism issues, as well as the importance of encouraging visitors and dealing with visitors in appropriate ways so that they want to come back, as well as the things we need to do to secure our entry and understand our exit system in the country.

And I thank you for conducting this hearing.

Senator SCHATZ. Thank you, Senator Blunt, and thank you for your leadership on these issues over the years on a bipartisan basis.

Senator HELLER, do you have any remarks before we get going?

Senator HELLER. I will wait for questioning.

Senator SCHATZ. Thank you. And Senator Nelson is going to wait for questioning as well.

Senator Scott is on his way, and when he comes, he will be offering an opening statement.

I would like to introduce the witnesses today. We have Ken Hyatt, Deputy Under Secretary for International Trade at the Department of Commerce; Michele Bond, Acting Assistant Secretary for the Bureau of Consular Affairs at the Department of State; Michael Stroud, Acting Assistant Secretary for the Private Sector Office at the Department of Homeland Security; and John Wagner, Acting Assistant Commissioner for the Office of Field Operations at the United States Customs and Border Protection.

Before we start, I want you to know that your written statements will be part of the record, and I would also like to remind you to please limit your oral remarks to 5 minutes.

Mr. Hyatt, please proceed with your statement.

STATEMENT OF KENNETH E. HYATT, DEPUTY UNDER SECRETARY FOR INTERNATIONAL TRADE, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Mr. HYATT. Chairman Schatz, Ranking Member Scott, and members of the Committee, thank you for the opportunity to speak about the Department of Commerce's role in supporting and coordinating the U.S. Government's National Travel and Tourism Strategy.

I first want to thank my colleagues here today for their leadership, partnership, and hard work in moving this strategy forward. It is truly an administration-wide effort.

The travel and tourism industry now accounts for more than 26 percent of America's services exports and 8 percent of exports overall. Travel and tourism is our largest services export. Altogether, the trade surplus in this industry is bigger than ever, at \$57 billion in 2013. That is 20 percent higher than the \$47.5 billion surplus in 2012 and the largest on record.

We are pleased to report that a record 70 million international visitors traveled to the United States in 2013, a 5 percent increase over 2012, and spent a record \$180.7 billion. These numbers are important. They represent export growth in the United States and support American jobs. International travel and tourism supports 1.2 million jobs in the United States, and more than 7.8 million Americans work in the U.S. travel and tourism sector overall.

Contributing to our growth in travel and tourism is our National Travel and Tourism Strategy. The strategy set an ambitious goal of attracting 100 million international visitors annually to the United States by the end of 2021. The Tourism Policy Council, a Cabinet-level group led by Secretary Pritzker, is coordinating the implementation of the strategy in cooperation with the private sector to help facilitate legitimate travel to the United States.

However, even as demand has grown, challenges remain. Some travelers are experiencing bottlenecks at the borders, demand for visas remain high, there is increased global competition for international travelers, and the increased number of travelers are putting pressure on our infrastructure. Clearly, we have more work to do.

The perspectives of the private sector have been incorporated into the five areas where we, the U.S. Government, are focusing our efforts moving forward.

First, we are working to continue improving visa processing.

Second, we want to improve the experience of travelers at U.S. ports of entry. To that end, on May 22, the President announced an effort to develop a national goal to enhance the entry process for international travelers to the United States, along with the development of specific action plans at the Nation's busiest airports. President Obama directed the Secretaries of Homeland Security and Commerce to lead this important effort.

Third, we will promote the United States by supporting Brand USA, the public-private partnership established by the Travel Promotion Act of 2009.

Fourth, we want to make more data about Federal tourist sites more accessible to industry for marketing use.

And finally, we will explore ways to expand the statistical information we collect and publish on international travelers to the United States.

While the Federal Government is coordinating across the agencies, it is important to highlight what the private sector's role is in implementing the strategy. The Travel Promotion Act established the Corporation for Travel Promotion, now doing business as Brand USA, with the mission of spearheading the Nation's first international marketing effort to promote the United States as the premier global travel destination.

As of September 2013, Brand USA had recruited more than 400 partners who are participating in more than 100 programs around the world. These partners contributed more than \$122 million in value in Fiscal Year 2013. They are being utilized by Brand USA to create and execute an international marketing campaign. We will continue to work with Brand USA to ensure that the U.S. remains the top global tourist destination.

With the national strategy, I am pleased to report that we are doing better than ever before and will continue to improve in inter-agency coordination and our engagement with industry. It is truly only by working hand-in-hand across the public and private sectors that we will achieve the 100 million visitor goal set forth in the strategy.

Thank you, and I welcome questions.

[The prepared statement of Mr. Hyatt follows:]

PREPARED STATEMENT OF KENNETH E. HYATT, DEPUTY SECRETARY, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Introduction

Chairman Schatz, Ranking Member Scott, and members of the Committee, thank you for the opportunity to speak about the Department of Commerce's role in supporting and coordinating the U.S. Government's National Travel and Tourism Strategy and how we are working across the Federal Government and the private sector to implement this strategy.

Let me start with the fundamentals: why travel and tourism is important to the U.S. economy, to the Administration and to the President.

Importance of Travel and Tourism to the U.S. Economy

The Department's NEI/NEXT is a customer service-driven strategy with improved information resources that will help American businesses capitalize on existing and new opportunities. Travel and tourism is a priority sector within this strategy. We are pleased to report that a record 70 million international visitors traveled to the United States in 2013, which is a five percent increase over 2012. Those 70 million international visitors spent a record-shattering \$180.7 billion in 2013. That is nearly

\$1.3 billion more spent each month by international visitors on American goods and services than in 2012.

To break these numbers down just a little more:

- Passenger fare receipts were up nearly 5 percent, and
- Travel receipts for things like food, lodging, recreation, gifts and entertainment were up nearly 11 percent over 2012.

The travel and tourism industry now accounts for more than 26 percent of all of America's services exports and nearly 8 percent of exports overall.

Altogether, the trade surplus in this industry is bigger than ever at \$57 billion dollars in 2013. That is 20 percent higher than the \$47.5 billion travel trade surplus in 2012 and the largest U.S. travel trade surplus on record.

These numbers are important—they represent tremendous exports for the United States and they also support jobs as well: 1.2 million jobs in the United States are supported by international travel and tourism. Overall, 7.8 million Americans work in travel and tourism jobs in the United States.

2012 Executive Order and Progress-to-Date

One of the factors driving the growth in travel and tourism was the President's Executive Order—Establishing Visa and Foreign Visitor Processing Goals and the Task Force on Travel and Competitiveness—issued in 2012. This was a seminal moment for Federal Government support for this industry. The Executive Order has already led to a number of concrete accomplishments:

- Thanks to additional positions in consular affairs and expanded visa processing facilities around the world, 94 percent of non-immigrant visa applicants worldwide are interviewed within three weeks.
- Wait times for non-immigrant visas in key markets like Brazil, India, China, and Mexico are all currently less than 10 days. In China, wait times have been under five days for the past two years.
- More than two million people now have access to Trusted Traveler Programs, up 60 percent from December 2012; and
- More than 53 million people received expedited screening as of the end of 2013.

In addition, the Executive Order led to the development of a National Travel and Tourism Strategy, which the Departments of Commerce and Interior launched in 2012. The Strategy set an ambitious goal of attracting 100 million international visitors to the United States by 2021.

The National Travel and Tourism Strategy identified five key areas critical to its success:

1. Promoting the United States as a destination, as never before;
2. Enabling and enhancing travel and tourism to and within the United States;
3. Providing world class customer service and visitor experiences;
4. Coordinating across government; and
5. Conducting research and measuring results.

The Tourism Policy Council (TPC), a cabinet level group led by Secretary Pritzker, is coordinating the implementation of the Strategy. It is being implemented by the Federal Government, in cooperation with the private sector, to help facilitate legitimate travel to the United States and bring us closer to our 2021 goal. Fortunately, over the past several years, we have been helped by increasing international demand for overseas travel.

However, as demand has grown, new challenges have arisen. Not only are some travelers experiencing bottlenecks at the borders, long wait times, and customer service challenges at our ports of entry, the increased demand is also putting pressure on our infrastructure. Clearly, we have more work to do.

To that end, on May 22, 2014, the President announced a new initiative to establish a national goal and develop airport-specific action plans to enhance the entry process for international travelers to the United States. President Obama directed the Secretaries of Commerce and Homeland Security to spearhead this task in coordination with the TPC. The purpose of this goal and attendant action plans is to maximize the economic contribution of travel and tourism for business, leisure, academic, medical and other lawful purposes by improving the experience of international travelers coming to the United States, in particular their experience with the admissions process and customs processing at airports in the United States. You'll hear more about that today from my colleague from the Department of Homeland Security.

This new initiative complements what the U.S. Travel and Tourism Advisory Board (TTAB), the private sector advisory body that provides advice and counsel to Secretary Pritzker, has very clearly articulated as the travel and tourism industry's priorities for the Federal Government for the next few years:

- Continue to make progress on travel facilitation, including sustaining the progress on visa issuance time frames and continuing to improve the entry experience.
- Do more to support Brand USA, including the reauthorization of its Federal funding.
- Increase investment in infrastructure, including surface transportation, airports, and Next Gen air traffic control.
- Explore additional public-private partnerships so that industry and government can work together to make progress on mutual priorities.

Next Steps in the Strategy

The TTAB recommendations are clearly reflected in the five areas where the agencies of the TPC agreed to focus their efforts during the President's second term:

- First, as my colleague from State will further explain, we will continue to focus on improving travel facilitation through efforts to expand membership of eligible countries in the Visa Waiver Program and other initiatives to keep up with demand for visas.
 - Chile was recently designated for participation in the Visa Waiver Program.
 - The State Department made permanent the non-immigrant visa interview waiver program, which speeds up the process for certain visa renewals.
- Second, we will improve the experience of travelers at U.S. ports of entry. For example, Secretary of Commerce Penny Pritzker and DHS Secretary Jeh Johnson have agreed to expand efforts and work collaboratively between the two departments.
- Third, increase support for and integration with Brand USA. The Department of Commerce will partner with Brand USA on promotions and coordinate Commerce/Brand USA activities in key markets, focusing on parts of the world where we can have the most impact.
- Fourth, the Departments of Interior and Agriculture are working to free up data about Federal tourist sites (such as national parks), which will allow entrepreneurs and tour operators to create even better itineraries and products, such as apps, and provide the travel trade with new and different ways to get their customers thinking about the United States as a great vacation destination.
- Finally, explore ways to improve and expand the statistical information we collect and publish on international travelers to the United States.

The White House, Commerce, State, Homeland Security, Interior, and other agencies of the TPC continue to drive this as a national priority and continue to work together to achieve results. At the same time, it is important to look at what is being done at the private sector level.

Brand USA

Brand USA was created as the Corporation for Travel Promotion in 2010 when President Obama signed into law the Travel Promotion Act of 2009 (TPA). Now doing business as Brand USA, the corporation's mission is to spearhead the Nation's first international marketing effort to promote the United States as a premier travel destination and communicate U.S. entry policies and procedures. The relationship between the Department of Commerce and Brand USA is also set forth in the TPA. It is working well—and it will continue to evolve.

As of September 2013, Brand USA had recruited more than 400 private sector partners who were participating in more than 100 programs in key markets around the globe. These partners contributed more than \$122 million in cash and in-kind goods and services that is being utilized by Brand USA to realize their mission and to encourage international travel from all of our key markets.

In 2013, Brand USA's retention/renewal rate with their 2012 partners was more than 95 percent. This speaks strongly to Brand USA's ability to deliver on their brand promise and to create a strong international marketing campaign. Their "Discover this land, like never before" campaign is one in which large and small businesses can participate and will help the United States stay competitive in the global arena. They are implementing other programs around the globe in partnership with the Federal Government, such as their culinary-themed promotion campaign being

launched with the State Department. For only the second time, five Federal agencies—Commerce, Interior, State, Agriculture and DHS—came together in partnership to present a unified “federal row” at the travel and tourism industry’s largest U.S.-based trade show, IPW, during which more than \$4.5 billion in future travel to the United States was written. With Brand USA’s support, “federal row” was incorporated into the show floor as part of Brand USA’s pavilion. This key location provided stronger, more visible presence of the Federal agencies directly with IPW’s international buyer and media delegates largely as a result of the traffic to Brand USA’s pavilion. In addition, Brand USA staff cross-promoted the Federal partners to their clients, making introductions as appropriate. As a result, international delegates were introduced to new Federal travel and tourism products and pre-developed tour itineraries they can offer their clients—the international visitors we want to welcome to the United States.

The work of Brand USA is critical to our ability to achieve the President’s ambition goal of attracting 100 million international travelers by 2021. Federal funding for Brand USA, as provided by the Travel Promotion Act, expires at the end of FY 2015. The Administration encourages Congress to reauthorize this important program.

Conclusion

The National Travel and Tourism Strategy has been remarkably effective, with two years of record numbers in both international arrivals and the revenues they generate. The Strategy has provided a focus and a roadmap for agencies to work together and with the private sector to create a policy framework to foster growth in this sector. Moving forward, agencies will continue to work together, and with the private sector, to improve the entry experience for visitors and support international visitation by better coordinating activities in the markets that generate international visitors to the United States. It is truly only by working hand-in-hand across the private sector and across government—local, state and federal—that we will achieve the goal set forth in the National Strategy—welcoming 100 million international visitors by 2021 who will spend \$250 billion annually.

Thank you for the opportunity to speak before you today on this dynamic industry and I welcome any questions.

Senator SCHATZ. Thank you very much.
Ambassador Bond?

STATEMENT OF AMBASSADOR MICHELE THOREN BOND, ACTING ASSISTANT SECRETARY FOR CONSULAR AFFAIRS, U.S. DEPARTMENT OF STATE

Ambassador BOND. Good morning, Chairman Schatz, Ranking Member Scott, and distinguished members of the Subcommittee.

My testimony this morning will focus on what the Department of State has accomplished in support of the President’s National Travel and Tourism Strategy, and I am pleased to report that we have met the President’s directive and have been surpassing the benchmark he set since 2012. We do this while continuing to protect our borders and the safety of our citizens.

The numbers speak for themselves. In Fiscal Year 2013, consular officers issued more than 9.2 million U.S. visas, an increase of 42 percent over the past 3 years. We are on pace to surpass that number this fiscal year.

The largest growth in travel comes from the world’s emerging economies, where we have seen demand for U.S. visas increase at a dramatic pace. In fact, nearly half of worldwide visa issuances come from just four countries: Mexico, China, Brazil and India.

In the first half of this fiscal year, we processed more than three-quarters of a million visas in China, a 28 percent increase, and more than half a million visas in Brazil, a 17 percent increase over the previous fiscal year. Visa issuances in Brazil have doubled since 2009 and almost quadrupled since 2006.

Since August 2012, Consular Affairs has met the goal set by the President to interview 80 percent of applicants worldwide within 3 weeks of submitting their applications. In fact, so far this year, we have interviewed 71 percent of applicants within a week and 95 percent of applicants within 3 weeks.

At our busiest overseas post, Sao Paulo, Brazil, where we issued over half a million nonimmigrant visas last Fiscal Year, appointment wait times are consistently less than 1 week, and the average visitor to the Consular Section spends 20 minutes in the building.

Let me briefly highlight two key strategic improvements we have made to our visa processing model. First, we increased staffing. We now have 167 consular officers in Mission China and have more than doubled our consular staffing in Mission Brazil since 2011. Fifty-nine new adjudicators have been hired and deployed worldwide through a limited non-career appointment program that hires visa adjudicators who already speak Chinese, Portuguese, or Spanish.

Second, we expanded facilities to handle increased numbers of applicants, and we are still growing. We are adding nearly 60 windows across our China posts. We are moving into a new facility in Monterrey, Mexico. In Belo Horizonte and Porto Alegre, Brazil, and in Wuhan, China, we are opening entirely new consulates in coming years.

In conclusion, let me state that our top priority in visa adjudication is always national security. Every visa adjudication includes extensive biographic and biometric checks supported by data from the law enforcement and intelligence communities. In 2013, we improved this process even more, making possible an even more streamlined and comprehensive continuous monitoring of visa applicants.

We are working with our colleagues across the Government to expand the successful Interview Waiver Program. We would like to discuss with Congress the legislative authority to expand the applicant groups who can receive visas without personal appearances, because waiving interviews for travelers who are better known to us allows us to dedicate valuable time and resources to less-known visa applicants.

