



September 5, 2008

The Honorable John D. Dingell
Chairman, Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515-6115

Dear Mr. Chairman:

Thank you for the opportunity to share the views of the Department of Commerce (Department) on H.R. 3232, the "Travel Promotion Act of 2007."

The Department fully supports the travel and tourism industry, recognizing its importance to our nation's economy, employment and trade. Secretary Gutierrez is directly and actively involved with this industry and works closely with the Travel and Tourism Advisory Board (TTAB), established in 2003 to advise the Secretary on government policies and programs that affect the U.S. travel and tourism industry. In addition, the Department works very closely with other federal agencies, such as the Departments of Homeland Security, State, and Transportation, to ensure that U.S. policies and programs facilitate and enhance travel to the United States.

The Office of Travel and Tourism Industries (OTTI), in the Department's International Trade Administration, serves as the principal U.S. Government contact for the travel and tourism industry. OTTI coordinates the interagency Tourism Policy Council (TPC), conducts unique research and data collection, develops intra-governmental and inter-governmental policy, and serves as a liaison between the industry and other federal agencies.

H.R. 3232 would create a Corporation for Travel Promotion that operates much like a government-sponsored enterprise. Board members would be appointed by the Secretary of Commerce. The Corporation would have the authority to borrow funds from the Treasury and would be partially funded by fees collected by the Federal Government.

The Department shares the Committee's interest in supporting the travel and tourism industry but opposes H.R. 3232. The Department believes that tourism promotion activities should be financed and undertaken by the private sector and, where they desire, by states and local governments. We believe that federal resources are better used to support inherently governmental efforts, such as the liberalization of air travel services and visa facilitation. The Department opposes provisions in Section 6 of this bill that would divert fees associated with a traveler pre-screening system, such as the Electronic System for Travel Authorization (ESTA) recently proposed by the Department of Homeland Security (DHS), to the proposed Corporation for Travel Promotion. Should DHS determine that it will charge fees for the use of ESTA, those fees should be used solely to reimburse the cost of running the system. The Department also opposes the investment and borrowing authority proposed for the Corporation. Moreover, the funding mechanisms proposed by H.R. 3232 would circumvent the normal appropriations process.

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The Department supports the proposal in H.R. 3232 to update membership in the interagency TPC to include representatives from the Departments of Homeland Security and Education. However, we cannot support the provision granting TPC membership to the proposed nonprofit Corporation. Adding the proposed Corporation to the TPC would give the private sector an inappropriate position among the multiple stakeholders in the development of public policy within the Federal Government and could serve to restrict the free flow of public policy ideas. We greatly value the advice of the private sector and actively seek the tourism industry's input and guidance through our close collaboration with the TTAB.

Thank you for the opportunity to express the Department's views on this legislation. We look forward to working with Congress and your Committee on this and other issues of importance to the national economy and to this important industry. The Office of Management and Budget has advised that there is no objection to the transmittal of this letter to the Congress from the standpoint of the Administration's program. If you have any questions, please contact me or Nathaniel F. Wienecke, Assistant Secretary for Legislative and Intergovernmental Affairs, at (202) 482-3663.

Very truly yours,

A handwritten signature in dark ink, appearing to be 'Lily Fu Claffee', with a long horizontal flourish extending to the right.

Lily Fu Claffee

cc: The Honorable Joe Barton
Ranking Member

Identical Letters Sent to:

The Honorable Bennie Thompson
Chairman, House Committee on Homeland Security

cc: The Honorable Peter T. King
Ranking Member

The Honorable John Conyers
Chairman, House Committee on Judiciary

cc: The Honorable Lamar Smith
Ranking Member