

UNITED STATES TRADE AND TOURISM ADVISORY BOARD (TTAB)

Meeting
October 4, 2016
2:00 pm CT

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Li Zhou: Great. Thank you. Chairman John Sprouls, I'll turn it over to you, to kick it off.

John Sprouls: Thank you Li. And the first thing Li, could I ask you if you could conduct a roll call?

Li Zhou: Perfect. I will conduct the roll call and I will go through everyone alphabetically by last name. So, if you hear your name please just say "aye" or "here." Thank you. So first, we have George Aguel.

George Aguel: Here.

Li Zhou: Ted Balestreri?

Man: Hi. It's Bruce and Michael.

Li Zhou: Thank you. Helane Becker?

Helane Becker: Here.

Li Zhou: Thank you Helane. Thella Bowens? I know she may join a bit later. So we'll hold for him. And I heard Bruce and Michael so we have yes. Henry Cruz?

Henry Cruz: Yes. Yes.

Li Zhou: Thank you. Todd Davidson? Todd Davidson? No? Brad Dean?

Brad Dean: Yes. I'm on the call.

Li Zhou: Perfect. Fred Dixon?

Johnna Karen: Johnna Karen for Fred Dixon.

Li Zhou: Okay. Thank you Johnna. Kurt Ekert?

Crosstalk

Natalie: ...for Kurt Ekert.

Li Zhou: Perfect. Thank you Natalie. Elliott Ferguson?

Gordon: This is Gordon here for Elliott Ferguson.

Li Zhou: Thank you. Mike Gallagher? I heard...

Crosstalk

Mike Gallagher: This is Mike Gallagher for Mike Gallagher.

Li Zhou: Wonderful. Adam Goldstein?

Ricki Patel: Hi. This is Ricki Patel for Adam Goldstein.

Li Zhou: Thank you Ricki. And then James Hagen?

James Hagen: Hi Li. I'm here.

Li Zhou: Hi James. Nick Hentschel?

Nick Hentschel: Hi Li. I'm here.

Li Zhou: Wonderful. Taylor Hoang? No? Taylor Hoang? Margaret McKeough?
Margaret? I wonder if she's still sick. So we will hold for her. Adam Medros?

Debbie: This is Debbie. I'm on.

Li Zhou: Okay. Debbie. Thank you Debbie. Adam Medros? No. Steve Morrissey?

Steve Morrissey: Hi. I'm here.

Li Zhou: Hi Steve. Mary Motsenbocker? Okay. Mary? One last call, Susan Presby?

Susan Presby: Here.

Li Zhou: Hi Susan.

Susan Presby: Hi Li. Tricia Primrose? I believe she is on travel. Olga Ramudo?

Olga Ramudo: Here.

Li Zhou: Okay. Hi. Olga. Sherry Rupert?

Sherry Rupert: Here.

Li Zhou: Hi Sherry.

Sherry Rupert: Hi.

Li Zhou: Adam Sacks? Adam. No? Gary Schluter?

Gary Schluter: I'm here.

Li Zhou: Hi Gary. John Sprouls we have you.

John Sprouls: Yes.

Li Zhou: Marty St. George?

Josh Dover: Josh Dover for Marty St. George.

Li Zhou: Thank you. Greg Stubblefield, we have you as well.

Greg Stubblefield: Yes.

Li Zhou: Bill Talbert is on.

Bill Talbert: Bill Talbert is here.

Li Zhou: Denise Thevenot? No?

Denise Thevenot: I'm here.

Li Zhou: Oh. Hi Denise. And then Ernie Wooden.

Ernie Wooden: Good morning. Ernie is here.

Adam Burke: And Adam Burke as well.

Li Zhou: Hello you two. Mr. Chairman, that concludes the member roll call. I would like to turn to see who is participating from the US government side. First off, I would like unintelligible if there is anyone participating from State?

Ryan Miller: Yes. This is Ryan Miller from Transportation Affairs.

Li Zhou: Ryan Miller? Is there anyone else participating from State?

Marissa Ferguson: Hi. Marissa Ferguson from Counselor Affairs.

Li Zhou: One last call for State. I think that's it. And then I can confirm that I do not have any participants from the Department of the Interior, the Department of

Transportation or the Department of Homeland Security. Great. And then from the Department of Commerce, could I have my colleagues share their names?

Ron Erdman: Ron Erdman, NTTO.

Jennifer Aguinagua: Hi Li. It's Jennifer Aguinagua from NTTO. And Brian Beall will be here in a minute.

Curt Cottle: Curt Cottle is on as well.

Kelly Craighead: We're wrapping it up. Kelly Craighead is on as well.

Li Zhou: Thank you all. I believe that concludes all the folks on the line. And I can turn it back over to Chairman Sprouls.

John Sprouls: Thank you Li. And I just have a couple of brief remarks. First of all, I want to thank everybody that's on the line and those of us who couldn't join us, for all of their efforts this summer, to put together recommendations, to refine the priorities. We are on an incredibly expedited timeline. For those of you who are new to TTAB, we don't always work that fast or that hard with such a constrained timeline. But I thank you all for doing that.