We believe that U.S. interests in legitimate travel, trade promotion, and educational exchange complement our border security mission. Consular Affairs also occupies a unique space at the nexus of foreign policy and national security. Our daily direct contact with the world gives us a perspective unlike any other in the U.S. Government. We will continue to innovate, increase our staff, and improve our facilities to ensure that the United States continues to be a secure and a welcoming country.

Thank you. I will be pleased to answer your questions.
[The prepared statement of Ambassador Bond follows:]

PREPARED STATEMENT OF MICHELE T. BOND, ACTING ASSISTANT SECRETARY FOR
CONSULAR AFFAIRS, U.S. DEPARTMENT OF STATE

Chairman Schatz, Ranking Member Scott, and distinguished Members of the Subcommittee, it is a distinct honor to appear before you to share the accomplishments of my colleagues in the Bureau of Consular Affairs, and our efforts to facilitate the legitimate travel of millions of tourists, businesspeople, students, and other visitors to the United States.

The advances we have made are a credit to the hard work of consular staff around the world, but especially in emerging markets, where we've seen the greatest increases in demand for U.S. visas. I would like to update you on the efforts we have undertaken over the past few years.

Meeting Increasing Worldwide Demand for U.S. Visas

I am pleased to testify to the enormous strides we have made in facilitating legitimate travel to the United States in support of the National Travel and Tourism Strategy. We recognize, as Secretary Kerry testified in April, that economic policy is foreign policy. We have sharpened our thinking about how market forces can advance our foreign policy goals. As a Bureau, we have made it easier for businesses to work with our embassies, and we have encouraged our consular officers to uphold the highest levels of public service. Our consular officers have always understood that they are often the first interaction a foreigner will have with an American official. The visa process protects our borders, but it is also an integral part of our public face beyond those borders. This is why we are committed to make that process as straightforward, clear, and applicant-focused as possible, without compromising security.

We remain actively engaged in supporting the President's National Travel and Tourism Strategy Goals. Over the past year we have: continued to work with Brand USA on its communications plan for visa and port of entry policies and other projects; added travel and tourism links on embassies' and consulates' websites; launched a redesign of our primary website, Travel.State.Gov, to enable applicants to view critical information about the visa application process in a more streamlined, straightforward way; and participated in travel and tourism conferences and panels throughout the country, including the La Cita de las Americas Travel Conference, the Latin American Chamber of Commerce Annual Meeting in September, the Society of American Travel Writers 2013 Convention in October, the SelectUSA Summit in November, and the United States Travel Association's IPW trade show in April. The Bureau also participates fully in the Department of Commerce's travel and tourism initiatives, including attending the private-sector-led Travel and Tourism Advisory Board committee meetings, as well as co-chairing (with the Departments of Homeland Security and Commerce) the Ease of Travel Working Group as part of the Tourism Policy Council. At our most recent Tourism Policy Council meeting, Secretary of Commerce Penny Pritzker, who serves as chair, and Secretary of the Interior Sally Jewell, who is helping lead implementation of the Strategy, commended Consular Affairs for its hard work in keeping visa wait times low and improving the visa process, thereby attracting more visitors to the United States.

Consular officers at 224 embassies and consulates overseas issued almost 9.2 million nonimmigrant visas in Fiscal Year 2013, a 42 percent increase in just three years. We managed this dramatic growth by expanding our facilities, adding hundreds of new consular staff, and most importantly, streamlining procedures to maximize efficiency. International visitors spent a record-breaking \$180.7 billion in 2013, an increase of more than nine percent compared to 2012. And as the Department of Commerce has previously indicated, increased international travel generates significant job growth: the growth in international visitors has supported roughly 175,000 new American jobs over the past five years.

For many foreign visitors, the American experience begins in consular waiting rooms overseas. We take that responsibility seriously, and have worked with groups like Disney Worldwide Services and Brand USA to improve applicants' experience in our spaces. In China and Brazil, most applicants are in and out of our facilities in less than 30 minutes. In our London waiting room, we present applicants with materials from state and regional tourism boards, inviting business travelers and workers to extend their trips with a leisure component so they can enjoy their U.S. experience in addition to conducting business. International travel and tourism has a deep impact on the United States, comprising 27 percent of the U.S.' services exports and supporting 1.3 million jobs. We are pleased to have a role in support of these hardworking Americans.

The Bureau of Consular Affairs continues to do its part to facilitate the President's goals in Executive Order 13597, which in January 2012 directed Federal agencies to aggressively expand the Nation's ability to attract and welcome visitors while maintaining high standards of security. Since August 2012, Consular Affairs has met the goal to interview 80 percent of visa applicants worldwide within three weeks of submitting their applications. In 2013, the global average was over 92 percent; a 10 percent increase over 2012. At our busiest overseas post, Sao Paulo, Brazil, where we issued over half a million nonimmigrant visas in Fiscal Year 2013, appointment wait times are consistently less than one week.

The role of security has not diminished

Consular officers, in addition to being the first Americans many foreigners will encounter, are also our country's first line of defense. Every visa decision is a national security decision. We train our staff extensively and continuously on interviewing and name-checking techniques, fraud detection, and the use of myriad automated systems. Every visa adjudication comprises extensive biometric and biographic checks supported by a clearance process including data from the intelligence and law-enforcement communities, ensuring that our officers have the best data available at all times. We've improved this process in the last year, ensuring that we target more of our resources towards individuals who may pose a threat.

Meeting Demand, Especially in Emerging Economies

In 2013, Brazilian visitors contributed \$10.5 billion to the U.S. economy, a 13 percent increase from the prior year. During the same period, Chinese visitors contributed \$9.8 billion, an 11 percent increase from the prior year, or \$5,400 per visitor. To address this important opportunity to contribute to our country's economy, 167 officers perform consular work in Mission China. Consular Affairs created over 50 new officer positions in China in Fiscal Year 2012 alone. In the same year, we increased consular staffing in Mission Brazil by 40 percent within six months, and eventually increased staffing by more than 100 percent. We met the President's Executive Order target of 40 percent capacity increase in Brazil in June 2012 and in China in November 2012, both ahead of schedule.

Coping with the explosive growth in demand for nonimmigrant visas in Brazil, China, India, and Mexico has been a major challenge for Consular Affairs over the past several years, but is one which we have addressed vigorously and successfully. We continue to direct our personnel and resources towards the locations with the greatest need, applying innovative solutions to these critical markets.

In 2011, we realized our traditional hiring mechanisms wouldn't allow us to deploy officers quickly enough to meet exploding visa demand in Brazil and China. We weren't recruiting enough Portuguese-and Mandarin-speaking officers and could not wait for new entry-level officers to learn these essential languages. In response, the Department created a rapid hiring pilot program to ramp up staffing at critical needs posts. The first class of these adjudicators, appointed for one-year periods and limited to a maximum of five consecutive years, began in January 2012. That year, we brought on a total of 24 Mandarin-speakers and 19 Portuguese-speakers, all of whom arrived at posts by mid-July. In Fiscal Year 2013, we expanded the program to recruit Spanish-speakers. To date, we have hired and deployed 59 adjudicators under this program to China, Brazil, Mexico, Colombia, and the Dominican Republic, representing an added capacity of 900,000 visa adjudications per year.

We are working to expand and remodel our consular facilities so we can interview more visa applicants on a daily basis. We are expanding our interviewing capacity in China by adding 22 new service windows in Guangzhou, 20 new windows in Shanghai, eight new windows in Chengdu, and eight new windows in Beijing. We expect one million Indians to visit the United States in 2015, and are adding 17 new windows in Mumbai to handle the additional workload. In the coming years we will open entirely new visa-processing facilities in Porto Alegre and Belo Horizonte, Brazil, and Wuhan, China.

We also prioritize key groups of travelers, such as students and business visitors. Wait times for student visa interview appointments worldwide are less than 15 days. We prioritize student visa appointments because of the tremendous intellectual, social, and economic benefits foreign students provide to the U.S. economy. According to the Bureau of Educational and Cultural Affairs, international students contributed \$24.7 billion to the U.S. economy during the 2011–2012 academic year. U.S. officials work closely with the American Chambers of Commerce in more than 100 countries to streamline the visa process for business travelers, and all U.S. embassies and consulates have established procedures to expedite appointments for urgent business travel.

The Global Support Strategy is a worldwide program to optimize visa application support services, including: information provision through call centers and e-mail correspondence, appointments, fee collection, document delivery, greeters, and in some cases, biometric collection services. Offsite biometric collection facilities are in operation in Mexico, Brazil, India, Argentina, and Colombia; online scheduling makes getting an appointment easy and transparent for applicants; and with oversight by the Department, our contractors handle routine telephone and e-mail inquiries in many markets. This frees up space and staff at our embassies and consulates, creating additional capacity and allowing us to focus on the critical security-related screening that cannot be outsourced. We expect to have offsite support services in most of our consular sections worldwide by the end of this year.

We are moving towards a foil-less nonimmigrant visa. The visa application has been fully electronic since 2010, and the next step is eliminating the visa foil itself. Leveraging our existing electronic systems and connections with our interagency partners will enable us to save money and reduce document fraud by eliminating the printed visa.

Interviews and Reciprocity

One of the most effective ways we have to improve the efficiency of visa operations is to eliminate in-person interviews for low-risk travelers, while retaining all of the security checks that apply to every visa applicant. Although the Immigration and Nationality Act (INA) requires our consular officers to interview in-person all visa applicants aged 14 through 79, it also provides limited authority to waive interviews, including authority to waive for diplomatic and official applicants from foreign governments and for some repeat applicants. We are utilizing technology and advanced fraud detection techniques to help us expand the pool of applicants for whom interviews can be waived under the Interview Waiver Program. This allows us to focus resources on higher-risk visa applicants while facilitating travel for low-risk applicants.

We are working with our colleagues across the government to expand this successful program, which became permanent in January 2014. In Fiscal Year 2013, we waived over 380,000 interviews, and a recent study showed that tourist and business visitor visa holders whose interviews were waived, all of whom were subject to the full scope of security checks, posed no greater risk for an overstay than those who were interviewed. We are interested in explicit legislative authority to supplement the existing Interview Waiver Program by adding additional low-risk applicant groups such as citizens of Visa Waiver Program members applying for other types of visas such as student or work visas; continuing students moving to a higher level of education; non-U.S. citizen Global Entry and NEXUS trusted traveler program members; and holders of visas in other categories, such as students and workers, who wish to travel for tourism or business. The Department is interested in working with Congress on legislation specifically authorizing the Secretaries of State and Homeland Security to enhance our interview waiver programs.

The law also requires us to set visa validity based on the validity of visas issued to U.S. citizens on a reciprocal basis. Following the Chinese government's formal offer in September 2012 to expand validity to five years, multiple entries for a host of visa categories, the interagency community has engaged in a series of meetings to assess the full range of implications and economic, cultural, and political benefits of longer visa validities for Chinese nationals. In 2013, we agreed to extend the validity of crewmember and transit visas to five years, multiple entries. Increasing Chinese visa validity for tourists, businesspeople, and students would provide a significant boost to the U.S. economy and would help Mission China successfully manage its consular resources. Of course, the Department does not act alone when it comes to decisions about visa validity; we must consult with the Department of Homeland Security and with other interagency partners where appropriate prior to increasing any period of visa validity.

Finally, we are working with our U.S. Government colleagues to expand the Visa Waiver Program, consistent with U.S. law, as was recently done with the addition of Chile to the program earlier this year. With this designation, Chile now joins 37 other participants and is currently the only participant from Latin America. The Department supports the proposed amendments contained in the Senate-passed Border Security, Economic Opportunity, and Immigration Modernization Act, because we believe they would restructure the Visa Waiver Program in a manner that would strengthen law enforcement cooperation, while maintaining the program's robust counterterrorism and criminal information sharing initiatives and promoting commerce and tourism in the United States.

However, we do not recommend offering premium visa processing. We believe many visa applicants would be willing to pay any "premium processing fee" in the false belief that payment of a higher fee will ensure visa issuance, thus making any such program less efficient and compromising the integrity of the visa process. The best approach to achieve greater efficiencies is the continued prioritization of student, medical, and urgent business travel applications, which is already in effect at consular posts worldwide. We will also pursue increased visa validity where reciprocal agreement can be obtained with interagency support.

Conclusion

As consular officers, we occupy a unique space at the nexus of foreign policy and national security. We are first and foremost diplomats representing the United States. We strongly support the efforts of the Administration to improve the stand-

ing of the United States as a welcoming, exciting destination for travelers around the world. And we play an important role in our Nation's security, emphasizing at every available opportunity the primacy of security considerations in all our processes. This is drilled into every officer from the first day of training, and it is enforced by our systems as a part of every visa adjudication. We understand that maintaining secure borders complements our mission to facilitate legitimate travel.

The extent of our daily direct contact with the world gives us a perspective unlike any other in the U.S. Government. Our officers study their host countries and become intimately familiar with their customs and cultures. When combined with in-depth training and knowledge of immigration law, the result is a singular ability to conduct visa operations around the globe, with our multifaceted national interest the ultimate beneficiary of our expertise.

Our work affects U.S. interests directly on a basic, human level. Every issuance and refusal touches a person, a responsibility we take seriously. It is incumbent upon us to treat those individuals with the respect and dignity they deserve, and our service orientation demonstrates that every hour of every day. The Department of State is committed to improving our service and our security continuously, and we will apply every resource at our disposal to that end.

This concludes my testimony today. I will be pleased to take your questions.

Senator SCHATZ. Thank you, Ambassador.
Mr. Stroud?

**STATEMENT OF MICHAEL STROUD, ACTING ASSISTANT
SECRETARY, PRIVATE SECTOR OFFICE, OFFICE OF POLICY,
U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. STROUD. Good morning, Chairman Schatz, Ranking Member Scott, and members of the Subcommittee. I am pleased to appear before you today to discuss the Department of Homeland Security's major travel and tourism initiatives.

The travel and tourism area best showcases our dual goals of economic and national security. Every year, DHS facilitates the travel of tens of millions of international visitors. We secure passengers and their baggage, screen travelers as they cross our borders, and play an important role in the visa security process, among many other responsibilities.

Facilitating secure travel is a priority for DHS. DHS is working closely with the Departments of Commerce and State, Brand USA, and others to boost America's tourism industry.

At DHS, we view efficient and effective security as a key to a thriving economy, not as a barrier. Our goals of enhancing national security and boosting economic prosperity are fundamentally intertwined.

In May 2012, the administration launched the National Travel and Tourism Strategy, setting a goal of attracting international visitors. To meet this goal, DHS and the Department of Commerce have already begun developing a national strategy for improving service levels for international air passengers.

Specific action plans are under development, including input from both the private and public sectors. The stakeholders include airports; airlines; local, State, and Federal Governments; workers; and passengers, all with an essential role to play.

DHS's greatest asset in both securing and facilitating international travelers is our dedicated work force. Thanks to congressional support, 2,000 new Customs and Border Protection officers will enhance security, help reduce wait times, and facilitate legitimate trade and travel, thereby benefiting our Nation's economy.

To facilitate rising volumes of international travel, streamline entry processes, and improve the international travelers' experience, DHS continues partnering with private industry, including leveraging advanced technologies and expanding voluntary trusted traveler programs.

One example is expanding TSA PreCheck to international carriers at U.S. airports, a long-term goal of our risk-based and intelligence-driven approach to aviation security. Another example is the President's support for developing a North American trusted traveler program. Finally, DHS continues to support the expansion of Global Entry with its international partners.

DHS created a program that leverages private sector expertise, the Loaned Executive Program. This program brings government and industry expertise together to support efforts that promote DHS's travel and tourism goals. Last month, DHS announced seven Loaned Executive assignments to support these goals.

These Loaned Executives will help to improve the travel experience for the American public and international visitors at our gateway airports. Private sector integration in the development of our policies and processes ensures a coordinated approach to identifying innovative solutions to our security challenges.

Since 2003, DHS has collaborated with our international partners to expand security measures beyond our domestic borders. We believe that new initiatives should offer both a security and travel facilitation benefit. This is why we firmly believe that expanding preclearance operations in strategic areas, combined with expanding trusted traveler programs, will improve national security and facilitate legitimate travel all prior to boarding an aircraft bound for the United States.

DHS continues to welcome the input and engagement of Congress, the private sector, and the traveling public to pursue our mission in an effective, innovative, and efficient way.

