

2019 Congressional Summit on Travel & Tourism Talking Points

Travel and tourism is a powerful engine of economic growth for communities large and small across the Southeast and the nation. The U.S. Travel Association's *U.S. Travel & Tourism Overview* found that in 2018, domestic travel within the U.S. totaled 2.3 billion person-trips and international visitors totaled 80 million. Together, domestic and international travelers spent nearly \$1.1 trillion in the U.S. This spending directly supported 8.9 million jobs, generating \$268 billion in payroll income and \$171 billion in federal, state, and local tax revenues.

As impressive as the numbers are, these economic gains cannot be taken for granted but must be nurtured and supported.

The Congressional Summit on Travel and Tourism is a platform to educate Members of Congress on the broad diversity of the travel and tourism sector and the significant contribution it makes to our national and local economies. It is an opportunity to deliver the message that tourism's vitality cannot be taken for granted. Recognizing that tough budget decisions must be made, we also recognize that our Representatives and Senators have to be leaders on the issues that are important to the economic health and growth of tourism and our communities.

Tourism doesn't just happen – it requires smart strategy, strong research, and creative promotion. And partnerships with key government agencies to help tourism communities better tell their stories and deliver exceptional travel experiences. These are the government programs and initiatives that frontline tourism leaders are talking about to advance the health and growth of the tourism sector.

Boost International Travel to the US: Maintain Brand USA

• Since 2011, Brand USA has served as the nation's destination marketing organization, providing an essential platform for promoting the wonders of travel to the U.S. to international travelers.

- Brand USA is designed to complement the efforts of corporate tourism to ensure that communities large and small, rural and urban are able to leverage the economic benefits of international tourism.
- Operating as a public-private partnership to promote travel to America from around the world, Brand USA is funded through a combination of industry contributions and a \$14 fee on international travelers entering the U.S. from Visa Waiver countries that are not subject to the much higher visa application fees.
- Brand USA's economic impact in attracting international visitors has been enormous. In 2018, Brand USA's marketing initiatives are responsible for welcoming 1.13 million incremental visitors to the U.S. who spent \$4.1 billion in travel-related expenses. Returning as much as \$28.1 on every \$1 spent on promotion, the program has supported nearly 52,000 jobs per year.
- The billions of dollars spent by international travelers each year strengthens our balance of trade and helps reduce our deficit.
- As Customs and Border Protection benefits from \$4 of the \$14 international travelers fee, diverting the fees from tourism promotion is short-sighted and would have a negative impact on federal revenues,
- Brand USA was created in 2010 with strong bipartisan support in Congress and reauthorized in 2014 on the same basis. Congress again needs to act in a bipartisan basis to reauthorize and maintaining the funding framework for this program that is essential for tourism communities to complete in the international marketplace.
- <u>Lead Committees</u>: House Energy & Commerce Committee, Senate Commerce, Science and Transportation Committee, House Homeland Security Committee, and the Senate Committee on Homeland Security and Governmental Affairs

Representatives: Sign the Welch-Bilirakis-Titus letter to the leadership of the House Energy & Commerce Committee and the House Homeland Security Committee to support securing Brand USA's funding framework through 2027.

Senators: Support continuing the authorization and funding framework for Brand USA through 2027

Address the National Park Service Deferred Maintenance Backlog

- National park sites are a significant part of the Southeast's vibrant tourism economy.
- Due to years of chronic underfunding, the National Park Service (NPS) has deferred maintenance for a year or more on visitor centers, rest stops, trails and campgrounds, as well as transportation infrastructure operated by NPS such as the Blue Ridge Parkway. NPS maintains more than 75,000 assets across the

country, including campgrounds, natural lands, historic trails, irrigation and electrical systems, as well as thousands of miles of roads. Of these, 41,000 – or more than half – are in need of repairs.