And just know that once we get through the next few weeks and get the letter that we're trying to get forward in the next couple of weeks, we will be able to, you know, take an opportunity to shift and start thinking about some longer term priorities and getting involved in some of the other issues that I think we, as a group, want to do.

To move along today's agenda, the first item is a discussion of the draft travel security and customer service subcommittee recommendation. And for that, I didn't hear whether Kurt was on the line. Bruce, I know you're here, right?

Bruce: I'm here. Yes.

John Sprouls: Okay. Then the floor is yours.

Bruce: Thank you John. Thank you Mr. Chairman. I appreciate it. So the travel security and customer experience subcommittee - the first thing to do is to thank my subcommittee members and the staff people - Elliott, Marty, Bill, Mary, Stella, as well as Michael, Natalie, Hampton, Crispus, Cassidy, Jeff and Martha. And also, thanks to Margaret and Debbie for their input as well, from the leadership team.

Definitely a team effort to put these recommendations together, against tight deadlines, as John mentioned. I'm very proud of the group. Everybody contributed, hit their marks. Many hands as always, make light work. And so drafting these up from all the inputs that we had from four different working groups, made this relatively easy.

Also, I should mention that although DHS isn't on the phone today, DHS has participated in helping us to develop the recommendations. John Wagner, Don Tanciar, Gary Rasicot, Paul Lye, Dan Ronan, David Lim. I maybe missing some. But we've been able, even in the short time that we've had, to reach out to DHS and they've given us some very helpful inputs that we've been able to put into these recommendations.

So I guess everyone has the letter. You'll - if you haven't read it, you'll read it in the fullness of time. You know, the strategy here is first of all, to tell the

Secretary of Commerce that we very much appreciate the partnership that she has initiated with the Department of Homeland Security. I think you know kind of a signature accomplishment has been this notion that world class security and world class facilitation can live hand in hand.

And there have been many examples of that over the last several years, whether it's trusted traveler programs, major initiatives of the TTAB that have come online and have been expanded in recent years. The automated passport control kiosks, pre-clearance facilities currently in 15 airports and are expanding. These are all great things that have happened. And we'd like to see them continue and expand further. So a lot going well.

But there are things that can be done of course, to improve. There is a huge universe of issues that could potentially be dwelled on. And as John said, in the fullness of time, as we get into '17 we'll dwell on them. But for right now we wanted to pick a few things that we thought were of critical importance that we could highlight for the remainder of the term, knowing of course that when you talk about Homeland Security, TSA and CBP, that there are like quick, easy things to do that can be done real fast.

But things could be, what we believe, initiated in the months ahead. And so we chose some things that we thought would be impactful and actionable in the time that is remaining. So to get into it, the first recommendation is about funding, and specifically, the diversion of funding. Look, for the DHS agencies, for CBP and TSA to discharge their incredibly important mission of keeping the country, our citizens, visitors and borders safe, they need to have adequate funding to do their job.

And yet there has been a chronic diversion of those resources, of the fees that are collected off into other purposes, to balance the budget for other projects.

And we would hope that the Secretary of Commerce could use her influence, her bully pulpit, to encourage that type of activity to stop. You know, it's very important that those monies that are collected, be used for the purposes that they were intended for and not for others.

And if that cannot be done, the belief is, is that the belief of our subcommittee is that those amounts should be decreased to the amount that is needed for the security services that passengers are paying for. So it all kind of starts with recommendation one, funding. Make sure that it stays in place.

Recommendation two is to develop hiring and retention strategies. This is something that we discovered as we had meetings both with CBP and TSA, is that both agencies have a hiring issue, a hiring problem, although it's not the same problem.

For CBP, the problem is, is that they are only able to hire less than 1% of the people who apply. These folks are not passing background checks or they get through background checks they end up with polygraph tests that they don't pass. And so there's a lot of inefficiency, a lot of fruitless hiring activity that doesn't lead to people coming through the door.

On the other side, at TSA there's a significant turnover problem. The turnover rate is 8% for full timers and 20%, a full 20% for part time employees. We don't pretend to understand what all of the reasons are for these issues; not enough time to explore them all. But one of the things that we thought as a subcommittee, would be useful, is to see if we couldn't develop a career path within DHS, that would progress perhaps from TSA into CBP, into law enforcement at CBP, so that people would at TSA, see a longer term career path, maybe spend longer at TSA and then ultimately find a career path into customs and border patrol.

So that's the - kind of the core of the recommendation. We also wanted to re-up a recommendation that we had made in 2013 that would identify TSA employees who are eligible for further law enforcement training - kind of part and parcel of this recommendation that we're making now. And also, we wanted to re-up the recommendation for cross training between the two agencies, wherever it makes sense to do so.

We're mindful that over the course of a day, a week at airports, that these workforces often have massive variations in their workload. And so being able to plug gaps with people from the different agencies to be useful, plus could have the additional benefit that I've mentioned, which is to give people a clear path forward in their careers. So that's the recommendation two.