Thank you for the opportunity to appear before you today, and I look forward to your questions.

[The joint testimony of Mr. Stroud and Mr. Wagner follow:]

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

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.

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 econ-

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).

² Pub. L. No. 113-76

omy. 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.

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 Pass-

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).

port 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 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.

Senator SCHATZ. Thank you very much.

Mr. Wagner?

**STATEMENT OF JOHN P. WAGNER, ACTING ASSISTANT
COMMISSIONER, OFFICE OF FIELD OPERATIONS,
U.S. CUSTOMS AND BORDER PROTECTION,
U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. WAGNER. Thank you, Chairman Schatz, Ranking Member Scott, members of the Subcommittee. Thank you for the opportunity to appear today to discuss ways U.S. Customs and Border Protection is securely facilitating travel to the United States.

During 2013, CBP processed more than 362 million passengers in the land, sea, and air environments, welcoming a record 102 million air passengers. Since 2009, we have seen remarkable growth in international travel with total passenger volumes in our airports rising approximately 4 percent each year.

CBP staffing levels have struggled to keep pace with this growth, resulting in increased wait times at many ports of entry. One of the main challenges we face is the current international air transportation model that creates large peaks of passenger arrivals.

For example, for a place like Miami airport, we will routinely see about 16 flights arrive per hour in the late afternoon/early evening. That is about 12,500 people over a 5-hour period. So to address this ongoing challenge we have developed a three-part resource optimization strategy that, one, identifies staffing requirements using a workload staffing model; two, ensures the efficient use of resources by optimizing current business processes; and three, explores funding strategies to support the staffing increases.

The workload staffing model employs a rigorous data-driven methodology to identify staffing requirements by considering all activities performed by CBP officers at the ports of entry, the volume of those activities, and the level of effort required to carry them out. The most recent results of the model show a need for 4,373 additional CBP officers through Fiscal Year 2015.

CBP's greatest resource in both securing and facilitating travel is our professional work force. Thanks to the support of Congress, the 2014 Appropriations Act included funding for 2,000 new CBP

⁴Pub. L. No. 111-145, § 9

officers. These additional officers will be allocated utilizing the workload staffing model and directed to those ports with the greatest need.

While the 2,000 additional officers will bring significant support to our mission, the workload staffing model identifies a need for an additional 2,000 CBP officers. This has been included in the 2015 budget request, along with a proposal for user fee increases to fund this effort.

We realize personnel alone is not the answer to improving the arrivals process. CBP has been relentlessly self critical to ensure our operations are as efficient and secure as possible. We are incorporating technological enhancements, developing self-service kiosks, and reducing paper forms for travelers.

We have implemented programs that segment arriving travelers into efficient processing modes. Like an E-ZPass lane at a tollbooth, CBP's trusted traveler programs like Global Entry provides expedited processing for pre-approved, low-risk participants through the use of automated kiosks.

There are over 2.5 million travelers with Global Entry benefits, and to date, the Global Entry kiosks have been used over 9.3 million times. On the busiest travel day of the week, travelers using these kiosks can account for up to 10 percent of all international air arrivals.

We have also worked closely with the airport authorities and the airlines to deploy automated passport control kiosks, also known as APC. These are like the exact change lanes at the tollbooth. APC enables travelers to complete the administrative portion of the arrivals process, thereby reducing the overall interaction time with the CBP officer and allows the CBP officer to really focus on the security aspects of that inspection process.

In the past year, 16 airports have launched APCs, and several more are planned to join by the end of this year. At all these airports that have launched these kiosks, we have seen average wait times decrease by 30 to 35 percent after the installation of the kiosks.

We have also automated Form I-94, the Arrival and Departure Record for foreign visitors arriving in air and sea ports of entry. We gather arrival and departure information automatically from electronic records, making the entry process easier and faster for travelers, in addition to reducing agency costs.

We are also looking at the paper Customs Declaration Form and ways to automate or eliminate that process. We re-envisioned several ways to clear CBP in the future through the use of the Internet, a mobile device, a kiosk, or seeing an officer, just like the options available when checking in for a flight.

Effective and efficient security should be a contributor to travel facilitation, not a barrier. Security measures vitally protect travel and tourism from the damaging effects of terrorists or other security incidents. Identifying and separating low-risk travelers from those who may require additional scrutiny is a key element in CBP's efforts to facilitate and secure international travel.

We are also dedicated to providing quality customer service to travelers. From training programs for officers to enhanced audio and video communication tools, providing travelers with clear in-

structions in many languages on CBP's entry process, CBP continues to enhance the ways we serve the public.

In conjunction with the travel industry, we developed a traveler satisfaction survey to benchmark passenger satisfaction in CBP professionalism. Last year's survey findings indicated 80 percent of the travelers agree the entry process made them feel welcome in the U.S., and over 90 percent of travelers agree that the CBP officials are professional, helpful, efficient, and easy to understand.

Chairman Schatz and Ranking Member Scott and members of the Subcommittee, thank you for the opportunity to testify today, and I am happy to answer your questions.

Senator SCHATZ. Thank you very much.

We will start with our Ranking Member Scott.

**STATEMENT OF HON. TIM SCOTT,
U.S. SENATOR FROM SOUTH CAROLINA**

Senator SCOTT. Thank you, Mr. Chairman.

And thank you, members of the panel, for taking your time and investing your time in helping us to have a clearer path forward on improving our tourism, improving our economy, and perhaps improving our reputation as well.

Ambassador Bond, a quick question for you. Our Fiscal Year 2014 appropriations included a requirement for the State Department to pilot a visa video conferencing technology. That secure technology would allow State to conduct visa interviews remotely and provide a convenient solution for foreign travelers with limited access to U.S. consulates.

Can you please give us an update on the status of this pilot program and how effective you think it has been so far?

Ambassador BOND. Thank you, Senator.

The Bureau of Consular Affairs is continuing to look into whether video could be incorporated into visa processing. We understand the allure and the attraction of the video interviewing idea. We have serious concerns about the security, efficiency, and integrity of video conferencing—video interviewing.

We believe that expanding the pool of low-risk travelers who do not require an interview at all will realize far greater efficiencies than would video interviewing. We are focusing our efforts on utilizing technology and advanced fraud detection techniques to help us expand the pool of applicants for whom interviews can be waived. That would allow us to focus resources on higher-risk visa applicants, people we know less about, while better facilitating travel for the others.

Expansion of Interview Waiver and the Visa Waiver Program are two efficient, effective methods for facilitating larger numbers of legitimate travelers. The video interview process can work when you are dealing with a known group, but when you are trying to interview, you know, several thousand people who are just coming in one after the other, sitting in front of the camera, we think there are really serious security and efficiency questions about that approach and that process.

Senator SCOTT. So you perhaps focus more on identifying those low-risk travelers, as opposed to moving forward today on the use of that technology?

Ambassador BOND. Yes, sir.

Senator SCOTT. OK. Thank you.

Assistant Secretary Stroud, we have heard a little about the Loaned Executive Program and how DHS is leveraging private sector expertise with six assignments under the program to support some of the Department's tourism initiatives. Can you give me a better idea of exactly what problems these roles will be focusing on and where within the Department they will be located, whether they will be in the field or at the headquarters?

Mr. STROUD. Sure. Thank you, Senator.

Let me first explain that the Loaned Executive Program is basically a program that allows DHS to take advantage of the private sector at essentially no cost.

Senator SCOTT. Yes.

Mr. STROUD. These folks continue to get paid by their—

Senator SCOTT. Employers.

Mr. STROUD.—private sector employers.

Senator SCOTT. Yes.

Mr. STROUD. We currently have on the travel and tourism side seven assignments posted. And they largely came about after a site visit to Miami International Airport, where we saw that very quickly with a couple of people from some of the larger theme-park areas in Florida, that their expertise on signage, their expertise in queuing people was invaluable.

And so, we worked with CBP and TSA to jointly develop these descriptions to basically create a task force team that could go around to our various gateway airports and look at each airport because, as Administrator Pistole of TSA has testified, "Once you have seen one airport, you have seen one airport." So this team has to literally go to these airports and look.

But to address your question with respect to where they will be located, they will actually dual report, essentially, to both TSA and CBP and also to the Deputy Secretary who, under the law, operates as a Chief Operating Officer for the Department.

Senator SCOTT. Yes.

Mr. STROUD. So that is where they will be located. They will be located ideally for about 6-month periods. And they will be used during that timeframe in a focused effort.

Senator SCOTT. Thank you.

Just a real quick question, since I am running out of time, for Mr. Wagner. On the CBP's preclearance operations with our strong allies like Canada, Ireland, and the Caribbean, this really has facilitated low-risk travel opportunities.

And the Canadian preclearance, especially the Toronto location, has done a lot of good for our economy in South Carolina. I would love to get your perspective on the effectiveness of these programs, from a facilitation perspective and from a security perspective.

Mr. WAGNER. Well, absolutely. It fills both those needs for us. We are looking to expand the program with a lot of different of the gateway airports overseas, but it does help with facilitation benefits and certainly the enforcement and the security benefits of being able to search someone or inspect someone and approve someone for travel to the United States while on the ground over-

seas before they board that aircraft. So really essential for both the facilitative and security mission that we do.

Senator SCOTT. Thank you.

Thank you, Mr. Chairman.

Senator SCHATZ. Thank you, Ranking Member Scott.

Before I get into my questions, I just wanted to thank Ambassador Bond in her testimony for flagging the issue and the opportunities related to expanding the Interview Waiver Program and commit to you that I know for myself and many members of the Committee, we are anxious to facilitate in any way possible your work on the administrative side. And if there are legislative changes that need to be made, we are pleased to work with you on that.

Mr. Wagner, as you probably know, CBP is working on resuming operations at the Kona airport. Resuming operations would provide another international gateway to Hawaii and help increase economic activity there.

I know there are facilities issues. There are capacity issues. But from our standpoint, we are not—we are not landing commercial flights at the Kona airport for lack of resources, both at the State and Federal level. Do I have your commitment to work with us to solve that problem?

Mr. WAGNER. We will absolutely work with you. It is the facility requirements that we need to operate and then having the commercial airlines to come in to bring the traffic to us. But we will absolutely work with you.

Senator SCHATZ. I can assure you that the commercial airlines will come if we can square away our end of the bargain.

Thank you very much.

Ambassador Bond, I understand the Interview Waiver Program has helped to reduce visa wait time and that the State Department would like to pursue possible legislative authority to expand that program. Could you put into perspective the benefits of this waiver authority?

Ambassador BOND. Yes, thank you, Senator.

The benefit of the waiver authority is that it allows us to carefully examine the people who are applying for visa applications and separate out the people about whom we already have quite a lot of information. An example would be someone from a visa waiver country who can already travel to the United States without getting a tourist visa and is now applying for a student visa.

If that person has been to the States, we have information about their travel pattern. We have all of the screening that is done for 100 percent of travelers. We have the information that is provided in the applicant's application. We really don't need necessarily to interview that person.

And because each application will be examined by a consular officer, if there is something in an individual application that raises a question, we can invite that person to come in for an interview. And there are other examples of people that we would be able to remove from the queue of people waiting for appointments and move them along and focus our attention then on the other folks about whom we know less.

Senator SCHATZ. Thank you very much.

Mr. Wagner, where are we with the development of metrics, and are we at a point anytime soon where we are going to have a maximum wait time target as an official policy of the CBP?

Mr. WAGNER. So we measure the wait times at all the major airports today. That information is posted on our website. We take two pieces of information that we have good data on, and that is the block time of the aircraft to the time we read the person's passport in that primary inspection area, and then we subtract out what the average walk time is to get from the plane to our area.

So that data is calculated and tabulated every day. It is posted on the website for everyone to see, and it is broken down into different increments of how long people actually wait. So how many people waited 15 minutes or less, 30 minutes or less, 60 minutes or less.

Like just yesterday, about nationally 75 percent of the people cleared CBP in 30 minutes or less. So we break it down into different useful boxes of information for the public. What we—

Senator SCHATZ. What is your—I mean, it seems to me that it is not just a question of aggregating the data, but you are trying to eliminate the outliers where you create such a bad experience where people won't come back.

In other words, if people are moving through at 2 minutes in non-hub airports, but there are consistent problems at hub airports, especially on the international side, then you are actually—you are removing people from the likely repeat traveler pool, even if your aggregate data looks good.

Mr. WAGNER. Correct. So it is an average of everyone. But even at the gateway airports, you know, we are seeing—you know, for instance, at Miami yesterday, our maximum wait time was 79 minutes. The average was 20 minutes throughout the day.

But it is really those peak arrival times that, you know, if 15 flights land within an hour and a couple thousand people all come at us at once, we are working with the airport authorities and the airlines to find better ways to segregate that traffic into the risk analysis.

We have already done all of our pre-arrival targeting and vetting of these passengers, and now we just have to match them up with that information. That is where the kiosks come in and automated passport control. That is where Global Entry comes in, and we can remove those people from the queue completely. Programs like 1-Stop for people with no checked bags.

So we are trying to work the different ways through that, but we are also working with the local authorities on measuring the different points in the process.

Senator SCHATZ. And where are we with setting a wait time goal?

Mr. WAGNER. So we have not looked at a national wait times goal. We are looking more at what are the right measurements to measure the increase in travel, the economic benefits that that brings?

So if travel increases and wait time stays the same, that supports the goal. So we are looking more at what are the right metrics, what are the right things to measure in that process, rather than setting just an across-the-board goal, which a lot of those

factors are outside of our control. The planes might land all at once, and all these people will come at us.

You know, we don't have control over that, and I don't want to go down the road of us regulating those arrival times or trying to stagger those arrivals, or telling planes where they have to park at the airport so people come at us in some type of structured environment. So it is a deeper discussion we need to have about what it actually means to implement a goal like that.

Senator SCHATZ. Thank you.

My final question, for Ambassador Bond: Where are we with negotiations between the United States and China on reciprocal visa validity?

Ambassador BOND. As you may know, Senator, currently the visa reciprocity for Chinese—for tourism, for business visas, students, and so forth is one year, and we are talking to the Chinese government about extending those visa validities for several categories in order to allow people to make long-term plans.

If you are somebody who has a visa that lets you travel for several years, you are going to think ahead and start planning trips this year and next year and the year after. So we are in consultation with the Chinese government, and they are also interested in finding a way to get to yes on that.

Senator SCHATZ. Thank you very much.

Senator Blunt?

Senator BLUNT. Thank you, Chairman.

Mr. Hyatt, in your testimony, you talked about the importance of reauthorizing what is now called Brand USA. I appreciate that. Senator Klobuchar and I have actually filed legislation to do exactly that. At the same time, we have included what I think are some important metric reporting and some accountability standards, and I want to ask you about those two things.

One is the metrics you gave us today were pretty impressive—the increase in numbers, the increase in money spent. And what I am wondering is, what can you do, as you establish these reporting standards, to measure the impact of the marketing efforts themselves?

Mr. HYATT. We think of Brand USA as a global destination marketing organization for the United States, and therefore, the classic metrics to measure a destination marketing organization seem appropriate. The effectiveness of the marketing programs themselves.

Second, the degree to which they shape intent to travel. Are people more likely to intend to travel to the U.S.?

Third, the results themselves. Does it create additional travelers?

And fourth, the return on investment.

And that set of classic destination marketing metrics are those with which we are working with Brand USA, and seem to us to make sense as metrics. And they have built a pretty comprehensive dashboard to measure each of those as they engage in their marketing.

Senator BLUNT. And the numbers you gave today, the difference in 2012 and 2013 travel, would you say that Brand USA was responsible for some portion of that increase?

Mr. HYATT. We don't have the data to determine what portion they are responsible for. There are at a micro level marketing pro-

gram after marketing program where the marketing partners talk about the results that Brand USA creates, and there is a lot of company by company, destination marketing organization by destination marketing organization responses suggesting tremendous return.

In addition, Brand USA had a study commissioned by Oxford Economics, which also articulated the results that Brand USA is creating. So the indications are that value has been created by Brand USA in its activities.

Senator BLUNT. In the first year or so of implementing this new program, a program largely funded by visa waiver fees paid by people visiting the country—the funding is not any taxpayer funding from the United States—the visa waiver fees still has to be matched—

Mr. HYATT. Right.