- The growing list of infrastructure repairs threatens access to the park and the ability to deliver exceptional travel experiences.
- Over the past decade, operating under tight budget constraints, Congressional financial support for park maintenance has decreased by 40 percent, and the last time Congress directly addressed the infrastructure needs of the park system was in 1956.
- In 2018, an estimated 318 million travelers visited national park sites, spending \$20.2 billion in local gateway communities but this vital tourism segment is threatened by the backlog of deferred maintenance on the national parks, which is currently estimated to cost \$11.9 billion to address nationally.
- Bipartisan legislation has been introduced in the Senate to provide dedicated annual funding to address national park deferred maintenance needs on a long-term basis. *The Restore Our Parks Act*, S. 500, would ensure that NPS continues to preserve our nation's heritage and recreation opportunities and drive the visitation that gateway communities depend on for their economic vitality.
- S. 500 is a consensus proposal that was developed by Sen. Mark Warner (D-VA), Sen. Lamar Alexander (R-TN), Sen. Rob Portman (R-OH), and Sen. Angus King (I-ME). It establishes a dedicated park maintenance fund that provides 50% of the unallocated receipts the government receive from oil, gas, coal, alternative or renewable energy development up to \$1.3 billion per year over five years for a potential total of \$6.5 billion. 65 percent of the funds are to be spent on non-transportation projects and 35 percent on transportation projects.
- In the House, Rep. Rob Bishop (R-UT) and Rep. Derek Kilmer (D-WA) have introduced similar legislation, the *Restore Our Parks and Public Lands Act*, H.R. 1225, which would direct dedicated annual federal funding to address national parks, Bureau of Land Management, United States Fish and Wildlife Service, and Bureau of Indian Education deferred maintenance needs. The bill would help to preserve our nation's history, recreation opportunities, and local communities that depend on park visitors to flourish.
- Lead Committees: Senate Energy & Natural Resources Committee and the House Natural Resources Committee

Recognizing the current fiscal environment and that tough decisions have to be made, we encourage you to prioritize addressing the NPS deferred maintenance backlog on a long-term basis. This will ensure the continued economic health and growth of local communities in your district/state. Senators: Co-sponsor the Restore Our Parks Act (S.500); Representatives: Co-Sponsor the Restore Our Parks and Public Lands Act (H.R. 1225)

Support the Explore America Act

- In 2018, an estimated 318 million travelers visited national park sites, spending \$20.2 billion in local gateway communities making cultural and heritage tourism as increasingly important segment of the travel and tourism sector.
- In order for gateway communities to fully capitalize on parks visitation, policies and programs must be put in place to allow for collaboration and resources to better showcase the cultural and heritage assets of local communities.
- A bipartisan and geographically diverse group of legislators have come together to empower gateway communities to better tell their stories and drive visitation and increased spending. Sen. Bill Cassidy (R-LA), Sen. Brian Schatz (D-HI), and Sen. Jack Reed (D-RI) have introduced the *Explore America Act* (S. XXXX), which authorizes the provision of technical assistance under the Preserve America Program to direct the Secretary of the Interior to enter into partnerships with communities adjacent to units of the National Park System.
- The legislation's focus is on economic growth and places an emphasis on frequently overlooked communities: rural, tribal, and national heritage areas.
- Under the Act, the Secretary of Commerce is directed to coordinate with the Secretary of the Interior and the Advisory Council on Historic Preservation to assess how the program can maximize job creation, boost economic growth, and promote tourism. Further, the Secretary of the Interior is required to submit an annual report to Congress on the partnerships' effectiveness and economic impact.
- As the federal government, states, and local communities begin to plan for the celebration of America's 250th birthday in 2026, when we will again want people connecting with the nation's special places and experiencing its unique stories, now is the time to invest in programs that will ensure the economic benefits of tourism are fully leveraged and shared broadly by all communities.
- Lead Committees: Senate Energy & Natural Resources Committee and House Natural Resources Committee

Senators: Co-sponsor the Explore America Act (S.1746)