Three is to conduct a comprehensive technology audit of staffing solutions. And this is really about optimally deploying the workforce. There have been efforts at both agencies, to put together staffing plans. There is outreach that's going on to airline and airports, to get their arms around long term demand and near term schedule changes that require adjustments. But we're also very mindful that there are multiple variables that apply.

And those variables really open themselves up to automation, sophisticated automation. So it's, you know, work in union rules, various skill sets, the mix of full and part time employees, the absences that inevitably come up in a workforce, passenger loads, flight arrivals departures, mix of domestic and international passengers. All of these issues that come up with regularity can be automated to get maximum productivity out of the workforce.

There is a huge amount of data that airports, airlines are developing. And that data needs to be properly harnessed in order to realize the huge efficiency gains. So we'd like to see a technology audit put in place. Dan Tanciar at

CBP, had an excellent idea, which was to use the loaned executive program for that purpose. There was some real success with loaned executives a few years ago. We could re-up that program to get someone with the right technology chops, to help do the audit of staffing solutions. So that's three.

And four, and finally, is to deploy wait time notification technology. This recommendation goes to the idea that informed traveler - a traveler that can accurately anticipate wait times, will be a happier traveler. And we point to a recent example at Cincinnati Northern Kentucky Airport. Current wait times for screening are projected onto screens and on the airport Web site.

They also generate - this technology generates notifications - emails and texts to TSA when wait times are increasing, so that they can open up additional lanes proactively, instead of getting behind the curve. Now I'm always careful to point out because the airport folks always mention that, you know, you've seen one airport, you've seen one airport. So what they're doing in Cincinnati Northern Kentucky, may not be transferrable everywhere.

But the idea that some airports are cleverly putting technologies in place that are putting information, actionable information into travelers' hands, is something that we believe others should go to school on. So the idea is, to be specific, is we're asking that DHS put a report together and publish it by the end of the first quarter, March 31, 2017, detailing, describing their efforts to evaluate and procure that technology.

So those are the four recommendations. We are asking Secretary to bring them forward to the TPC and to socialize them with Secretary Johnson, Commissioner Kerlikowske and Administrator Neppinger. We also make mention of the fact that we'll have much more to say in '17, in the new Administration. We will definitely take on specifically the issue of how to

expand enrollment in trusted traveler programs through public/private partnerships.

We've started down that path and we will have, as I say, more to say in '17 and beyond. So with that, Chairman Sprouls, that's my report.

John Sprouls: Bruce, thanks so much and thank you to the committee. What I'd like to do now is take about ten minutes to open the floor for any questions from anybody on the committee, with respect to these recommendations. We will be voting in a couple of weeks and we will have an opportunity, we'll explain at the end of this call, about how you'll be able to put forth any edits or recommendations with respect to the letters.

So if you want to have the questions be more general or subject related, that might be the best use of our time here. Or the committee has done a perfect job and there are no questions.

Greg Stubblefield: Hey John, this is Greg Stubblefield. Hey Bruce, I thought you guys did a terrific job of putting that through. I think you hit on all the key things in relative short order. And I think the mention of the trusted traveler program and continuing to enhance that, has great value and I know that we'll hit that in '17.

Bruce: Yes. I look forward to doing that. Thanks Greg.

John Sprouls: Great. Anybody else? All right. No problem. We will now move onto the research subcommittee and their draft recommendation. Brad and Helane, are you on the phone?

Helane Becker: Yes, we are.

John Sprouls: Great. I will turn it over to you.

Brad Dean: All right. Well thank you Mr. Chairman. I'll kick off and then Helane can add in as appropriate. First of all, I want to thank the research subcommittee. We've had several meetings; some really good discussion and the groups are very busy and focused on a number of initiatives. I also want to thank the subcommittee members and also Ron Erdman from NTTO, who is provided invaluable guidance and insights onto the many programs and initiatives on the way there.

Most of the recommendations we're looking at are really more geared towards longer term needs. But we are focused today on three key points. Mr. Chairman, I want to just - we'll summarize too that a formal recommendation and then one other point that we think was important to include in the letter. The first that we are proposing, deals with the timeliness of I-94 arrival records. I think we can all relate to the importance of having timely information.

It's important as we're measuring trends and monitoring what's happening in the environment that we work in. And also making decisions. And unfortunately we're dealing - commerce is dealing with delays beyond their control right now that are providing a pretty serious impediment to the timeliness of the I-94 arrival records.

Just a quick bit of background and this is detailed in the letter. But many of you are probably aware, the I-94 forms, the old green and white forms that non-immigrant, overseas travelers used to fill out at the ports. Those were automated for the most part and the system went digital a little over three years ago. And so Homeland Security today, for the most part, collects that

information digitally. That was intended to make the process more efficient, provide quicker information.

And unfortunately, it seems to have slowed the process somewhat, because there are still a couple of ports - one in Guam and the other I think in Sai Pan, that are still subject to - in some cases, paper forms. So a relatively small portion of the data that's being collected is not digital. And as a result, that is holding up the process. So there is anywhere between two and four months of a delay before Commerce can get their hands on the data.

And that doesn't of course, count the effort that Commerce has to put in, to evaluate, verify their quality control checks if you will, on the data. So to put this in perspective, today if you go on the Web site, I believe the latest month of data that's been posted is in April. Now there has been some data since then that's been submitted but they're going through that quality control process.