Senator BLUNT.—by funds from the private sector. I know in the first year, we were concerned about the real value of any in-kind match, and I wonder what the Department has done and can do to more fully determine that value of the in-kind match.

Mr. HYATT. Thank you, Senator, for the question.

We have spent a lot of time working with Brand USA and also third-party companies to help determine what is the most appropriate and effective way to determine the in-kind value. The challenge has been that many of the contributions that are coming from the private sector are to different countries and companies are contributing in different media—billboards, space on a website, etc.

We have built now a set of procedures, trying to incorporate best practices from around the Government to value the in-kind. Where it is a unique or more difficult to value in-kind contribution, we rely very heavily on third-party valuations, and so I think both Brand USA and we are now comfortable that the procedures in place are efficiently and effectively measuring the in-kind contributions.

Senator BLUNT. And are there other metrics that you all have put in place to monitor the way money is being spent by the Brand USA board and the people they hire to run the program?

Mr. HYATT. And again, as I said, the metrics that we are watching are the metrics of the effectiveness of the campaign, of intent to travel, of results program by program, and what the ROIs (return on investment) are for those. And again, there is a dashboard there that is built that we are working with them on.

Senator BLUNT. Thank you.

Chairman, if we have time for another round of questions, I may have some more. And if not, I will have more questions for the record.

Senator SCHATZ. Senator Nelson?

**STATEMENT OF HON. BILL NELSON,
U.S. SENATOR FROM FLORIDA**

Senator NELSON. Mr. Wagner, Senator Rubio and I are going to tag team on the issue of Miami and Orlando. And I understand you obviously have this on your radarscope because you have mentioned Miami several times.

And it was curious to me when you specifically mentioned in Miami a 5-hour period where some 12,000 people are arriving all at once. Aside from the issue of the number of Customs and Border Protection officers, do you consider on a temporary basis shifting CBP officers from other locations for that high concentration of need?

Mr. WAGNER. Yes, absolutely. And that is what our local managers will do from other work areas within their environment to make sure we have enough booths open every single day.

But we have been—Miami is of significant importance to us, especially with the World Cup travel and the increases American Airlines has projected out for the next couple of weeks. So we are looking at the wait times every day. I am getting a report every single day of how we are doing and how we are monitoring and adjusting to the traffic.

I was just down there on Monday, walking through the facility and the operations with American Airlines and some of the other local stakeholders. But it is very important to us, and we want to make sure we are providing that level of service.

Senator NELSON. So where would you get them? Would you get them from the seaport on a temporary basis? Would you get them from Fort Lauderdale? Where would you get them?

Mr. WAGNER. Well, we could use them from other areas within the airport, say, for cargo processing or other types of work environments that we can afford to take a few hours break from that activity to put into addressing the peak arrivals. Taking them from another airport is a little more challenging because of the travel times and the impact it brings on a place like Fort Lauderdale, which also have some wait time concerns of themselves.

Senator NELSON. So are you doing this now?

Mr. WAGNER. We are doing it within the—

Senator NELSON. Within the airport itself?

Mr. WAGNER.—within the airport itself.

Senator NELSON. Not from the Port of Miami seaport?

Mr. WAGNER. No, we have not really looked at that, but that is an option that is available to us as we look through the summer peak arrival times.

Senator NELSON. I will leave the other questions on Miami to Senator Rubio. But just to remind you that there was a period about 2 years ago in Orlando, where they had to keep the passengers on an international flight from deplaning for about an hour and a half because of the lack of officers.

You all responded, but then the sequester hit. And so, I want you to be mindful of that as you are looking at your allocation.

Mr. WAGNER. Absolutely.

Senator NELSON. Now, I am curious. I want to come at this from another standpoint, for all of you. We are facing a situation where we look like we are going to have a lot of area of Iraq and Syria that, at least for in the short run, is going to be controlled by an extremely radical terrorist group.

And presumably, there are Americans who have gone to Syria for training. A Floridian was the one that blew himself up recently. But also a lot of Europeans.

Okay, if they have got a European passport, what are the extra precautions that you take other than our overall terrorist search in a visa waiver country, which very well may be one of these home-grown terrorists, to catch them? Mr. Stroud?

Mr. STROUD. I would say that primarily through our using our National Targeting Center with CBP, we begin to look at the travel patterns of folks, and we get that information well before they actually get on the plane. In addition to that, if you have taken a visit to Miami International, you will see that Customs and Border Protection executes all of their regular protocol with respect to arriving passengers, regardless of if they are Visa Waiver, or even Global Entry people still receive a check.

And I will defer to my colleague on the rest.

Mr. WAGNER. So we are also working with our foreign counterparts in governments and allies to identify who these people are, who is associated with them and what else we can decipher from their intentions.

But as Mr. Stroud mentioned, it is using our advanced analysis through the airline reservation data, going through that data, drawing links to pieces of information we know would give us national security concerns and who can be associated to that, but also looking at travel patterns based on prior activities or intelligence reports on what we think would present some national security concerns.

And then it is a matter of reaching back out through the travel continuum and what is the right point in that process to intercept this person, talk to them, have them inspected, have them searched before they get onboard that plane. And it can be—we have officers stationed overseas at about 11 locations, major airports, CBP officers.

Not so much preclearance, but it is called the Immigration Advisory Program. They are in plain clothes. But they get a list everyday of travelers that give us concerns, and they meet them at their boarding gates and talk to them and make a recommendation to the airline, whether or not the airline should fly this person based on national security concerns, or bringing them over to the host authorities to have somebody fully searched and checked before we allow them onto that aircraft.

Preclearance gives us the other option because it is uniformed CBP officers in places like Abu Dhabi that give us a lot of concern with the types of connecting flights and travelers that go through there and the amount of national security activity that keeps us up at night. And having our officers on the ground there with full authorities to be able to search people and ensure they are safe before we put them onboard that aircraft.

Senator NELSON. Thank you.

Senator SCHATZ. Senator Heller?

**STATEMENT OF HON. DEAN HELLER,
U.S. SENATOR FROM NEVADA**

Senator HELLER. Mr. Chairman, thank you, and to the Ranking Member, thank you for holding this hearing.

And for our witnesses being here today, too, thanks for taking the time.

I think we have a hearing on this subject every month, and if I was chairman, it would be every week. So, anyway, I am not complaining is what I am trying to say, because you can tell we are well represented from tourist states here. From Hawaii to Florida, Nevada, South Carolina, and Missouri, tourism plays a huge part.

And you can imagine, in the State of Nevada, for 20 consecutive years, we have been the number one meeting and convention destination in North America. This year, Las Vegas projects over 40 million visitors—an all time high—and tourism supports one in two local jobs. So what we are doing here today and what we are talking about is important, and I want to thank again the chairman and the ranking member for holding this particular hearing.

Today, though, I am interested in learning what Washington, D.C., can do to continue the hard work on your behalf and on the States' behalf in the tourism industry. And that is why I am pleased you are here today.

I am particularly interested in the ways we can open more international markets, markets like Brazil, while continuing to work to reduce wait times at our Nation's busiest airports and for those seeking to visit this country. This was a part of my debate on immigration reform and continues to be today.

So, according to the Las Vegas Convention and Visitors Authority, international visitors stay longer and they spend more money during their stays. And with that in mind, I would like to ask a couple of questions.

And I will start with you, Mr. Stroud. Specifically on the May 2012 strategy to expand travel to the United States with the goal of attracting 100 million international visitors annually by 2021, how are we doing? Can you quantify that?

Mr. STROUD. Can I quantify it? I think we are making some big strides toward it. I think we are ahead of where we are supposed to be, and one of the things that I would obviously say, that the Secretary has already testified to, is the fact that expanding and facilitating the travel arrival experience will greatly increase that number.

So one of those things is the preclearance locations, but also expanding Global Entry. If you look at the Department of Commerce's numbers on arrivals from 2013, 3.73 million people from Japan came to the United States.

If you just took 1 percent of that and enrolled that in Global Entry and you use the number of about 300 passengers on a 777, which is the most common airframe flown, you would see it takes about 124 airplanes basically off the CBP lines and puts them into the Global Entry program, which we could even use overseas if we had a preclearance location. We have Global Entry located overseas.

So that is why I think we are working toward that together. The Secretary is driven toward that goal, and I think we are in the process of doing that. And I would defer to my colleague from CBP to answer some of that as well.

Senator HELLER. If you would, please?

Mr. WAGNER. So it is looking at the different passenger arrivals experience. So it is getting rid of paperwork. It is getting rid of forms for them to fill out. It is building automated self-service ki-

osks that not only gives them a better experience but helps us then be more efficient and more secure in what we do.

So seeing things like Global Entry for that frequent, low-risk traveler, keeping a program like that. We see—you know, we are getting 60,000 to 70,000 applications a month for that program, and it has been steady at that for the last year or a year and a half. Tremendous uptick in that program.

Usage can vary from 5 to 10 percent depending on day of the week, but it really tends to trend with the business travel. So later in the week, we see those percentages increase up to 10 percent of total arrivals.

Automated passport control for the infrequent traveler, for the family travelers, for the casual vacationers. You know, they can use some sort of automated process but still see the officer for a shortened process with that officer, and that helps makes us more efficient because it increases our capacity. And then what is the traveler experience after going through that? So—

Senator HELLER. Let me interrupt you. Do you have all the authority to do all that you are talking about? Or do you need more from us in order for you to streamline the process like you are talking about?

Mr. WAGNER. Authority wise, yes, we have the authorities to do that. We have very good relationships with the stakeholders that help design, build, and deploy these kinds of activities and really support us in that.

Senator HELLER. Let me ask a quick question because I am running out of time. What is it going to take to open up countries like Brazil? What are the challenges that we are facing?

Mr. STROUD. That technically would be the current visa waiver statute. Currently, right now, Brazil would not qualify under the current visa waiver statute.

Senator HELLER. OK. So we need to address that?

Mr. STROUD. Yes. And of course expanding Global Entry to other countries like Japan that don't currently have it. That would be helpful.

Senator HELLER. All right.

Ambassador BOND. Sir, if I may—

Senator HELLER. Yes, please.

Ambassador BOND.—just to add to that, the point that we did see a significant uptick in travel from Brazil when the visa validity went from 5 years to 10 years. When people were starting to get a visa that allowed them to travel in and out over a 10-year period, they started traveling more. And so, that kind of step can also assist in increasing the number of travelers.

Senator HELLER. Ambassador, thank you.

And Chairman, thank you.

Senator SCHATZ. Senator Rubio?

**STATEMENT OF HON. MARCO RUBIO,
U.S. SENATOR FROM FLORIDA**

Senator RUBIO. Thank you.

Mr. Wagner, I wanted to focus on Miami, as Senator Nelson previewed, because it is a real mess, and I fly through that airport all the time. I hear from them constantly.

It is the second-busiest port of entry for visitors to the United States. It is the only airport in the top five that is going to have double-digit growth this year. This year alone, it is going to get a million more visitors than it did a year ago, which I think should be good news for the goal that is outlined as the purpose of this hearing.

Here is the mess. From January to March of this year, the average wait time has been 59 minutes, but the problem with that is sometimes the wait time is as long as 190 minutes, which has been documented as the longest wait time in the U.S.

I know we are going to brag about the fact that the wait times are down about 20 percent, which is good, but the problem with that, and I think you touched upon it earlier when you talked about the numbers yesterday, is that the average is basically the average of the entire day that flights are coming in. International flights come in waves, right?

So you have a peak time of flights, and then you have a down time of flights. And sometimes the wait is zero because there are no international flights. And sometimes, the wait time has been documented to be as long as 3 hours. So there is a problem with the way that is documented.

The damage is incalculable. Number one, you have missed connections. And I know you have heard from the airlines people are missing their connections. And the other is the word of mouth. I have here a collection of things people have put up on Twitter: "Miami Airport line is a nightmare. First World city, Third World airport." This is Travel Advisor: "Miami Airport is a joke. I have stood in line for immigration for over an hour many, many times. We now allow 3 hours from expected landing to departure of connecting flights."

Here is another TripAdvisor comment: "Warning to all continuing passengers clearing Customs and Immigration through Miami. It is a nightmare. If you can avoid this, try to do so."

So this is really, really complicated and really problematic. And then I look at some of the models that are being used to make some decisions here. About 2,000 new officers have been approved. I know it is going to take about 18 months to 2 years to get most of them online, which is, in and of itself, a very long wait given the damage that is already happening. It is what it is. But the model doesn't make a lot of sense to me.

For example, Newark, which is not even on the chart of major delays, got 100 new agents, and Miami only got 60. So the second-busiest international airport in America got 3 percent of the new agents. Can you just explain to me, first of all, what was the model that led to that determination?

Mr. WAGNER. Correct. So the workload staffing model takes all of the activities a CBP officer does at a port of entry. It takes the average time to do each one of those activities and multiplies by how many times a day it is done. It comes up with the amount of hours needed to run a port of entry, divides by the available work hours of an officer, and comes up with this staffing number of what we think is the right number to run that port of entry.

It is not optimal staffing. It would be the minimum needed required to address that workload. There are factors then that you

can lay on top that as filters, such as all that work arrives at one point in time, and they overload the capacity of the entire system.

There are other factors that we would look at for remote ports or splitting terminals or splitting the work up. So there are several factors that can influence that.

So in the case of Miami, we provided—we allocated about between 80 to 100 officers the previous year to Miami airport in anticipation of the North Terminal opening. The other airports in the country didn't get that.

JFK is going to receive the largest number of officers out of the 2,000 because JetBlue is opening a terminal this fall, and we need to staff that up. So, you know, Miami got a large influx of CBP officers to accommodate that growth. We agree it is not enough. We received—we are grateful for the 2,000 that Congress gave us, but it was about 60 percent of what we needed and really about 2 years after—

Senator RUBIO. So what I go back and tell the Miami airport is the reason why you are only getting 60 is because you got 80 the year before?

Mr. WAGNER. Correct. So the workload staffing model tried to balance out the need, and we tried to spread that out evenly and make places on a similar status with the major gateway airports—LAX, JFK.

The officers would have to come from somewhere. So we take them from an LAX, a JFK, a Las Vegas, El Paso, Detroit, Michigan, and move them to Miami. We try to use the workload staffing model to balance that out to keep us on record to see how far from the gaps that each place—

Senator RUBIO. I don't want to run out of time. I am interested to see what their response will be to that. But the second question that I have, it has to do with the staffing models once they are in place, how you allocate resources based on peak times.

And you talked earlier about how there is close coordination with the airport and the airlines on when to surge up the number of agents versus when not to. Miami airport has told us, however, that you will not share the staffing model.

Is the staffing model something that you don't share with the airlines and the airport? According to them, they don't know what the staffing model is for how you surge personnel.

Mr. WAGNER. No, we will share that with them, and I think we meet twice a day with the airlines and the airport operators to plan out the day's events. So we look at the manifest that we receive in advance from the airlines. We do some calculations that it takes about 1 minute to process a U.S. citizen, about two and a half minutes for a non-U.S. citizen because of the fingerprint requirements.

We model out what the projected wait times are going to be and what the projected primary booth count should be, and then we lay our staffing over that to see how many booths can we afford to open and how much overtime we use to close those gaps and fill in the slots behind that.

Senator RUBIO. So you do share the staffing models with the airports?

Mr. WAGNER. We share that information with the airport.

Senator RUBIO. What about the model to determine when to surge personnel? Not the actual determination you come up with, but how you came up with it. Are they aware of what you used to determine how much personnel—

Mr. WAGNER. They should be, and if not, we will certainly share that information with them. How we come about the workload staffing model numbers, the activities that we—it is about a 170 different activities we counted to come up with the workload for the ports of entry, and we can share the average processing times of each one of those activities. There is nothing, say, secretive or controversial or classified behind that kind of information.

Senator RUBIO. Well, that is completely contrary to what the airport has told me. So we have got to figure this out.

Mr. WAGNER. Absolutely. I am happy to talk to them.

Senator RUBIO. I have one more question, but I will wait if there is going to be a second round, or we are going to have votes?

Senator SCHATZ. We have a vote at 11:45 a.m.

Senator Klobuchar?

Senator KLOBUCHAR. If he wants to ask one more question.

Senator SCHATZ. Go ahead, Senator Rubio.

Senator RUBIO. It has to do with the kiosks. You have this program now where airports can pay to install kiosks, and Miami has it. I think they put in 75 new kiosks. Here is the problem they are having that I hope we can address, and this should be easy to address.