Representatives: Consider sponsoring the Explore America Act in the House

Strengthen the American Battlefield Protection Program

- The protection and commemoration of nationally significant battlefields, forts, and associated sites serve to honor and shape the shared recollection of our culture and history. The narratives showcased by these sites promote patriotism and a fuller understanding of the American story.
- Congress recognized the importance of preserving historic battlefields in 1890 with the designation of the Chickamauga and Chattanooga National Military Park. Initially the sites were maintained by the War Department but in 1933 responsibility was transferred to the National Park Service.
- In 1991, the Secretary of the Interior created the American Battlefield Protection Program and in 1996, Congress authorized the program with the enactment of the American Battlefield Protection Act.
- In 2002, with the passage of the Civil War Battlefield Preservation Act, which created the Battlefield Land Acquisition Grants program a federal matching grants program to protect the country's historically significant Civil War battlefields. The program's eligibility was expanded to include Revolutionary War and War of 1812 battlefields as part of the FY15 National Defense Authorization Act.
- The Battlefield Land Acquisition Grants have been used to preserve 30,000 acres of hallowed ground in 20 states. The battlefields protected as a result of the program are some of the most important in American history, including: Antietam, MD; Appomattox and Fredericksburg, VA; Charleston, SC; Chickamauga, GA; Gettysburg, PA; Princeton, NJ; and Shiloh, TN.
- Preserving America's Battlefields Act would increase the authorization of the Battlefield Land Acquisition Grants Program to \$20 million a year. This includes up to \$2 million a year for the restoration and interpretation of high-priority battlefield sites, which would help to transform these battlegrounds into compelling historic tourism destinations.
- Preserving America's Battlefields Act would help local communities to leverage their cultural and heritage tourism assets to better tell their stories and drive tourism around America's 250th birthday in 2026.
- Lead Committees: Senate Energy & Natural Resources Committee and House Natural Resources Committee

Co-sponsor the Preserving America's Battlefields Act (S. 225/H.R. 307)

Support Modernization of the National Heritage Area Program

- For two decades, the National Park Service (NPS) has administered a National Heritage Area program under its mission to preserve nationally significant natural and historic resources. Successful National Heritage Areas embody locally driven partnerships that blend education, cultural conservation, resource preservation, recreation, and community building.
- Throughout the Southeast, collaborations between National Heritage Areas, state and local tourism offices, and businesses have delivered exceptional travel experiences, strengthened the skills and work of community-focused tourism organizations, and amplified the voice of tourism as a powerful engine for community building and economic growth.
- Developed as a program of NPS, National Heritage Areas are not part of the National Park System, but are a foundation of NPS's community engagement efforts. NPS provides a range of essential resources to National Heritage Areas, including technical, planning, and limited financial assistance.
- On average, National Heritage Areas match each federal dollar at rate of somewhere between three to five and a half dollars and is an exceptional example of a public-private partnership.
- Despite a significant impact on local communities, the National Heritage Area Program continues to operate without an authorizing framework and a haphazard system of funding caps.
- Rep. Paul Tonko (D-NY) and Rep. David McKinley (R-WV) have introduced the National Heritage Area Act of 2019 H.R. 1049, which streamlines the current bureaucracy that resulted from the unique designation of National Heritage Areas since 1984 and establishes an annual authorization of up to \$700,000 for each heritage area for projects that focus on restoration, conservation, education, interpretation, recreation, and economic development.
- H.R. 1049 will modernize the National Heritage Area Program and establish the essential management criteria to ensure its long-term sustainability.
- <u>Lead Committees</u>: Senate Energy & Natural Resources Committee and the House Natural Resources Committee

Representatives: Co-sponsor H.R. 1049; Senators: Consider sponsoring the National Heritage Area Act in the Senate