So here we are in October, but we really only have access to information through April, and that's just unacceptable. And I think the research committee and the letter of recommendations, wanted to make it clear that we certainly appreciate what Homeland Security and the good folks at CBP are up against, and some very important and major challenges they face.

But this has been going on for over three years and it needs to be a priority to bring this information forward in a more timely fashion. The Secretary is well aware of this. in fact, she has addressed this I believe with the Tourism Policy Council but to no avail. And so we're still dealing with those delays. And recognizing that, but also realizing that this is an impediment that needs to be removed, the subcommittee is making really dual recommendations in the letter.

The first is, and the permanent solution needs to be a - removing these delays. And while this is beyond the control of Commerce, we are recommending that Secretary revisit this with the Department of Homeland Security, perhaps elevate this concern and perhaps also bring this up again, at the Tourism Policy Council meeting which I believe, is scheduled later for this month. And that is simply to make the point that we need to remove these delays.

We did not put a specific target in there. And if the CTAB would like, we could certainly offer one up, I think the target of 45 days had been offered by Commerce previously. But we didn't go to that effort to make it that specific. We're just simply looking for Homeland Security to come forward with a reasonable solution as to removing those delays.

And we did also have a pretty robust discussion about a temporary solution. And that would be that recognizing that the data that is the holdup is a relatively small portion of the overall arrivals that was estimated. It may only be 2% that perhaps a workaround if you will, would be to provide the reports on a more timely basis, and then go back and essentially recast those results with the final accurate numbers, once they're available.

That sounds simple, but there's certainly work involved in that. And it would add, you know, essentially an unfunded Band-Aid to Commerce. So the suggestion by the committee was that perhaps the Secretary might want to explore deploying some additional resources to help with that. But I think the key point to understand on that is that that is at best, a Band-Aid and it's really not solving the problem.

We really need to get more timely information. NTTO needs that, the private sector needs that and we're still dealing with this for three years. It's really time to make this a priority and remove those delays. And we did have a

discussion with representatives from CBP, who expressed their desire to remove those delays. But they also made it very clear to us that that's probably not likely to happen in this administration.

They mentioned that it would require a regulatory change and perhaps also a statutory change. So that was what prompted the discussion about perhaps a temporary workaround. Essentially what the subcommittee is recommending is that the Secretary revisit this with the appropriate representatives at Homeland Security and CBP. And then if that's not going to ring forth a quick and timely solution, perhaps consider deploying some additional resources for a temporary workaround.

And we do have a couple of other points I'll make, but I'd like to if I can, just to defer to my colleague, Helane Becker who is the subcommittee Vice Chair, if she'd like to add anything to that.

Helane Becker: Thanks very much Brad. I think the only thing that I would add is that we also, and maybe you're going to discuss this next, but we also discussed using an estimate of some of the travel based on historical data and if it was too costly to have - to do two counts. But I think the key element is that the industry needs this information on a timelier basis, because, you know, there are a lot of people within the industry that use the data, the Web site. It's on the government's Web site. It needs to be updated in a timely fashion so people can make choices, you know, when - and not be so frustrated I think, when they're looking for information and find it's three or five months out of date.

And I don't think it should be that way, but clearly some of the arrival reports, especially for some of the territories, are out of date. And that needs to be I guess caught up. So that's the only other thing I would add.

Brad Dean: Mr. Chairman, if it's okay, I'll just go ahead and touch on the next recommendation and then we can open it up for discussion, if that works for you.

John Sprouls: That works great. Thanks.

Brad Dean: Okay. The second item in the letter, deals with information that is being purchased by the NTTD from the Bureau of Economic Analysis. And this is for the travel and tourism satellite account quarterly reports. Essentially what happened there is BEA sells data to Commerce, or to the NTTD I guess, it's better said, that is used to develop these annualized forecasts on a quarterly basis.

And realizing that Commerce is stretched and forced to do a lot with a little, and it's probably not getting any easier for them. We had a very detailed and involved discussion about the value of these quarterly forecasts. And I think the subcommittee felt unanimously, that the value of those is limited. And for most private sector entities, major brands and other companies that are in need of quarterly forecasts, most are sourcing those themselves.

So there just doesn't seem to be enough value to continue - or to justify that continued investment. And I don't think we're alone in that belief. In fact I think the NTTD staff provided us with examples of other industry sectors which are listed in the letter that have already transitioned to an annual forecast.

And so our thinking was definitely that, you know, knowing that Commerce is stretched, knowing that we have programs like the SIAT survey that are so very important to not only the government agencies but also the private sector,

that this is an example where we might be able to save Commerce, they could save some money that might actually be reprogrammed into other programs, like the SIAT.

And so the recommendation is to transition to one annual analysis and hopefully that will generate some savings for Commerce, which could be redeployed for other, better uses. And Helene, anything you want to offer on that?

Helene Becker: No. I think you hit the key points.