The problem they have is that those kiosks, as they are currently configured, only work for U.S. citizens that are returning. As they are currently configured now in Miami, they don't work for the international passenger yet, which is where their wait times are coming from. What they need is a software upgrade on those kiosks so that they will work for international travelers.

Can you work with us or can you pledge to us to get that software in there so that these kiosks that they have paid for will actually work for the cause of their waits?

Mr. WAGNER. They work today for U.S. citizens, U.S. permanent residents, and visa waiver travelers.

Senator RUBIO. OK.

Mr. WAGNER. What we have to add is the B-1/B-2 visa holders and people from visa—

Senator RUBIO. That is a software upgrade, basically.

Mr. WAGNER. That is a software upgrade and the programming to be able to do that and then the testing with them. We have not started working on that yet, but that is on—we just deployed for the lawful permanent residents. We did the VWP travelers a few months ago.

Miami does about 35 percent of their total arrivals through those kiosks, but 100 percent agree we need to expand it to the B-1/B-2 visa holders.

Senator RUBIO. So what is the time-frame on that?

Mr. WAGNER. We have not sketched out what the requirements would be or what the timeline of that would be. But that is where we are going to focus on within the coming weeks, and we will have a better projection of what that timeline should be.

Senator RUBIO. Well, the sooner the better.

Mr. WAGNER. Absolutely.

Senator RUBIO. Because they have got a mess on their hands over there. I mean, I really worry about permanent damage being done to that port of entry.

There are some Orlando issues, but we are out of time.

Senator SCHATZ. Senator Klobuchar?

**STATEMENT OF HON. AMY KLOBUCHAR,
U.S. SENATOR FROM MINNESOTA**

Senator KLOBUCHAR. Well, thank you. Thank you very much for having this hearing.

I think it has been really, actually, very useful. We have so many exciting things going on with tourism and challenges as well, and it is good to be here with my friend Senator Blunt—we are heading up the Brand USA reauthorization—and also two Senators from Florida and Hawaii.

And I would like them to know this, that Minnesota actually has more coastline, this is a true story, than the states of Florida, California, and Hawaii combined because of our lakes. I know you might not have thought that before.

Senator NELSON. But not as many beaches.

Senator KLOBUCHAR. OK, not as many beaches.

[Laughter.]

Senator KLOBUCHAR. So there are a lot of trees, a lot of trees hugging those lakes. But we are proud of our tourism and the Mall of America and really happy with the increases that we have seen because of the good work many of you are doing. We thank you for that.

I thought Senator Blunt did a good job of focusing some of the changes that we have made and positive things, not only the positive past with Brand USA, but the bill that we have and the accountability measures.

And I thought I would ask you about Global Entry first of all, Mr. Wagner. In addition to increased officer staffing, the continued expansion of Global Entry is another tool to maximize Custom and Border Protection's limited resources in a tight budget environment.

While the program has continued to grow, as we all know, with the additional enrollment of U.S. citizens, expanding the reciprocal agreements with foreign governments would significantly increase CBP staffing efficiency. We know we have these agreements with Mexico, Canada, the Netherlands, and Korea. Could you talk about the possibilities of expanding to other countries?

And while you are looking at your papers there—and also just how this is interacting with NEXUS with Canada?

Mr. WAGNER. Yes. So I will address the NEXUS piece first. So NEXUS and Global Entry are integrated.

Senator KLOBUCHAR. Right.

Mr. WAGNER. So if you are a U.S. citizen with a NEXUS card, you qualify for Global Entry.

Senator KLOBUCHAR. Mm-hmm.

Mr. WAGNER. If you are a U.S. citizen with a Global Entry card, you can use the NEXUS lane or the NEXUS kiosk to come home,

but you can't use it to actually get into Canada unless you enroll in the NEXUS program.

So for U.S. citizens, they are all intertwined and integrated. The cards are all integrated. Just the title at the top of the card is different, but it is the same RFID technology.

Senator KLOBUCHAR. And are there issues on the Canadian side or things we have to fix, you think or—

Mr. WAGNER. No. It is just really the capacity and reach of where we have the program. Global Entry, we are at 52 locations now.

Senator KLOBUCHAR. Mm-hmm.

Mr. WAGNER. We are still seeing 60,000 to 70,000 applications a month coming in.

Senator KLOBUCHAR. Wow.

Mr. WAGNER. NEXUS has about 25,000 applications a month coming in, and that has been fairly consistent for the last couple of years. But collectively, with the SENTRI program on the Mexican border, we are doing over 100,000 applications a month for all of these programs.

Senator KLOBUCHAR. And then the other countries I mentioned?

Mr. WAGNER. So the other countries, we currently have agreements with—you mentioned a couple of them—South Korea, Mexico, Canada, the Netherlands. We have pilots limited by numbers with the U.K., Qatar, and Germany.

We are working with those countries and Panama to increase the number of background checks that those governments can do. They are limited by how much work capacity those governments can take on to do the background checks. We would like to open it up to the U.K. without restriction, but it is really up to working with the U.K. government to take that on.

I think we are fairly close with Japan. I just had a call yesterday with France. I think we are making some progress—

Senator KLOBUCHAR. OK.

Mr. WAGNER.—with them. But all of our major travel sources, these countries, we would like to sign up and join this program with—

Senator KLOBUCHAR. Good. And meanwhile—

Mr. WAGNER.—and then—

Senator KLOBUCHAR.—I think you know how if we get these tourists in, they spend an average of \$4,500 when they come into our country. So that is a good thing.

Mr. WAGNER. Absolutely.

Senator KLOBUCHAR. Could I just move on to something else with Canada? Senator Blunt and I were just in Canada and heard a lot about their issues, and I know one of the things that is important is the border crossings.

And the CBP has reached some private-public partnerships for the appropriations legislation for 2013 and 2014. And from what I understand, it allows private money to be leveraged with public money to improve border crossings, which also helps with freight and other things. And what I also understand is right now those projects have been piloted on the Mexican border.

And I was up in International Falls, one of the busiest ports of entry in Minnesota, and we would like to commit—some commit—

ment to add northern border sites for these partnerships as soon as possible. Do you know what is in the works?

Mr. WAGNER. So we have the reimbursable services availability to us, and then we also now have the donation of real property and services—

Senator KLOBUCHAR. Right. Mm-hmm.

Mr. WAGNER.—to us. So we have a handful of locations that are currently using the reimbursement—

Senator KLOBUCHAR. Yes.

Mr. WAGNER.—for services, and we have solicited for a next round of applications, which we have received, and we are going through selecting the final—

Senator KLOBUCHAR. Yes, but I—

Mr. WAGNER.—finalists—

Senator KLOBUCHAR. OK.

Mr. WAGNER.—for that.

Senator KLOBUCHAR. Are there northern border locations in the group, or even can you say?

Mr. WAGNER. I can say, but I don't remember offhand, so—

Senator KLOBUCHAR. OK.

Mr. WAGNER.—I will have to get back to you on that. We received a handful from the land borders. I will just have to look to see who was on that list.

We should be making those announcements, though, by the end of the month as to who was selected. There is no restriction on the land border locations. They are on some of the international airports. We are still working with GSA on the procedures for the donation of real property, though, however.

Senator KLOBUCHAR. OK.

Mr. WAGNER. A little trickier for us. So we are still working on that aspect.

Senator KLOBUCHAR. OK. We really need to get the northern projects—I just think there was more focus on the Mexican border with those projects, and we need to extend this up to the northern border.

Mr. WAGNER. OK.

Senator KLOBUCHAR. So, all right. And I just thank you again, Mr. Hyatt, for visiting Minnesota—I am going to turn this over to my colleagues now—and the work that all of you are doing to promote tourism.

Thank you.

Senator SCHATZ. Thank you, Senator Klobuchar, and thank you for leading on these issues over the years with Senator Blunt.

We will wrap up with Senator Blunt with some final questions, followed by Senator Nelson, and then we have a vote in a few minutes.

Senator BLUNT. Well, thank you, Chairman.

Mr. Wagner, on the NEXUS/Global Entry question, I am assuming from what you are saying that the problem is Canada won't accept the Global Entry card?

Mr. WAGNER. It is not that they won't accept it. We have to tee up the approval for Canada to approve your entry into Canada. So it is not that they won't accept it, it is just they need to do their immigration and low-risk analysis of that person.

See, with NEXUS, it is a joint application. So both governments get it for approval at the same time, and both governments interview the person. So it works in both directions. Global Entry, it is just for entry into the United States.

So, as a U.S. citizen, you can use either program. You can always come home through one of the programs, but for entry into another country, you still need that government's approval through their process to enter that. So the programs are linked, but there is an extra step if you want to use Global Entry to enter Canada.

Senator BLUNT. And have we ever asked them if they would accept the Global Entry card in lieu of the NEXUS card? Or is this just something that they can't do from their point of view?

My impression is the Canadians always at least purport to be much more open to our folks coming across than they think we are to coming the other way. So here is a place where we can say, "Why don't you accept this card as an expedited entry card?"

Mr. WAGNER. We have discussed it, and it gets more into the authorities from the immigration admissibility end of who they can let into their country and who makes that determination, much like it is for ours—

Senator BLUNT. What is the cost for the application for NEXUS?

Mr. WAGNER. NEXUS is \$50 for 5 years. Global Entry is \$100 for 5 years.

Senator BLUNT. So people have already paid \$100 to get the Global Entry, and these are all people who are residing in the United States. It would seem to me we would do them a favor if we could convince the Canadians that, in the application process, you wouldn't have to go through it a second time for the people that want a NEXUS card if you could just issue them a NEXUS card?

And maybe you do that. Do you do that? If somebody with a Global Entry card says we are going to go to Canada, you say, well, it is another \$50 to get a NEXUS card. Is that the current process?

Mr. WAGNER. Correct. And then we have we have to tee them up for an appointment with the Canadian government so they can get interviewed by their border authorities much like we would do. And in that interview, they determine the identity—admissibility into Canada with their immigration regulations and laws. And then they will issue—

Senator BLUNT. All right.

Mr. WAGNER.—that approval.

Senator BLUNT. This is something for us to talk to them about then. Maybe we can begin to talk—

Mr. WAGNER. Sure.

Senator BLUNT.—with the Canadian government on this topic.

Just for the panel, generally. And maybe Mr. Hyatt, initially. When we first authorized Brand USA, there were a lot of critics that would say, "Well, if we charge this visa waiver fee, that will discourage people from coming to the United States, and we will have fewer travelers. They will choose to go somewhere else instead."

Is there any evidence that any of the four of you have that the visa waiver fee has discouraged people from coming to the United States, and they have gone to other countries instead?

Mr. HYATT. We do not have any evidence of that.

Senator BLUNT. Ambassador, do you have anything at the State Department—

Ambassador BOND. I agree with that, sir. No sign of that at all.

Senator BLUNT. Mr. Stroud?

Mr. STROUD. No, sir.

Mr. WAGNER. No, sir. We have seen record increases in international air travel.

Senator BLUNT. Good.

And the last thing I wanted to mention, Ambassador, on the visa reciprocity with China. Generally, our visa reciprocity is based on the fact that the other country is equally eager for our travelers to go there. So it is a mutual kind of determination.

I have been persuaded for some time that with the Chinese, who may, based on a comment you made, be changing their view of this. They have not appeared to care very much about how difficult it was for our travelers to go there. We benefit from their travelers coming here. I don't know that reciprocity is something that is a goal that we have to be rigidly pursuing if we think it is to our advantage to have more Chinese travelers here.

But the interesting comment you made to me is that we were both trying to get to—what I think what you said was they were trying to get to yes. Would you talk about that just a little bit more?

Are they beginning to change their view of “We want Americans to come here more and stay longer, and in return for that, we are prepared to have greater reciprocal relationship” or not? And that will be my last question, Mr. Chairman.

Ambassador BOND. Senator, the short answer is, yes, we very definitely have the understanding that China is also interested in looking at whether we can extend visa validities.

Demand for travel to China has gone up, and they are, as we are—they are thinking about how to stay ahead of that demand and make sure that they are able to adjudicate those visa applications. So we do believe that there is interest on both sides in finding a way to agree on extended visa validities.

Senator BLUNT. If we can't, what you have done on renewing travel visas in a much better way than we had before has clearly made a difference.

Mr. Chairman, thank you for your time and thank you for holding this hearing today.

Senator SCHATZ. Thank you.

Senator Nelson?

Senator NELSON. They have called the vote, so I have a couple of questions.

Mr. Hyatt, you testified about 40—no, let's see, it's up to \$57 billion in trade surplus as a result of the travel and tourism industry in 2013. At the same time, we are running a trade deficit of about \$471 billion. Now, if we can get to the President's target of 100 million visitors, what do we estimate the diminution of that trade deficit to be?

Mr. HYATT. Senator, that is a great question. We have not calculated that, but that is something we could calculate.

We estimated that the 100 million visitors would generate \$250 billion in service exports. I don't know that we have modeled the other side of it, which is where we expect outbound U.S. travel to be, but that is something we can get back to you.

Senator NELSON. Does that equate to the \$57 billion in trade surplus for the industry?

Mr. HYATT. The \$57 billion trade surplus is in calendar year 2013—

Senator NELSON. Right.

Mr. HYATT.—so it is exports minus American expenditures abroad. But your second question—

Senator NELSON. I see.

Mr. HYATT.—around what 2021 looks like, we have not calculated. We have just calculated the exports.

Senator NELSON. And your target is 2021?

Mr. HYATT. 2021 for 100 million visitors who we would estimate would spend \$250 billion.

Senator NELSON. OK.

Madam Ambassador, let us go to Brazil. You testified as to a huge number of Brazilians that come to the U.S. I think you said something like 100,000?

Ambassador BOND. Sir, I am not sure that I had that number in my testimony, but it is certainly more than that. There are—

Senator NELSON. You named about four countries that had—

Ambassador BOND.—that account for, I think, close to 50 percent of all the visas that we issue.

Senator NELSON. OK.

Mr. STROUD. According to the Commerce stat, for 2013 from Brazil, we had 2.06 million visitors.

Senator NELSON. OK. Now I can tell you a lot of them are coming to Florida.

Ambassador BOND. Absolutely, they are.

Senator NELSON. And they are specifically going to Miami and/or Orlando. So we do not have a visa waiver with Brazil. So if you are a Brazilian family and you want to go to Disney World, you have to go a consulate to have an eyeball-to-eyeball interview in order to get a visa. Is that right?

Ambassador BOND. Yes, sir, although children under the age of 16 do not have to appear and travelers over the age of 66. So the parents might come but would not necessarily need to bring their children.

Senator NELSON. OK. And last I checked, this is a year or so ago, we had two consulates. One in Rio and another one in Brasilia. Is that right?

Ambassador BOND. No, sir. We also have consulates in Recife and in Sao Paulo. We are working to open consulates in Belo Horizonte and in Porto Alegre.

And we also have what we call offsite facilitation centers so that the people who are planning to apply for a visa can go and get their fingerprints taken and the picture taken and submit their application online. So that when they actually come to the consulate, they move through extremely quickly. I mentioned in my testimony, on average they are in the consulate for less than half an hour.

Senator NELSON. Right.

Ambassador BOND. It is a very rapid process. Once they have the visa, they never have to come back because that visa, when it expires, can be renewed by mail, and we just send them the passport back with a new visa in it.

Senator NELSON. And what is the application fee for a visa?

Ambassador BOND. One hundred sixty dollars.

Senator NELSON. Is that per person?

Ambassador BOND. Yes, it is per person, and that is worldwide.

Senator NELSON. Is there a discount for children?

Ambassador BOND. No, sir, there is not.

Senator NELSON. So for a family of four—two adults and two children—you are looking at some real money just to apply for a visa.

Ambassador BOND. There is that cost. The fee that we charge, and it is a worldwide fee, but it is based on a very rigorous cost of service model that shows how much it costs us to actually provide that service. And so, we are recouping the cost of running the visa program that we have globally, and that is what determines the fee.

Senator NELSON. And—

Ambassador BOND. And just to add that the Brazilians do—the visa is valid for 10 years. So they are paying the equivalent of \$16 a year to apply for the visa.

Senator NELSON. So if a family is raising children and they anticipate they want to take them to Disney World, they ought to go ahead because the visa is going to be good for 10 years.

Ambassador BOND. That is exactly right. And what we clearly see across the world is that when travelers have a visa that has a longer validity, they just start thinking of themselves as a person who might travel again and again and again.