Strong Investments in the Nation's Transportation Infrastructure

- America's economic vitality, ability to compete in the global economy, and a thriving tourism sector are dependent on dynamic and efficient transportation systems. While the current transportation infrastructure has served the nation and the tourism sector well, the challenges to our transportation system are numerous.
- Our vital transportation infrastructure shows serious signs of wear and tear. Increased congestion on our highways, railways, airports and seaports reduces our nation's economic productivity.
- The Highway Trust Fund, which finances most of the federal government's spending on highways and mass transit, faces a shortfall of \$318 billion over the next decade and will be insolvent by Fiscal Year 2022. And that is just to continue the current levels of investment.
- America's airports have nearly \$128 billion in infrastructure needs through 2024 to accommodate tremendous growth in passenger demand.
- Research from US Travel finds that nearly 40% of travelers would avoid between one and five auto trips per year if congestion continues to grow at its current pace. If travelers avoided just one auto trip per year, the US economy would lose \$23 billion in spending.
- Americans skip more than 30 million air trips a year due to airport hassles, such as flight delays, cancellations, and congestion terminals. This costs our economy more than \$24 billion in travel spending.
- The Fixing America's Surface Transportation (FAST) Act, which was enacted in 2015, required the US Department of Transportation to develop a strategy for improving travel mobility to and within the US and enhancing the economic contributions of the travel and tourism sector.
- As required by the FAST Act, two programs to improve the efficient movement of freight through the US and the goals of the National Freight Strategic Plan have been instituted. No similar programs, however, have been established to direct federal, state, and local resources towards improving long-haul travel mobility and connecting people, communities and destinations.
- It is also important that federal transportation programs continue to connect communities to economic development. For example, in 2009, the Bureau of Indian Affairs Department of Transportation (BIA DOT) established an office that led to the development of a cooperative agreement for tribal travel and tourism education, training and technical assistance. This cooperative agreement has expanded economic opportunities for tribes within the travel, tourism and recreation industries and has leveraged resources and served as a unifying force

and opportunity for tribal tourism capacity. However, the program continues to operate as a pilot program.

• <u>Lead Committees</u>: House Transportation & Infrastructure Committee, Senate Environment and Public Works Committee

Establish a Travel Mobility Program that provides annual funding to states and localities for projects that improve the movement of people between states, economic regions, and major destinations

Authorize a Projects of National and Regional Significance program to fund major projects that enhance mobility

Increase federal investments in all modes of travel infrastructure by considering all funding options, including user fees.

Request BIA and the U.S. Department of Transportation make permanent a tribal tourism capacity-building program to ensure economic progress in tribal communities continues.

Support Giving Visitors a True Taste of Southern Hospitality

- Food is an essential element in telling the story of a community. Drawing on history, culture, and local agriculture, chefs, restaurateurs, craft brewers, distillers, vintners, farmers markets, and culinary shops are illuminating rich traditions and agricultural resources of their communities and the Southeast.
- By connecting with tourism, these small businesses and creative professionals are expanding their audience while helping to deliver extraordinary travel experiences.
- Craft brewers, distillers, and wineries are a growing segment of the tourism industry. In many states and communities craft beverage makers and local products are key draws for travel, and are promoted in advertising and marketing strategies like, ale trails.
- Craft beverage makers face challenges from a tax and regulatory code that has not kept up with the times and hampers their growth.
- Recognizing the importance of this growing segment of the tourism sector, in December 2017, Congress approved the Craft Beverage Modernization and Tax Reform Act that reduces excise taxes, eliminates red tape, and streamlines regulations for craft beverage makers. While the Act went into effect January 1, 2018, unfortunately, it sunsets on December 31, 2019. For small business two years is barely enough time for implementation and not enough time to fully leverage the benefits.

• Lead committees: House Ways & Means Committee, Senate Finance Committee

Co-sponsor the Craft Beverage Modernization and Tax Reform Act (S. 362/H.R. 1175) to make the tax and regulatory changes permanent in order to help these dynamic businesses grow, foster collaboration, and promote their products and communities.

Join the Congressional Travel & Tourism Caucus

- The bipartisan Congressional Travel & Tourism Caucus is an excellent information resource for staying abreast of the key issues impacting the tourism industry.
- In the House, the Caucus is co-chaired by Rep. Dina Titus (D-NV) and Rep. Gus Bilirakis (R-FL).

Join the Congressional Travel & Tourism Caucus, which is a positive statement that you recognize the importance of tourism to the economic vitality of your district and are working in a bipartisan manner to advance policies that ensure the health and growth of the state's travel and tourism industry.

To join the Caucus, reach out to Ben Rosenbaum with Rep. Dina Titus at <u>Ben.Rosenbaum@mail.house.gov</u> or Chris Jones with Rep. Gus Bilirakis at Cjones@mail.house.gov