Brad Dean: Perfect. And then Mr. Chairman, I just would mention one other point that we chose not to formalize in a specific recommendation. In fact, we weren't really sure how we could make this recommendation. But we did feel it was important enough to put in the letter that will go to the Secretary, and that is first and foremost, acknowledging her leadership on a very important issue. And she has championed and taken a bold stand on.

And that is committing an additional \$2 million for the SIAT survey that is - for those who are not familiar, that's the Survey of International Air Travelers, a key piece of information which tells us where travelers coming to the US, are going as far as destinations and other important information. As my colleague and Vice-Chair, Helene Becker, reminded me from previous TTABs, that was not a given. That was an effort over a period of years by the TTAB, to persuade the Secretary of Commerce to endorse an increase in the budget, that would allow us to do more surveys and then provide better and more information.

And the Secretary has supported that. Unfortunately, Congress has not appropriated those funds. And because we, as a body, cannot lobby Congress,

there is not much we can do on that right now, as a group. However, we thought it was important enough to acknowledge that in the letter, because we do think that this will be a recommendation that we will bring forward to the full TTAB, as we prepare for the next Administration.

But recognizing the Secretary has done all she can do and the next Administration may or may not really consider her work when they plan theirs, our thought was to go ahead and acknowledge her leadership on that very important issue. And that will kind of plant our feet firmly on a recommendation that we will bring forth for the next Administration, and that is to do exactly as Secretary Pritzker to make this a priority and increase - or plan for an increase in funding for the SIAT.

So, currently there are two recommendations and an acknowledgment of her leadership, which has not paid off as of yet. But we believe it will at some point.

John Sprouls: Great. Thank you, Brad. Thank you, Helane. Thank you to the committee. Again, I would open up the floor if there are any questions or comments with respect to these recommendations.

Bruce: John, it's Bruce. I wanted to ask Brad and Helane about the decision not to call out a date, a number of days for the arrival report. I know sometimes having a goal, you know, an articulated target, can be helpful in terms of, you know, focusing the - well the committee and the Secretary and the government. What was the thinking in not calling out the 45 days, which I think you mentioned?

Brad Dean: Yes, I think - I don't think the subcommittee would necessarily be opposed to putting it in. I think we were more focused on can we get this moving forward

in the right direction? Can we get DHS and particularly CBP, to react and respond? What is it going to take? I believe Bruce that Commerce has in previous discussions, had thrown out the idea of 45 days which I was told 30 was probably unrealistic, but 45 could be done.

But I don't believe Homeland Security has even agreed to that. So I think we just focused on what can we do to solve the issue? And is there a temporary workaround? So it really wasn't a focus for the subcommittee. But I think clearly, 45 days would be a vast improvement from where we're at today. So if the TTAB would prefer, I would recommend that as the target.

But knowing that Commerce had already opened up that discussion, we just didn't - I don't think we really felt compelled to specify what Commerce had already thrown out. We're just hoping we could get DHS to embrace the notion of expediting these results and making it a priority.

John Sprouls: Yes. Well Brad, I would echo what Bruce has said. And, you know, in prior iterations of the TTAB on other issues, we have found that, you know, what Commerce is expecting of us, is the recommendations from the private sector. And to the extent we think that timelines are important and that goals are important, they may not be necessarily achievable or necessarily desirable by some of the different branches, but if we think 45 days is a goal that should be put out there, then I would recommend that we amend the letter and put it in.

And to the extent DHS feels they can't make it, they will come back to us with, you know, whatever information or rationale that they think they can't get there. But I wouldn't not include it just because it's not something that they necessarily would embrace, if we think that's the right number, and it sounds like it is.

Bruce: Thank you.

Brad Dean: That would be the number we would recommend.

Greg Stubblefield: Yes, John, this is Greg. I would agree with that, because we have some previous experience with that same thing. And so I would definitely put it in there and maybe up for a debate, but at least put it in there.

John Sprouls: Exactly. All right, so when we go over the next few days, as we're going to be taking comments Brad, if you guys could take a stab on the Google Docs that we'll talk about in a second, at adding that for everyone, so they could see that, you know the specific language?

Brad Dean: Perfect. Will do.

John Sprouls: Great. Is there any other comments or questions for the research subcommittee? Okay. If not, let's move onto the key market engagement subcommittee. And I believe Ernie, you are going to take charge of this one.

Ernie Wooden: Yes, I am. And good afternoon everyone. We're delighted to share with you key market engagement subcommittee's work. We've been - first of all, I'd like to say on behalf of our Chairman, Tricia Primrose, who is in charge of global communications for Marriott, she unfortunately could not be here for this report. She was asked to come to Africa for some company business, so I volunteered to stand in for her.

I'd also like to thank the members of the subcommittee themselves, because we've had several conversations by phone and emailed back and forth, and asked the subcommittee to complete a survey as to how they thought this

committee should advance itself. And so we very much appreciate the active involvement of all of the members of the committee.

In the way of background, I thought it'd be helpful to share with the TTAB, generally what we were charged with taking a look at. We were asked to take a look at the barriers and opportunities for bilateral engagement with the governments of China and specifically, India and to identify formal and informal barriers to travel and trade services. And so we looked very carefully at that issue and discussed at great length two issues relative to the Year of Tourism.