They say, “Well, we got that 20th anniversary coming up. We have got that 16th birthday,” or 15th birthday for them. And so, they plan on travel to the United States. We see that very clearly.

Senator NELSON. What percentage of your applicants do you reject giving a visa to in Brazil?

Ambassador BOND. Sir, I don’t have the number exactly. I would like to ask that I take that question and get back to you, but I am pretty sure for applicants for business and tourist travel, it is less than 10 percent. But let me—

Senator NELSON. What about worldwide? What is your percentage?

Ambassador BOND. Again, I am going to have to take the question. I am sorry. I don’t know offhand.

Senator NELSON. OK.

Ambassador BOND. But it varies so dramatically from country to country.

Senator NELSON. And Mr. Stroud, of those that are rejected, are the intelligence services—basically, the people that are rejecting—what percent are you thinking there is something squirrely about this person, as opposed to somebody that you think is just going to be a flight risk that is going to get into the country and stay?

Mr. STROUD. I would have to take that for the record to give you—

Senator NELSON. OK.

Mr. STROUD.—an accurate break-out on that, sir.

Senator NELSON. If you would.

Mr. STROUD. Absolutely.

Senator SCHATZ. Thank you, Senator Nelson.

We want to thank the panel. This has been an impressive group of witnesses. You are all working hard on this issue. You are working smart, and I think you have seen from the participation in this subcommittee that tourism knows no ideology. It is a nonpartisan issue.

And we look forward to working with all of your agencies and giving you the statutory authority necessary, the political support necessary, and the funding necessary to meet our 100 million international visitors goal.

Thank you very much.

[Whereupon, at 11:56 a.m., the hearing was adjourned.]

A P P E N D I X

AMERICAN HOTEL & LODGING ASSOCIATION
Washington, DC, June 26, 2014

Hon. BRIAN SCHATZ,
Chairman,
Commerce Subcommittee on Tourism,
Competitiveness, and Innovation,
Washington, DC.

Hon. TIM SCOTT,
Ranking Member,
Commerce Subcommittee on Tourism,
Competitiveness, and Innovation,
Washington, DC.

Dear Chairman Schatz and Ranking Member Scott,

On behalf of the 1.8 million-employee U.S. lodging industry, we thank you for your leadership in holding this hearing on the important issue of expanded travel and tourism, and urge you to work toward the reauthorization of Brand USA as expeditiously as possible.

Established by the Travel Promotion Act of 2010, Brand USA is the public-private partnership created to help attract millions of new international visitors by promoting this country as a premier travel destination. The program is paid for entirely by international travelers and voluntary industry donations; no taxpayer funds are involved. The positive impact of Brand USA is clear. A recently released economic report show that Brand USA's efforts in 2013 resulted in:

- 1.1 million additional visitors to the U.S. who spent
- \$3.4 billion on travel and purchases, resulting in
- \$7.4 billion in total sales, which supported over
- 53,000 new U.S. jobs, and generated
- \$1 billion in total sales tax revenue.

Today, more than ever, we must actively promote our country abroad to maintain the pace of visitors. International travel adds billions of dollars to our economy and helps to create jobs. In 2012, international visitors contributed \$180.7 billion in travel spending, supporting 14.6 million jobs in all 50 states.

Nearly every other country in the world has an official program to welcome international tourists to their nation, and the lack of a similar promotional program in the U.S. prevents us from maximizing the number of visitors to our country. Through industry efforts like Brand USA, travel is now increasingly recognized as a leading growth industry and a source of valuable jobs that cannot be outsourced. We look forward to working with you to reauthorize Brand USA.

Sincerely,

The American Hotel & Lodging
Association
Alabama Restaurant & Hospitality
Alliance
Alaska Hotel & Lodging Association
Arizona Lodging & Tourism Association
Arkansas Hospitality Association
California Hotel & Lodging Association
Colorado Hotel & Lodging Association
Connecticut Lodging Association
Florida Restaurant & Lodging
Association
Georgia Hotel & Lodging Association
Hawai'i Lodging & Tourism Association
Illinois Hotel & Lodging Association
Indiana Restaurant & Lodging
Association

Louisiana Hotel & Lodging Association
Maine Innkeepers Association
Massachusetts Lodging Association
Michigan Lodging and Tourism
Association
Minnesota Lodging Association
Montana Lodging & Hospitality
Association
Nebraska Hotel & Motel Association
Nevada Hotel & Lodging Association
New Hampshire Lodging & Restaurant
Association
New York Hospitality & Tourism
Association
North Carolina Restaurant & Lodging
Association
Ohio Hotel & Lodging Association

Oklahoma Hotel & Lodging Association	Utah Hotel & Lodging Association
Oregon Restaurant & Lodging Association	Vermont Chamber of Commerce
Pennsylvania Restaurant & Lodging Association	Virginia Hospitality & Travel Association
Rhode Island Hospitality Association	Washington Lodging Association
South Carolina Restaurant & Lodging Association	West Virginia Hospitality & Travel Association
Tennessee Hospitality Association	Wisconsin Hotel & Lodging Association
Texas Hotel & Lodging Association	Wyoming Lodging & Restaurant Association

PREPARED STATEMENT OF COLLEEN M. KELLEY, NATIONAL PRESIDENT,
NATIONAL TREASURY EMPLOYEES UNION

Chairman Schatz, Ranking Member Scott, distinguished members of the Subcommittee; thank you for the opportunity to provide this testimony. As President of the National Treasury Employees Union (NTEU), I have the honor of leading a union that represents over 24,000 Customs and Border Protection (CBP) Officers and trade enforcement specialists stationed at 329 land, sea and air ports of entry across the United States (U.S.).

For years, NTEU has maintained that delays at the ports of entry result in real losses to the U.S. economy. According to the U.S. Department of the Treasury, more than 50 million Americans work for companies that engage in international trade and travel. And, according to a recent University of Southern California study, *The Impact on the Economy of Changes in Wait Times at the Ports of Entry*, for every 1,000 CBP Officers added, the U.S. can increase its gross domestic product by \$2 billion, which equates to 33 new private sector jobs per CBP Officer added.

Travel and tourism also drive economic growth. According to the U.S. Travel Association, nearly 32 million overseas travelers visited the U.S. in 2013. For every 34 of these visitors, an additional American job is created. A recent U.S. Travel Association survey; however, revealed that delays in passenger processing, caused by staffing shortages at the ports, has discouraged international travelers from visiting the U.S. According to the survey, eliminating long lines and wait times at ports of entry would make the U.S. a more attractive destination, and, among survey respondents who had never come to the U.S., 40 percent said they would consider a visit if they knew they could count on timely entry processing.

NTEU applauds Congress for recognizing that there is no greater roadblock to legitimate trade and travel efficiency than the lack of sufficient personnel at the ports. Earlier in the year, Congress passed the 2014 Consolidated Appropriations Act that provided funding to hire an additional 2,000 CBP Officers—for a total of 23,775 CBP Officers to be on board by the end of 2015. In its Fiscal Year (FY) 2015 budget submission, the Administration asked Congress to approve an increase in both customs and immigration user fees to fund an additional 2,000 CBP Officers to address the rise in the number of international travelers. NTEU strongly supports the increase of the immigration and customs user fees by \$2 each to fund the hiring of an additional 2,000 CBP Officers. CBP collects user fees to recover certain costs incurred for processing, including air and sea passengers, and various private and commercial land, sea, air, and rail carriers and shipments.

Increasing the immigration inspection user fee by \$2 would allow CBP to better align air passenger inspection fee revenue with the costs of providing immigration inspection services. According to the Government Accountability Office (GAO-12-464T, page 11), fee collections available to Immigration and Customs Enforcement and CBP to pay for costs incurred in providing immigration inspection services totaled about \$600 million in FY 2010, however, “air passenger immigration fees collections did not fully cover CBP’s costs in FY 2009 and FY 2010.”

Despite an enacted increase in appropriated funding in FY 2014 and 2015 for an additional 2,000 CBP Officers, CBP will continue to face staffing shortages in FY 2015 and beyond. The Senate Appropriations Subcommittee on Homeland Security this week included language in its FY 2015 mark a \$2 increase in the immigration user fee to fund the hiring of an additional 1,000 CBP Officers at the air and sea ports. If this Committee and Congress are serious about job creation and meeting its goal to attract 100 million travelers annually, then you should support the Subcommittee bill language that increases the immigration user fee and enactment of legislation that increases Customs user fee by \$2 and adjust both fees annually to inflation.

Foreign Language Awards Program (FLAP)

Since 1997, CBP has implemented the Foreign Language Awards Program (FLAP), a program established by Congress in 1993 that incentivizes employees at the Nation's ports of entry who speak and use foreign language skills on the job to receive a cash incentive for enhancing their language skills, if they use the language for at least 10 percent of their duties, as well as pass language competency tests.

In its FY 2015 budget submission, however, CBP has proposed cutting FLAP funding from the enacted FY 2013 level of \$19 million to \$3 million. This Committee should be very concerned about the impact on the traveling public and CBP's security mission if an 84 percent cut in this valuable program is implemented. In the FY 2013 Senate Homeland Security Appropriations bill, Congress encouraged CBP to work with airport authorities to develop a "welcome ambassador" program and cited language in CBP's FY 2012 *Improving Entry Process for Visitors Report* stating, "[CBPOs are] the first face of the U.S. Government that travelers see at ports of entry. As a visible symbol of our Nation, CBP Officers have an important responsibility."

Incentivizing CBP Officers to attain and maintain competency in a foreign language through FLAP, not only improves the efficiency of operations, it makes the U.S. a more welcoming place when foreign travelers can communicate with CBP Officers in their native language, and helps expedite traveler processing leading to reduced wait times. *In a recent U.S. Travel Association Traveler Survey, adding entry processing personnel fluent in foreign languages ranked second in priority—only surpassed by reducing long lines and wait times.*

By authorizing FLAP, Congress understood that CBP Officers stationed at air, sea and land ports of entry are in daily, direct contact with international travelers. The facilitation of trade and travel, along with port security, is a dual mission of these employees. Not only do language barriers delay processing of trade and travel at the ports, but communication breakdowns can be dangerous for CBP Officers. Confusion can arise when a non-English speaking person does not understand the CBP Officer's commands. These situations can escalate quite rapidly if that individual keeps moving forward or does not take their hands out of their pockets when requested.

Recognizing the importance of this program, Congress specified a dedicated funding source to pay for FLAP—customs user fees. Congress authorized user fees for certain customs services in the Consolidated Omnibus Budget Reconciliation Act. The Act stipulates the disposition of these user fees for the payment of overtime, premium pay, agency retirement contributions to the Civil Service Retirement and Disability Fund, preclearance services and FLAP (see 19 U.S.C., section 58c (f)(3) (A)(i)).

FLAP has incentivized the use of more than two dozen languages, and has been instrumental in identifying and utilizing CBP Officers who are proficient in a foreign language. The majority of CBP Officers who receive a FLAP award do so on the basis of their proficiency in Spanish, but other key languages that CBP Officers are called upon to use include French, Chinese, Korean and Japanese. Qualified employees are also eligible for awards for the use of the following languages of special interest that have been identified as critical foreign languages in support of CBP's anti-terrorism mission:

- Arabic
- South Asian—Urdu (UAE, Oman), Farsi (Iran, Bahrain), Punjabi (Pakistan), Dari-Pushtu (Afghanistan), Turkish (Turkey, Cyprus)
- Eurasian—Uzbek, Tajik, Turkoman, Uighur
- African Horn—Somalo, Amharic, Tigrinya
- Bahasa (Indonesia), Tagalog (Philippines)
- Kurdish (Karmanji)
- Russian
- Chechen

In order for employees to receive an incentive, they must demonstrate proficiency in a foreign language via a test, and use the foreign language during at least 10 percent of their normal work schedule. The employee incentive is based on their competency level as determined by the exam. CBP Officers' foreign language skills are tested once per year—with two additional exams per year for languages of special interest.

Only employees testing at Level 4 and 5 of language proficiency are eligible for the full 5 percent incentive payment. Those testing at Level 3 receive a 3 percent incentive award and those at Level 2 receive a 1 percent incentive payment. All Border Patrol Agents and some CBP Officers are trained at their respective training

centers in Level 1 basic Spanish. However, Level 1 is deemed so basic that it is not eligible for a FLAP incentive. Higher language proficiency and usage are necessary to be eligible for the FLAP incentive.

Since FLAP was implemented, thousands of frontline CBP Officers at the ports of entry have chosen to maintain and improve their existing level of foreign language proficiency, and the program is further responsible for other frontline employees to acquire new foreign language capability at a much higher level than the basic Level 1 proficiency. At CBP, this program has been an unqualified success, not just for the agency and its employees, but for travelers who are aided by having someone at a port of entry who speaks their language.

Recommendations

To help the government in its continued efforts to attract 100 million visitors annually to the U.S., grow the economy, and create new private sector jobs, NTEU urges the Committee to support:

- Funding, including user fee increases, for additional CBP personnel to ensure security and to mitigate prolonged wait times for both trade and travel at our Nation's ports of entry; and
- Requiring CBP to continue providing the \$19 million customs user fee funding for all FLAP-eligible CBP employees.

Thank you for the opportunity to submit this testimony.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. BILL NELSON TO
KENNETH E. HYATT

Question. If we achieve the President's goal of attracting 100 million international visitors annually by the end of 2021, what do you expect the impact will be on our national trade deficit?

Answer. We believe that welcoming 100 million visitors to the United States would help reduce our national trade deficit. Based on recently revised statistics from the Bureau of Economic Analysis, travel and tourism has accounted for nearly \$214.8 billion in U.S. exports in 2013, an increase of 47 percent from the \$146.0 billion exported in 2009. We currently estimate that an increase to 100 million visitors would generate more than \$300 billion in service exports annually.¹ As we do not project outbound travel, we cannot however, estimate the precise impact on the trade balance.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
KENNETH E. HYATT

Question 1. According to your written testimony, the Departments of Commerce and Homeland Security have started to develop a national goal for reducing wait times at U.S. ports of entry and improving service levels for international arrivals. What specific steps will the Department take moving forward to support this effort?

Answer. The Department of Commerce (Commerce), in concert with Department of Homeland Security, the National Security Council and National Economic Council, is engaged in a robust outreach program to engage stakeholders at the national and local levels to gain input and insight on the development of the national goal and airport specific plans called for in the Presidential Memorandum of May 22, 2014. In addition, Commerce is providing data from the Survey of International Air Travelers on perceptions of the entry process. To assist in future planning, Customs Border Protection (CBP) and Commerce are working to integrate future projections of international arrivals into CBP projections on staffing needs. The Secretary of Commerce has requested that the Travel and Tourism Advisory Board provide specific advice on the formulation of the national goal.

Question 2. The U.S. travel and tourism industry consists of small and medium-size businesses, from retail shops, to tour operators, to independent hoteliers. These types of firms have limited resources and stand to benefit from Federal support to access new markets and expand their businesses. How does the Commerce Depart-

¹ On June 4, 2014, the U.S. Bureau of Economic Analysis broadened the definition of travel to include health-related and education-related travel and the expenditures on goods and services by border, seasonal, and other short-term workers, all of which were previously included in other private services. As a result, estimates for travel and tourism-related exports are greater (by 19 percent) than previously reported.

ment work with small and medium-size travel and tourism businesses to help them expand in international markets?

Answer. The International Trade Administration (ITA) has offices in over 100 cities around the United States. The primary goal of these offices, called U.S. Export Assistance Centers (USEAC), is to work with American businesses of all sizes to help them prepare for exporting, or to expand to new markets if they are already exporting. At the same time, our National Travel & Tourism Office (NTTO) produces and posts online over 30 annual reports, provides monthly international arrivals forecasts and additional information. Small-and medium-sized (SME) travel and tourism (and other) businesses can work directly with ITA's USEAC officers to identify international markets that make sense for their products. In addition, ITA has staff in over 75 markets worldwide. ITA's staff can help get SMEs ready for exporting through some of our services; such as: one-on-one counseling, market research, and matchmaking—introducing potential buyers for their products and services. In addition, the Department works with Brand USA to ensure there are programs in place to promote these offerings at an affordable cost, as part of their mission to promote rural communities and lesser known destinations.

Question 2a. Could you explain how the Commerce Department ensures that these efforts support our 100 million visitor goal?