Most of us on the phone know that 2016 was the Year of Tourism between the United States and China. And a great deal of activity around that, which the NTTO I think sometime in November - I know Kelly is on the line as well, is going to be concluding that year with some festivities in Washington. And the Prime Minister Modi was in Washington back in June of 2016, when he and President Obama agreed that in the year 2017 it would be the US/India Travel and Tourism Partnership year, which is a really, really big deal.

So the subcommittee discussed this opportunity. We do want to make recommendations and we appreciate our opinions being valued by the Department of Commerce and Secretary Pritzker. But we thought that given the immediacy of the commitment for 2017 with India, that we would focus our immediate attention on how we could make that experience a robust one. There was a sense in our discussions, about the US/China Year of Tourism, that it was a little bit of ready, fire, aim.

It came very quickly on us in the industry and the US government, I'm certain. And so there was a strong sentiment in my regular visits to China - there was a strong sense that on the Chinese side they were just really elated

and kind of very talkative about what all this meant from their perspective. They're very involved. On the US side though, we were asking ourselves for many, many months, well what does this mean? And many in the tourism community never quite got completely engaged on our side.

So we said what can we learn from that experience with China, given that we have a couple of months to do something similar in India? And by the way, the Indian opportunity is absolutely huge. We believe - some statisticians say that by 2020 there'll be more than 50 million Indians that'll be traveling the world, many of them coming to the United States. That pales when compared to China which by 2020 is said to be as much as about 120 million.

But it still will be one of the major outbound travelers in the world. And so I think that what we'd like to do is to see what we could do to put the meet on the bones for 2017 with India, as quickly as we can. We already know that the NTTO and the Ministry of Tourism for India, have already begun discussing and trying to solve for the question, what does this mean and how can we best exploit it?

But we thought our subcommittee could help along in that way, by doing a couple of things - one, reviewing what has been done already between those two entities; second, convening a meeting somewhere, probably Washington, where we would invite both government players as well as private industry or travel partners, to discuss the best practices, what we learned from the Year of China; what we think we could have done better; what the best practices were.

And see if we can come to some point of view about making a strong recommendation to the Secretary for 2017 in India. Hopefully out of that meeting and out of that moment that we have together as a group, we can come to a point of view that we can share with the industry, before December

31, 2016, so that our industry partners, our travel and trade industry partners, can begin baking some of these touchpoints throughout 2017, into their marketing plans or their strategic tactical plans, to support what we're doing at the Department of Commerce and support the entire initiative by President Obama and Prime Minister Modi.

So we distributed, and hopefully you have it - you can read it at your leisure, our recommendation to Secretary Pritzker, which kind of captures that idea, that we would - the subcommittee would work diligently to call for this meeting of both government and private travel partners, players, try to get the notification out to our tourism partners so that they can support this initiative in 2017.

We still believe there's more to be talked about in terms of our ultimate focus of barriers that we can - that we've identified - formal and informal barriers relative to China. But we felt that initially that this would be something tangible that the subcommittee could engage in and help the Secretary in her efforts to make this a real Year of Tourism between India and the United States. And Mr. Chairman, that is my report.

John Sprouls: Terrific. Thank you Ernie. Again, opening the floor for questions or comments with respect to the key market engagement subcommittee's recommendations. And thank you to the committee for preparing them. Any thoughts from our friends at Commerce with respect to these - the recommendations, in terms of our ability to have some of these impacts?

Kelly Craighead: Sure. This is Kelly. Thank you Mr. Chair for asking for some comments. I also appreciate, I know on behalf of our whole staff, the committee's time at looking at these things. I think we have really benefited from this First Tourism partnership with China and the opportunity to engage in all of the

appropriate ways, as government and as industry, to really mine for best practices and really see where there is opportunity to model this partnership in other ways, in the future, is a really good thing.

I think from a timing perspective, the closing ceremony will be on November 20th. I hope everyone's received a save the date for that. We don't have a lot of information. It's hosted by the Chinese. But I imagine, in reflection of the year once we've had a chance to run the entire program, it'll be really helpful to have a conversation around what worked, what didn't work and what can do what we can do better next time.

I think on the India front, which we're very excited about, Isabelle and Brian Beall, who's on the phone, just completed what is the notional work plan for the year ahead. So I think whereas some of the kind of signature events will have agreed to before we have the chance to have best practices, I think we'll be able to adapt and evolve the program, to be able to reflect those lessons learned.

And so I think on the programmatic front, all of this work is really helpful. I think one of the things that has stood out to me as one of the greatest policy reforms in a key market, was the extension of visa validity with China. And it was such a clear and obvious barrier that to be able to provide the economic argument, to ultimately prevail and extend visa validity, was extremely helpful. And so much of the wind in the sails for that was industry saying how challenging it is to do business there with this kind of roadblock.

And so I do look forward to the committee from your individual perspectives and your companies' perspectives, to be able to really help us in the India market where it's not as obvious what some of the challenges and barriers are, to really be able to service that information so that in the future, we're able

again, to look for big levers to pull over and beyond what you can do in kind of an exchange program around the partnership years.