Answer. Small-and medium-sized enterprises provide unique experiences to international visitors traveling to the United States. These diverse offerings, located in communities across the Nation drive visitation throughout the United States often times to less well-known destinations and rural communities. SMEs are critical to showing the diversity of the U.S.'s destinations and attractions. The United States has wide-spread attractions and demonstrating to visitors that one visit is not enough is crucial to attracting repeat visitation and meeting our goal of attracting and welcoming 100 million visitors by 2021.

Question 3. As we work to attract more international visitors, we should ensure that tribes, tribal organizations, and native communities across the United States are supported so that we can meet the significant visitor interest in the diverse and rich cultures of Native Americans. Enhancing tourism in native communities holds great potential to increase economic activity overall and disperse benefits more equally between urban and rural areas of our Nation. American Indians, Alaska Natives and Native Hawaiians contribute significantly to what makes our country unique and should be showcased appropriately. Growing this segment of the industry should be a foundational piece of our tourism strategy. What has the Commerce Department done to ensure that Native American tourism is an integral component in the Federal Government's travel and tourism promotion efforts?

Answer. ITA has supported Native American tourism by facilitating tribal presence in travel and tourism trade shows in many different countries, by counseling and educating Native American tribes on how to export through annual presentations at Native American Tribal Conferences, and by providing one-on-one counseling with individual tribes. We also have a trade specialist who has been working with this community.

In addition, for more than a decade, NTTO has provided market research data to tribes to help them understand the international market for travel to the United States, including information on the top markets that have an interest in Native American experiences. NTTO has developed articles for publication in Native American newsletters, and worked with the travel and tourism industry to encourage them to integrate Native American culture into their promotions and to engage with the tribes to promote their offerings to both the international travel trade and consumers/potential visitors.

The Travel and Tourism Advisory Board (TTAB) is also focused on ensuring that those tribal organizations and native communities interested in travel and tourism are supported by the Board's work. The TTAB Cultural and Natural Heritage subcommittee met recently to develop its work plan, whose scope of work and overall objective is to "develop strategies and recommendations designed to effectively promote, quantify and celebrate the diversity of travel and tourism experience that are distinctive to the United States and that illuminate American culture, art, food, traditions, and natural surroundings in support of an enhancement to the National Travel and Tourism Strategy."

One of the six key elements of the scope of work is to "support and promote America's indigenous history, peoples and cultures." Indigenous culture and heritage is included in each of the four tactics aimed at achieving that goal.

The Subcommittee's work will continue throughout their tenure, and final recommendations will be submitted to the Secretary of Commerce prior to the completion of their term.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. BILL NELSON TO
MICHELE T. BOND

Question. What percentage of visa applications from Brazil are rejected? How does that compare to the worldwide average?

Answer. In Fiscal Year 2013, the adjusted tourist visa (B) refusal rate was 3.5 percent for Brazilians and 15.1 percent worldwide.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. RICHARD BLUMENTHAL TO
MICHELE T. BOND

Question 1. One possible way to increase foreign travel to the U.S. is to facilitate the ability of individuals to make multiple visits to the U.S. over time, and in that regard, we have agreements with many countries allowing travelers to obtain multiple-entry visas valid for as many as five years. However, despite the surge of foreign travel by Chinese nationals, the United States and China limit short-term business and tourist visas to one year. Would longer multiple entry visas with China increase travel and tourism to the United States?

Answer. We anticipate if visa validity is extended, more Chinese tourists and business travelers will visit the United States, and they will visit us more frequently, increasing investment in our economy and strengthening their understanding of our country. During the July 9–10 Strategic and Economic Dialogue in Beijing, the United States and China identified joint outcomes highlighting the depth of our two countries' cooperation on a range of issues. One of those outcomes explicitly states that, in recognition of the importance of travel and tourism to the two countries' economies, the United States and China are committed to exploring new proposals to significantly extend visa validity for tourists, short-term business travelers, and students.

The Department of Commerce concurs with the assessment that loosening constraints on visas—including by increasing validity or removing the requirement for a visa altogether—typically results in increased travel to the United States. For example, when the United States extended visa validity for Brazilian travelers in 2010 (from five to ten years), the growth rate of Brazilian travelers arriving in the United States more than doubled.

According to the Department of Commerce, in recent years the number of Chinese visitors has increased by as much as 35 percent over prior years, with 1.8 million travelers to the United States in 2013. These tourists collectively spent \$9.8 billion while in the United States, supporting more than 70,000 U.S. jobs. Chinese tourists represent the 7th-largest group of foreign visitors to the United States.

Question 1a. Would this have any other consequences?

Answer. Continuing to welcome Chinese visitors is key to encouraging investment, realizing the tremendous economic opportunities created by additional Chinese visitors, and expanding people-to-people exchanges—including a record number of Chinese students at U.S. universities and colleges.

Question 1b. Is the State Department working to negotiate a longer visa period with China?

Answer. Validity for Chinese C1/D (crew members) applicants was increased to five years, multiple entries, in October 2013. As stated in the July 10 Strategic and Economic Dialogue joint outcomes document, “The United States and China are committed to exploring new proposals to significantly extend visa validity for tourists, short-term business travelers, and students.” We continue to hold discussions with the Chinese about reciprocal visa validity. The Department can provide further information in a separate briefing.

Question 2. The U.S. Government has made some significant progress to increase its consular presence in China, but there is still a long way to go to fully improve the visa processing system in China. What are the current wait times for Chinese nationals seeking to obtain visas to travel to the U.S., especially outside of Beijing and Shanghai?

Answer. Nonimmigrant visa (NIV) wait times in China have generally remained under the three-week target at every post since September 2011, and average wait times have remained under ten days over the past two years.

Question 2a. Do we have statistics that reflect the number of Chinese nationals who elect not to travel to the U.S. because of wait times?

Answer. The Bureau of Consular Affairs has no data reflecting the number of Chinese nationals who elect not to travel to the United States due to wait times.

Question 3. What measures are being taken in China and in other major tourist markets to increase the presence of consular officials to process visas?

Answer. The Department continues to exceed the goals set out in President Obama's Executive Order 13597 of January 2012. In particular, the Department also continues to exceed the E.O. 13597's goal of interviewing 80 percent of non-immigrant visa applicants worldwide within three weeks of receipt of application. E.O. 13597 also directed the Department of State to increase nonimmigrant visa capacity in China and Brazil by 40 percent in 2012. We met that target ahead of schedule and have not dipped below it since that time. In CY 2012 and 2013, the Department of State added 51 new officer positions in Mission China, and will add 25 new positions over the next two years. By the end of December 2016, we will have added 131 new interview windows in Mission China since 2010. We expect all windows to be fully utilized by the end of 2016. In July 2013, we opened our new consulate facility in Guangzhou. We plan to open our new consular section in Wuhan in the next few years.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
MICHELE T. BOND

Question 1. The State Department has taken steps to reduce visa wait times. It will be critical that we continue to maintain low wait times in non-Visa Waiver Program countries to encourage people to apply for a tourist visa. As the Federal government works to promote travel to the United States, how does the State Department plan to meet future demand?

Answer. The Bureau of Consular Affairs (CA) is dedicated to facilitating legitimate travel to the United States while securing U.S. borders by ensuring that both domestic and overseas consular offices have world-class personnel, well-managed resources, and efficient processes. CA also continually monitors changes to the demand for non-immigrant (NIV) applicants by post, mission, region, and worldwide, to better allocate staffing and resources.

CA consistently tries to improve its services by regularly revisiting our flexible staffing model. While career Foreign Service Officer hiring is down, the overseas visa workload is growing. To meet this challenge, a joint CA and Human Resources working group established programs using Limited Non-Career Appointments, Civil Service administrative series employees and Passport Specialists, and U.S.-citizen family members to provide necessary staffing.

Question 1a. How is the State Department planning for the long term and anticipating future visa demand in overseas markets? What steps is it taking to strategically target resources?

Answer. Visas play a critical role in support of the President's goal to attract 100 million annual visitors to the United States by 2021. Mexico, Brazil, China, and India are our fastest-growing markets, and are all among the ten countries whose visitors spent the most money in the United States in 2013.

CA continuously plans for and anticipates future visa demand in all overseas markets using projection analysis to predict anticipated visa demand by post, mission, region, and worldwide. A continuous stream of incoming data undergoes rigorous analysis, enabling us to anticipate workloads and staffing needs by month and post.

CA realizes increased efficiencies through ideas gleaned from the field. Our 1CA Leadership, Management, and Innovation office is focused on creating a culture of leadership, management, and innovation excellence across the Bureau. 1CA provides training, guidance, and resources to consular professionals to allow them to work more efficiently. Among 1CA's practical resources, the Innovation Forum helps consular professionals collaboratively develop and communicate innovative solutions to common challenges. Our consular managers use 1CA management tools, such as business process mapping and value stream analysis, to improve applicant flow in our work spaces and reduce appointment wait times.

The Interview Waiver Program (IWP) keeps low-risk applicants out of consular waiting rooms altogether. We have ideas about measures to expand travelers' eligibility for IWP without compromising border security.

Our Global Support Strategy, a public-private partnership that lets the private sector handle non-governmental, time-consuming elements of the visa application process, including providing information services, fee collection, appointment scheduling, document delivery, and greeter services, has made the visa process even more efficient.

Question 2. As U.S. Customs and Border Protection works to expand Global Entry, there may be opportunities to explore innovative methods for enrolling new, eligible U.S. citizens. Have the State Department and U.S. Customs and Border

Protection considered the feasibility of coordinating the Global Entry application process with the U.S. passport renewal process?

Answer. We have not had formal discussions with U.S. Customs and Border Protection (CBP) on this issue. However, we are currently exploring the feasibility of this endeavor.

Passport Services (CA/PPT) began cross-promoting the Global Entry and TSA-Pre Check programs in October 2012. CA sent Trusted Traveler brochures, bookmarks, and other supplies, including a 60-second looped Global Entry public service announcements, to twenty-seven passport agencies and centers. The passport agencies and centers show and distribute these materials in their lobbies and at regional outreach events. We also include Global Entry and TSA Pre-check insert brochures, supplied by DHS, with all passports mailed out to our applicants. Our processing centers have mailed out well over 11 million inserts since this effort began.

CA partnered with CBP and the Transportation Security Administration (TSA) on Global Entry Enrollment Events, where CBP conducted Global Entry interviews at the Department of State in February and March 2013.

Question 2a. What would be the challenges in coordinating these two processes and what resources would be required?

Answer. U.S. passports and Global Entry have differing periods of validity: the U.S. passport is valid for 10 years and Global Entry is valid for 5 years. This may cause confusion with the U.S. citizen traveler trying to determine when to renew the Global Entry registration, which agency to renew with, and how much the renewal will cost.

Fees for U.S. passports are collected domestically and overseas. They include two Department of State retained components in addition to a portion of the application fee that is remitted to the Treasury. The execution fee for first-time passport applicants is retained by the acceptance agency or, when applying at a Passport Agency, is retained by the Treasury. If the Department of State were to also collect a Global Entry fee from passport applicants, the additional fee collection would further complicate an already complex accounting process and is likely to have Economy Act implications, under which any agency performing work for another must be reimbursed. It may also cause additional work for adjudicators in both the Department of State and U.S. Customs and Border Protection, who would also be required to determine whether the proper fees have been paid.

If U.S. passport and Global Entry applications were submitted simultaneously, both agencies' intake procedures would need to be radically modified. Ninety percent of domestic passport applications are received and initially processed through Treasury's lockbox collection service. We are not sure that the lockbox function could handle the extra workload imposed by combining application processes.

What we can consider doing initially is to provide a link from the State Department's travel website (<http://travel.state.gov>) in sections covering, "Apply for a New Passport", "Before You Go", and "Traveler's Checklist" to DHS's Global Entry site, www.cbp.gov/global-entry/about/. The website entry could contain the required disclaimer that approval for a passport does not guarantee Global Entry enrollment.

RESPONSE TO WRITTEN QUESTION SUBMITTED BY HON. BILL NELSON TO
MICHAEL STROUD

Question. What percentage of visa applicants are rejected because of national security concerns? Are the U.S. intelligence services evaluating these applicants?

Answer. DHS defers the response to the State Department, which is in charge of issuing visas and making determinations on visa applications.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. RICHARD BLUMENTHAL TO
MICHAEL STROUD

Question 1. Recent surveys by major travel organizations suggest that a significant number of visitors to the U.S., in some surveys as high as 20 percent, return home discouraged from ever returning to the U.S. because of what they view as long wait times for processing at domestic U.S. airports. What efforts are underway to address this problem and bring down the processing lines at U.S. airports?

Answer. The Department of Homeland Security (DHS) has developed and deployed a traveler satisfaction survey to benchmark passenger satisfaction and U.S. Customs and Border Protection (CBP) professionalism at the top 20 airports. Two customer service surveys were conducted, by a third party (MedForce Government Solutions and LMI under contract to CBP), in November 2011 and August 2012 re-

spectively. The surveys include questions developed in conjunction with the travel industry representatives, and the results were very instructive with regard to CBP performance. The survey results indicated broad satisfaction with the professionalism of CBP personnel and overall passenger wait times. For CBP the results of those surveys have been instrumental in continuing efforts to improve the passenger experience and to provide a welcoming environment for arriving passengers. Currently, DHS is developing and reviewing plans to capture traveler satisfaction metrics through the annual survey, to commence by the end of Calendar Year 2014.

Question 2. As I understand, the U.S. is one of the few developed nations that does not have an accurate system to determine visa overstays, a fact that stands in the way of achieving significant visa reforms. Could you comment on the status of efforts to improve the tracking of overstays?

Answer. Unlike many other countries, the United States did not build its airports and other border ports of entry with “exit” in mind, specifically the ability to collect data from individuals departing the country.

Over the past decade, the Department of Homeland Security built the capability to collect biographic data on individuals entering and exiting the United States through our air and sea ports of entry, through regulations mandating data collection by commercial air and sea carriers along with private airline pilots. DHS receives this information and subsequently matches the exit information to data *collected* at entry, along with other DHS information, in order to identify individuals who overstayed their authorized period of admission. Beginning in 2010, the Department embarked on a multi-year plan to enhance its existing biographic exit program to allow for real-time tracking and sanctioning of overstays.

As part of this plan, various DHS Components have been and are currently strengthening systems and algorithms in order to improve the accuracy of data and automate the previously manual processes for identifying overstays.

The improvements have already resulted in greater confidence in the data.

Question 3. Many opponents of visa and immigration reforms that I support have cited the lack of a biometric entry/exit system as a reason for opposing reforms. I think everyone agrees with the need to keep better track of who is entering and exiting the country, and to crack down on visa overstays, but we shouldn’t let disputes over the best approach prevent progress in other areas. That said, I understand that DHS has been testing a biometric system. Can you provide an update as to the status of these efforts?

Answer. The Department of Homeland Security (DHS) Science and Technology Directorate (S&T) and the U.S. Customs and Border Protection (CBP), in collaboration with the National Institute of Standards and Technology (NIST), are conducting testing of biometric technologies in three different phases: a laboratory environment using simulated data to test the efficacy of the specific technology; in a scenario-based setting testing utilizing test volunteers in a simulated operational environment to test the combination of the technology and the current or proposed operational processes and during an operational field trial using actual travelers in a commercial airport environment. This effort is the basis of the Apex Air Entry/Exit Re-Engineering (AEER) project.

The Apex AEER project is working to re-engineer both air entry and air exit operations in order to: (1) increase the capacity to screen travelers entering the United States to meet the increasing traveler volumes (*i.e.*, 4 percent-5 percent annual growth) and to minimize traveler wait times; and (2) to identify a cost-effective concept of operation (CONOP) to biometrically confirm the departure of travelers, required to provide biometrics, from U.S. airports.

Over the next two years, the Apex AEER program will develop, test, pilot, and evaluate integrated approaches to determine how new technologies and processes can expedite the screening of travelers.

The Apex AEER Project will have three phases of evaluation to determine the best performing technology capabilities for integration into current airport entry and exit processes:

- Laboratory testing to ensure biometric devices can perform with current air entry/exit operations, and to determine the biometric device applicability for each CONOP (Q3 FY14)
- Scenario-based testing to validate technologies and CONOPs, assess system performance, and mitigate impacts to operational processes (Q4 FY14 through Q3 FY15)
- Field trial period at one of the top ten air ports of entry to determine the performance of a complete biometric exit system under real world conditions. Site

preparations and surveys starting Q3 FY15 followed by on site testing through Q2 FY16 through early Q3 FY16.

S&T will deliver a business case framework, including a methodology and criteria for the assessment and selection of proposed biometric/non-biometric solutions to CBP. The framework will be an input for the purpose of informing business process transformation, system development, and technology acquisition.

In addition to the partnership with S&T, CBP is also planning to run two field tests of biometric exit technology and processes, each at a single port of entry, during FY 2015.

DHS currently operates a biographic-based entry and exit recording system, Advanced Passenger Information System (APIS). APIS is a widely used electronic data interchange system that allows carriers to transmit traveler data to CBP. APIS data includes passenger information that would be found on the face of a passport, such as full name, gender, and country of passport issuance. APIS will note when a visitor overstays the terms of their admission into the United States. This overstay information would be accessible by a CBP officer upon entry inspection which may result in the traveler being denied access into the United States. A biometric exit recording capability would be in addition to this already functioning system and would provide the ability to biometrically verify a foreign national departed the United States within or outside their initial terms of admission determined by their visa type or the visa-waiver program as applicable.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
MICHAEL STROUD

Question 1. According to your written testimony, the Departments of Commerce and Homeland Security have started to develop a national goal for reducing wait times at U.S. ports of entry and improving service levels for international arrivals. What specific steps will the Department take moving forward to support this effort?

Answer. DHS and its component agencies, along with representatives from the Department of Commerce, the White House, and travel industry stakeholders have been working collaboratively to develop a national goal to improve customer service levels during the entry process, as directed in the President's Memorandum dated May 22, 2014, "Establishing a National Goal and Developing Airport Specific Action Plans to Enhance the Entry Process for International Travelers to the United States." We have received robust participation from the private sector, working collaboratively with airlines, resort operators, hotel operators, airport operators, and travel industry associations, including the U.S. Travel Association, Airports Council International-North America, Airlines for America, International Air Travel Association and the Global Business Travel Association. As of the end of July, we have hosted stakeholder input sessions in 17 U.S. cities and 3 separate national level engagements in Washington, D.C. to work on developing the national goal. We will continue our work over the next couple of months and will report our results to the President by September 19, 2014.

Question 2. What steps has the Department taken to improve the customer service experience across its agency components that interact with the traveling public? How will the Department ensure that this is a priority for its agency components?

Answer. DHS and its component agencies Customs and Border Protection (CBP) and Transportation Security Administration (TSA) have made great strides in recent years in improving customer service levels for passengers. One key factor in the improvements has been increased cooperation between DHS, its components, and travel industry stakeholders, mainly airport authorities and airlines.

These partnerships have shown dramatic results. At Dallas/Fort Worth International Airport (DFW) and Chicago O'Hare International Airport (ORD), a combination of measures, such as Automated Passport Control (APC) kiosks, Trusted Travel Programs like Global Entry, and reimbursable service agreements, reduced international passenger arrival wait times by nearly 40 percent on average over 12 months. These efforts reduced more than half the percentage of travelers waiting over 30 minutes, resulting in a new average wait time through border security of 15 minutes.

ORD has seen passenger growth of 7 percent this year—the second fastest growth of any top 10 airport—and has partnered with CBP on improved queuing, signage, passenger flow, Global Entry, and critically, APC kiosks. The results have been dramatic.

At DFW, international arrivals have grown 16 percent over the past year and 39 percent over the last four years, the most of any top 20 airport during that stretch. The airport partnered with CBP not only on queuing, signage, passenger flow, Glob-

al Entry, and APC kiosks, but also on a reimbursable agreement for enhanced CBP services. As in Chicago, the results have been tremendous.

Through close partnerships between airports and industry, examples like ORD and DFW that are taking the transformative steps to improve wait times for international arrivals, can become more common place. The initiatives below set forth the key areas for progress this year to continue to improve service levels, engage actively with the travel and tourism industry, and keep pace with the critical growth in international travel.

Automating Traveler Processing through the Expansion of Automated Passport Control Kiosks

Automated Passport Control (APC) kiosks provide touch screen technology to allow passengers to scan their passports and enter their customs declaration information. Provided through public-private partnerships with airport authorities, these kiosks expedite air passenger inspection for U.S. and Canadian citizens at participating airports. APC kiosks reduce officer interaction to approximately 30 seconds (from 55 seconds) while increasing security by allowing officers to focus on the interaction with the passenger. In the past year, 15 airports have already deployed the technology, with plans for another 10 to join by the end of the year. A number of these 15 airports, including John F. Kennedy International Airport (JFK), Chicago O'Hare International Airport (ORD), Dallas/Fort Worth International Airport (DFW) and Orlando International Airport (MCO), have experienced reductions in wait times of 30 percent or more since the APC kiosks have been installed.

Expanding Trusted Traveler and Expedited Clearance Programs

The Department of Homeland Security (DHS) has developed and is expanding popular Trusted Traveler Programs. At the end of 2013, more than 2 million people had access to Trusted Traveler Programs, a nearly 60 percent increase from the previous year, and over 30 million passengers received TSA Pre✓™ expedited screening at more than 115 domestic airports in partnership with participating U.S. air carriers and CBP.

Trusted Traveler Programs

Global Entry: More than 2.3 million people have access to CBP Trusted Traveler Programs, including Global Entry, which allows expedited clearance for pre-approved, low-risk air travelers upon arrival in the United States. Global Entry is available at 47 airports and the kiosks have been used more than 8 million times. U.S. citizens, U.S. lawful permanent residents, and nationals of seven other countries are eligible for Global Entry. In Fiscal Year 2013, Global Entry and NEXUS air kiosks usage increased 34 percent over Fiscal Year 2012 (3.3 million vs. 2.5 million uses).

Expedited Screening Programs

TSA Pre✓™: Since the inception of TSA Pre✓™ on October 4, 2011, over 200 million passengers have received some form of expedited screening at more than 115 participating domestic U.S. airports in partnership with participating U.S. air carriers and CBP.

Currently, there are 10 U.S. airlines participating in TSA Pre✓™: Alaska Airlines, American Airlines, Delta Air Lines, Hawaiian Airlines, JetBlue Airways, Southwest Airlines, Sun Country Airlines, United Airlines, U.S. Airways, and Virgin America. On April 29, 2014, Air Canada became the first foreign-owned air carrier participating in TSA Pre✓™. TSA is working with a number of other foreign-owned airlines to expand international air carrier participation. In addition, the TSA Pre✓™ application program provides travelers with an additional method for enrolling in a Department of Homeland Security (DHS) trusted traveler program, even for individuals who do not have a passport. To date, there have been more than 397,000 enrollments in the TSA Pre✓™ application program and there are more than 296 enrollment centers across the country where interested travelers may apply. Through expansion to more airlines participating in TSA Pre✓™ and enrollment opportunity, TSA increases passenger exposure and availability to the program and, as a result, greater opportunity for providing customer service.

In addition, TSA has maintained ongoing outreach to customers through CBP and participating airlines. TSA has expanded outreach and communications more broadly to include:

- Dedicated TSA Pre✓™ web pages on the Internet sites for all 11 participating airlines.

- TSA Pre✓™-related articles in several in-flight magazines and employee newsletters.
- Direct airline messaging about TSA Pre✓™ to passengers via e-mail, signs posted at ticket counters and in airline lounges, and pop-up messages on check-in kiosks.
- TSA Pre✓™-specific signage provided by airports to include directional signs as well as ‘call to action’ banners regarding the TSA Pre✓™ enrollment process.
- Co-marketing agreements with American Express Card Services and Sabre Travel Network to promote TSA Pre✓™ enrollment direct to customers and through travel managers.
- TSA Pre✓™ information and assistance for travelers through TSA Contact Center representatives.

Public-Private Partnerships

In FY 2013 and FY 2014, the Administration has requested, and Congress has granted, new legal authorities for CBP to enter into partnerships with state, local, and private sector entities so that increased CBP inspectional services could be provided on a reimbursable basis at U.S. ports of entry upon request. In FY 2013, the CBP Reimbursable Services Program was established under the authorities provided in Section 560 of the *Consolidated and Further Continuing Appropriations Act, 2013*, which authorized the Commissioner to enter into a maximum of five reimbursable services agreements (RSAs) for CBP enhanced inspectional services by December 31, 2013. To determine which locations would be selected for agreements, CBP reviewed applications submitted by private sector and government entities and selected the following stakeholders to participate in the program:

- Dallas/Fort Worth International Airport;
- The City of El Paso, Texas;
- South Texas Assets Consortium;
- Houston Airport System; and
- Miami-Dade County.

Early indicators demonstrate that these partnerships can have a meaningful impact on service levels at the locations where the stakeholders have requested increased services. Within the first six months of this program, CBP provided an additional 7,000 CBP officer assignments and opened primary lanes and booths for an additional 18,000 hours at the request of our reimbursable services partners.

In January 2014, CBP received authority under Section 559 of the *Consolidated Appropriations Act, 2014*, which more broadly authorized a five-year pilot program to permit CBP to enter into partnerships with private sector and government entities for certain reimbursable services. CBP received 25 reimbursable services applications in 2014, of which 16 were tentatively selected for new partnerships. These include (by environment):

Air:

- Los Angeles World Airports
- San Francisco International Airport
- Greater Orlando Aviation Authority
- McCarran Airport
- Denver International Airport

Sea:

- Penn Terminals, Inc.
- Independent Container Line, Ltd.
- Network Shipping Ltd.
- Greenwich Terminals LLC
- Gloucester Terminals LLC
- Turbana Corporation
- Interoceanica Agency, Inc.
- Diamond State Port Corporation (Port of Wilmington, Delaware)
- Port of Houston Authority
- Broward County (Port Everglades)

Land:

- South Texas Assets Consortium)

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
JOHN P. WAGNER

Question 1. Industry stakeholders have said that the Model Ports of Entry program has not been implemented consistently across all 20 airports. Please explain what steps U.S. Customs and Border Protection has taken to ensure that the program has been fully implemented.

Answer. There have been tremendous advances since the Model Ports of Entry pilot program was launched in 2006 at Houston and Dulles airports. In 2008, U.S. Customs and Border Protection (CBP) used \$40 million made available by Congress to expand the Model Ports of Entry. Using these funds, CBP expanded the program to the 20 U.S. international airports with the highest number of foreign visitor arrivals (annually as of August 2007), developed new directional signage, installed audio and video technology to display arrival information and welcome messages, developed airport primary wait time reporting, implemented a national survey, and implemented the Passenger Service Manager program to the top airports.

In addition to the improvements that were made as a result of the Model Ports of Entry program, several best practices were implemented that are still prevalent across the airports today. For example, all the CBP ports continue to have regular and reoccurring meetings with airport stakeholders to examine the process and implement programs such as “One-Stop” and “Express Connect.” One-Stop and Express Connect reduce wait time by removing a segment of the traveler population from the queue, which results in a lower number of travelers in line, reducing the overall wait time and facilitating the entry process for admissible travelers.

Question 1a. What has U.S. Customs and Border Protection done to continue to improve the program and make the traveler entry experience more welcoming since it began in 2006?

Answer. International air travel to the United States has grown by 4 percent per year since 2009, rising to a record level of 94 million international arrivals in 2013. In Fiscal Year 2014 to date, international air travel has grown at a rate of almost 6 percent, and aviation industry associations, carriers, and aircraft manufacturers are predicting 5 percent growth per year through 2020. These travelers are critical to the U.S. economy, with each visitor spending an average of \$4,500 per visit at American hotels, shops, restaurants, and other businesses while in the country thereby contributing to economic growth.

The President launched a National Travel and Tourism Strategy in 2012 and set an ambitious goal of attracting and welcoming 100 million international visitors annually by the end of 2021. Two years later, we are on track to meet this goal, in part due to the actions taken to expand our ability to attract and welcome visitors by improving the international arrivals experience, while maintaining the highest security standards. As part of this strategy, CBP has pursued an aggressive plan over the last several years to optimize the international arrivals process and speed travelers to their destinations in the United States. CBP is revolutionizing operational processes through automation, innovation, and Trusted Traveler Programs; employing a rigorous approach to identify the staffing needed to effectively carry out CBP’s increasingly complex mission at the Nation’s ports of entry; and exploring public-private partnerships to support growing passenger volume, expanded services, and facility growth. CBP has also been actively engaged with travel industry stakeholders on several key initiatives, including Automated Passport Control (APC) kiosks, Trusted Traveler Programs like Global Entry, Mobile Passport Control, and reimbursable service agreements.

In addition, CBP is using the initiatives below to continue to improve service levels and keep pace with the critical growth in international travel.

Air Egress Transformation

CBP has been engaged in business transformation efforts aimed at streamlining and establishing a safer and more efficient arrival process and enabling officers to focus on their primary law enforcement mission rather than administrative tasks. As part of the business transformation efforts, CBP is exploring options to modify the current egress process.

Traveler Satisfaction Surveys

DHS has developed and deployed a traveler satisfaction survey to benchmark passenger satisfaction and CBP professionalism at the top 20 airports. Customer serv-

ice surveys, with questions developed in conjunction with the travel industry, were conducted by a third party in November 2011 and August 2012. The results of the two surveys were very instructive with regard to CBP performance. Contrary to the media narrative, the results indicated the public's broad satisfaction with the professionalism of CBP personnel and overall wait times. For CBP, the results of those surveys have also been instrumental in continuing efforts to improve the passenger experience and provide a welcoming environment.

Passenger Service Manager

The CBP Passenger Service Manager (PSM) plays a crucial role in responding to traveler complaints or concerns; oversees issues related to travelers requiring special processing; provides recommendations for improvement of traveler processing and professionalism; provides training to managers, supervisors, and officers on customer service and professionalism issues; and promotes public awareness of the CBP mission through distribution of public information bulletins, brochures, and comment cards. The PSM program is being implemented at over 300 ports of entry.

Question 2. As U.S. Customs and Border Protection works to expand Global Entry, there may be opportunities to explore innovative methods for enrolling new, eligible U.S. citizens. To what extent has U.S. Customs and Border Protection and the U.S. Department of State considered the feasibility of coordinating the Global Entry application process with the U.S. passport renewal process?

Answer. U.S. Customs and Border Protection (CBP) is committed to expanding the pool of Trusted Traveler program applicants. More than 2.3 million people have access to CBP's Trusted Traveler Programs, including Global Entry, which allows expedited clearance for pre-approved, low-risk air travelers upon arrival in the United States. CBP has worked with the Department of State (DOS) to include a pamphlet that details the benefits of Global Entry and TSA Pre✓™ with each new passport issued. The pamphlet provides additional information to individuals who may be interested in applying for Global Entry. Given differences in eligibility criteria, a U.S. citizen may be eligible for a passport but not necessarily eligible to be a member of a Trusted Traveler Program.

Question 3. In your written testimony, U.S. Customs and Border Protection and the U.S. Department of Homeland Security acknowledge the benefits of establishing preclearance to reduce wait times at ports of entry. What steps is U.S. Customs and Border Protection taking to add preclearance facilities at additional overseas airports?

Answer. Beginning in October 2014, U.S. Customs and Border Protection (CBP) intends to partner with interested stakeholders to expand preclearance operations to new locations. As part of this expansion plan, CBP developed a public document titled "Preclearance Expansion Plan—Fiscal Year 2015 Guidance for Prospective Applicants" that outlines the details on the process and requirements for applicants who are interested. In coordination with CBP, airport authorities will have the opportunity to design a preclearance model that accommodates their airport's unique operating environment and service goals, while satisfying the requirements of the preclearance process. CBP will evaluate and prioritize an initial set of potential preclearance locations and, following the necessary approvals to negotiate, may begin formal preclearance negotiations in early 2015.

Question 3a. What is the status of U.S. Customs and Border Protection expanding preclearance to Japan?

Answer. On April 22, 2014, U.S. Customs and Border Protection (CBP) met with Minister and Head of Chancery Hideaki Mizukoshi and accompanying dignitaries at the Embassy of Japan in Washington, D.C., to provide an overview of preclearance and CBP's requirements for expansion of preclearance. The Minister expressed interest in the concept of preclearance, but noted facility, law enforcement, and cost concerns. In October 2014, CBP executive leadership will meet with host government officials and airport stakeholders in Japan to outline the preclearance expansion plan and address any potential concerns or questions.

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