So I think that as you consider the agenda for '17 and beyond, is to really recognize that that's one of the value added roles of commerce, is to really look for what barriers to business are and work to tear those down. So I look forward to that in the future. Brian, do you want to add anything?

Brian Beall: No, Kelly. I think you covered it quite well on how we look forward to working together as we approach the India partnership year for 2017.

John Sprouls: Great. Thank you guys. Any other comments for this subcommittee? Okay. Then we're going to move on and get an update on the priorities from the visa facilitation subcommittee. And I'll turn it over to Mike Gallagher and George Aguel.

Mike Gallagher: Thank you Chairman John, I appreciate that. I also would like to thank our committee, particularly our co-chair, George Aguel, also Ted, Henry, Olga and Brian and Kurt, all participated in a number of meetings, to talk about visa facilitation. And our discussion revolved around - there are 38 - as you all know, 38 countries that don't need a visa. We did have a person testify about the ESTA program, on how that worked. And that was very interesting.

We're concentrating on countries where you need to get a Visa. And so we went through a number of different priorities, which I think - I don't know if you can see this slide on the screen. But the main opportunity countries which I think we'd all agree, is China, India, Brazil and Mexico, because that's where the biggest possibility - we're all very clear that what we're doing is waiving nothing here.

We want more security to keep people that would do us harm out of our country and not able to get into our country, while at the same time, encouraging people that want to visit the United States, to do so. And so we looked at both of those things. So the ESTA thing by the way, it's at least a 15 minute process to fill that out. We didn't know that. But that's what we heard from them, and so that's a good system.

But this is now talking about visa facilitation. So our priorities, as you can see, is to define the best use of technology and to streamline interview component for visa processing, both for new and renewals. And we'll talk about that a little bit more. We want - one of the ways to do that also, is to expand the Council General interview process locations. It's pretty difficult when you're a huge country, when you have to travel a long way to get an interview to possibly get and pay, I think \$140.00 each, to possibly get a visa.

And we think it'll be excellent to be able to take - go out on location, making these provisions for representation in remote locations to facilitate access. Another recommendation is we talked about the name change of the visa waiver program, to better reflect the value and security. And so there's been a number of discussions on that - the Secure Traveler Partnership.

There was some discussion that maybe it's not a problem. Maybe people already accept this visa waiver program to be what it is. And so we need to do more research on that. There are some also people that think - that feel like a secured travel partnership is a better one. And we did consult with the US Travel Association. Patricia Rojas is responsible for the government affairs unintelligible organization for the travel industry, in terms of visa really falls in her area.

And she gave us some input and some thoughts on that. And then the removal of the - this other one is for people coming to the United States that want to go onto Cuba. And Olga, you - this is really something you were interested in and Henry. So maybe Olga, can you explain this a little bit more - what you were thinking here?

Olga Ramudo: Sure. Right now the requirement for travel to Cuba - you need to complete an affidavit that you fall under one of the 12 categories permitted by Treasury. Tourism is not one of those categories. Now the only country that requires that is the United States. If we want to take advantage of having international visitors stopover in one of the hubs that's going to have flights to Cuba, 300 a week by the way, we need to remove that requirement for international visitors just stopping over.

They can travel freely to Cuba. But by us having them complete that affidavit, we're going to lose the opportunity of having them stopover in the US.

Mike Gallagher: So if I can jump in here Olga, so one of the things is we're not exactly sure how to do that and what's required. And that would be in the area of Treasury. And we're scheduled to meet with somebody there sometime in the future. Is that correct Olga or George?

Olga Ramudo: Correct. I think we were waiting for Li to be able to get the right person in Treasury that we could talk to or meet with. But we certainly don't want to miss out on the opportunity of all of those international visitors. That would help us achieve our goal definitely.

Mike Gallagher: Thank you. So before we jump further on - on the idea of changing the name, the other thing we discussed is okay, if we came up with a better name, more reflective what visa waiver program is, how actually would we do that? Who

is responsible for doing that? We don't really have an answer on that yet, but we do know we need to look into that to make sure that it's - we're doing it in the right way.

And then the last one - and then other committee members, George in particular, if you could jump in on this, the last one is to augment the communication of the current visa program and to encourage visa renewals before they expire. And we had - Brand USA is responsible for marketing the welcome of our country. And you all know how successful they have been. And so they - we had Erin Wooden-Schwartz talk to us about how they explain, you know, what it takes to come to the United States and market that, that people are welcome to come here.

And they do a hell of a job with that and they really are our partner in all of this. So George or anybody - George, do you want to sum up this thing?

George Aguel: Yes. Let me just a little more to see if it's helpful and also unintelligible entire Congress staff and many of the other branches that go in on multiple conference calls in support of our discussions. The - on that last one that Mike mentioned, I'll just add that what we learned is that the opportunity - there is the interview waiver program.

But one of the challenges continues to be that they have - if somebody wishes to take advantage of that, it has to occur before the expiration date which is - so getting ahead of that curve and trying to do the best we can to get all of those who carry visas to renew them, under that expedited program, is much more advantageous than letting it expire. So there's a real communication opportunity there that we have and obviously, unintelligible maybe we should.

But recommending that we put us against that could just make sure at least those who have gone who were, in some cases, the challenging classes, who have gotten a visa in the first place, can now avoid some elements of that to come and come back to that country. So we wanted to reinforce that as much as we could. And the rest of it Mike captured very well. I think as you pointed out, really the priority is to try to recognize that in many ways the ten year waiver program, the ten year visa program that was mentioned for China, is there for these other countries as well.

So there have been great improvements undoubtedly, through the recommendations of this board before and other members of governments that have participated in making sure that such things as proving a ten year program in other parts of these countries, was a real benefit. So from there I don't know how we go past that. In a perfect world, we'd love to see a visa waiver program in place for all of those countries. But it was made known to us that the opportunities and challenges of that are significant and may take some time.

So visa priority is intended to try to help us adjust and take - leverage what is in place right now. And improve on it as much as we can. And that's it.

Mike Gallagher: Thank you George. Yes. We don't want to do anything to make us less secure. Let's just be really clear about that. We do want people to come. So Chairman John, I'll turn it back over to you or for any questions.

John Sprouls: Thanks Mike. Thanks George. Thanks Olga as well. Yes, any questions for the committee? It sounds like a lot of stuff that we're going to be tackling. Some of the things that Mike and I have worked on in the past. So we need to keep plugging because we just need to keep making that entire experience the best it possibly can be.

Mike Gallagher: We're persistent, aren't we John?

John Sprouls: We are, aren't we? Well they keep appointing us, so we'll keep pushing hard.

Mike Gallagher: You know what? It's our duty and we're happy to do it.

John Sprouls: Absolutely. Absolutely. Any other questions or comments with respect to any of the presentations of the subcommittees? Okay. If not, what I'd like to do is sort of summarize the next steps of what we're going to be doing between now and October 13th and then onto our meeting in November in DC. Everyone should have gotten, when they got a copy of today's agenda and the letters, the materials that Li sent out last evening, around 6:30.

Within that email there are hyperlinks for all three of the letters that we'll be voting on, on the 13th. And what we would like to do is have board members please go in, look at each of the letters and share any and all comments in a red line fashion, with respect to each of them. And if you could get that done by October 7th, so that the subcommittees can take a look at the feedback, integrate it and come back with final draft recommendations sometime around October 10th. If we can - I'm sorry. Go ahead.

Melissa Flood: Hey John. I'm sorry to interrupt. This is Melissa Flood at Marriott. Is the Secretary going to be on the call on the 13th? Or do you know who from the Administration or from Commerce will be sort of the presiding official that we're presenting the recommendation letters to?

John Sprouls: I do not know the answer to that, but hopefully Li does.

Li Zhou: So currently we do - the Secretary is unable to join the call. We are looking to see whether or not the Acting Assistant Secretary of Industry & Analysis is available to join.

Melissa Flood: Sorry. Can you remind me who that individual is?

Li Zhou: Pat Dean.

Melissa Flood: Okay.

John Sprouls: Okay? Okay. So again, we want to try to get feedback back to the committees by the 7th so they can turn their documents around by the 10th. And I realize this is a very, very fast track. Because we then would like to circulate the recommendation letters back to everyone, in advance of the October 13 teleconference. And I would note for everyone, the October 13th meeting that we're having by teleconference, we really do need the actual member of each - of the representative on the TTAB.

We cannot have staff vote in terms of any of these recommendations. It has to be the actual member of the TTAB on the 13th, in order to be able to register the vote. And that's what our meeting on the 13th will be about, is voting on these three letters that we have. Assuming the letters are then adopted, Commerce will transmit these letters to the TTC and to anywhere else where they need to go.

And at that point, we will begin thinking about what we want to do for the balance of our term here on the TTAB, and start putting together the agenda for our November 18th meeting in DC, where we can start to shift and start thinking about some broader priorities, covering off some of the issues that

folks didn't necessarily include in these letters, a lot of the priorities from visa facilitation, etc.

So we, you know, I promise we will move not at a more leisurely pace but maybe not as frenetic as we have been going forward. At this point, are there any questions, comments, complaints from the board?

Man: On the 13th - maybe you sent this - what's the time of that meeting and what is the code? We have a couple of different codes here.

Li Zhou: This is Li, if I can jump in. The time of the meeting is - it will start at 2:00 pm Eastern Time. I updated the dial in information and it should be the same as what was used today.

Man: Thank you.

John Sprouls: All right. And Li, I would turn it back to you. Is there anything that we've missed or anything else we need to keep everybody informed on?

Li Zhou: I do not believe so. But if there are any questions or questions about - I'm sorry, questions or comments about the review or the timeline, please do feel free to connect with me. And also, looking towards November, we are looking forward to sharing additional details about the in person meeting logistics and whatnot, as it takes shape.

John Sprouls: Great. Unless there are any other further questions or comments, I believe we are adjourned.

Man: Wonderful John. Thanks for all your leadership.

Crosstalk

John Sprouls: ...for your participation.

Man: Bye.

Crosstalk

END