

S 1023 RS

**Calendar No. 71**

111th CONGRESS

1st Session

**S. 1023**

[Report No. 111-25]

To establish a non-profit corporation to communicate United States entry policies and otherwise promote leisure, business, and scholarly travel to the United States.

**IN THE SENATE OF THE UNITED STATES****May 12, 2009**

Mr. DORGAN (for himself, Mr. ENSIGN, Mr. INOUE, Mr. MARTINEZ, Ms. KLOBUCHAR, Mr. BEGICH, Ms. MIKULSKI, Mr. BENNET, Mr. UDALL of New Mexico, Mr. VITTER, Mr. UDALL of Colorado, Mr. REID, Mr. ROCKEFELLER, Mr. NELSON of Florida, Mrs. BOXER, Mr. THUNE, Mr. KERRY, Mr. PRYOR, Mr. WICKER, Ms. LANDRIEU, Mr. ENZI, Mr. JOHNSON, Mr. GRAHAM, and Mr. TESTER) introduced the following bill: which was read twice and referred to the Committee on Commerce, Science, and Transportation

**June 5, 2009**

Reported under authority of the order of the Senate of June 4, 2009, by Mr. ROCKEFELLER, with amendments

**[Omit the part struck through and insert the part printed in italic]**

**A BILL**

To establish a non-profit corporation to communicate United States entry policies and otherwise promote leisure, business, and scholarly travel to the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE- This Act may be cited as the `Travel Promotion Act of 2009'.

(b) TABLE OF CONTENTS- The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. The Corporation for Travel Promotion.
- Sec. 3. Accountability measures.
- Sec. 4. Matching public and private funding.
- Sec. 5. Travel promotion fund fees.
- Sec. 6. Assessment authority.
- Sec. 7. Office of Travel Promotion.
- Sec. 8. Research program.

**SEC. 2. THE CORPORATION FOR TRAVEL PROMOTION.**

(a) ESTABLISHMENT- The Corporation for Travel Promotion is established as a nonprofit corporation. The Corporation shall not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of the District of Columbia Nonprofit Corporation Act (D.C. Code, section 29-1001 et seq.), to the extent that such provisions are consistent with this section, and shall have the powers conferred upon a nonprofit corporation by that Act to carry out its purposes and activities.

(b) Board of Directors-

(1) IN GENERAL- The Corporation shall have a board of directors of 11 members with knowledge of international travel promotion and marketing, broadly representing various regions of the United States, who are United States citizens. Members of the board shall be appointed by the Secretary of Commerce (after consultation with the Secretary of Homeland Security and the Secretary of State), as follows:

- (A) 1 shall have appropriate expertise and experience in the hotel accommodations sector;

- (B) 1 shall have appropriate expertise and experience in the restaurant sector;
- (C) 1 shall have appropriate expertise and experience in the small business or retail sector or in associations representing that sector;
- (D) 1 shall have appropriate expertise and experience in the [Struck out->] advertising [<-Struck out] *travel distribution services* sector;
- (E) 1 shall have appropriate expertise and experience in the attractions or recreations sector;
- (F) 1 shall have appropriate expertise and experience as officials of a city convention and visitors' bureau;
- (G) 2 shall have appropriate expertise and experience as officials of a State tourism office;
- (H) 1 shall have appropriate expertise and experience in the passenger air sector;
- (I) 1 shall have appropriate expertise and experience in immigration law and policy, including visa requirements and United States entry procedures; and
- (J) 1 shall have appropriate expertise in the intercity passenger railroad business.

(2) INCORPORATION- The members of the initial board of directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act (D.C. Code, section [Struck out->] 29-1001 [<-Struck out] 29-301.01 et seq.).

(3) TERM OF OFFICE- The term of office of each member of the board appointed by the Secretary shall be 3 years, except that, of the members first appointed--

- (A) 3 shall be appointed for terms of 1 year;
- (B) 4 shall be appointed for terms of 2 years; and
- (C) 4 shall be appointed for terms of 3 years.

(4) REMOVAL FOR CAUSE- The Secretary of Commerce may remove any member of the board for good cause.

(5) VACANCIES- Any vacancy in the board shall not affect its power, but shall be filled in the manner required by this section. Any member whose term has expired may serve until the member's successor has taken office, or until the end of the calendar year in which the member's term has expired, whichever is earlier. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which that member's predecessor was appointed shall be appointed for the remainder of the predecessor's term. No member of the board shall be eligible to serve more than 2 consecutive full 3-year terms.

(6) ELECTION OF CHAIRMAN AND VICE CHAIRMAN- Members of the board shall annually elect one of the members to be Chairman and elect 1 or 2 of the members as Vice Chairman or Vice Chairmen.

(7) STATUS AS FEDERAL EMPLOYEES- Notwithstanding any provision of law to the contrary, no member of the board may be considered to be a Federal employee of the United States by virtue of his or her service as a member of the board.

(8) COMPENSATION; EXPENSES- No member shall receive any compensation from the Federal government for serving on the Board. Each member of the Board shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5, United States Code.

(c) Officers and Employees-

(1) IN GENERAL- The Corporation shall have [Struck out->] a *President*, [<-Struck out] *an executive director* and such other officers as may be named and appointed by the board for terms and at rates of compensation fixed by the board. No individual other than a citizen of the United States may be an officer of the Corporation. The Corporation may hire and fix the compensation of such employees as may be necessary to carry out its purposes. No officer or employee of the Corporation may receive any salary or other compensation (except for compensation for services on boards of directors of other organizations that do not receive funds from the Corporation, on committees of such boards, and in similar activities for such organizations) from any sources other than the Corporation for services rendered during the period of his or her employment by the Corporation. Service by any officer on boards of directors of other organizations, on committees of such boards, and in similar activities for such organizations shall be subject to annual advance approval by the board and subject to the provisions of the Corporation's Statement of Ethical Conduct. All officers and employees shall serve at the pleasure of the board.

(2) NONPOLITICAL NATURE OF APPOINTMENT- No political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, or employees of the Corporation.

(d) Nonprofit and Nonpolitical Nature of Corporation-

(1) STOCK- The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) PROFIT- No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) POLITICS- The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

(4) SENSE OF CONGRESS REGARDING LOBBYING ACTIVITIES- It is the sense of Congress that the Corporation should not engage in lobbying activities (as defined in section 3(7) of the Lobbying Disclosure Act of 1995 (5 U.S.C. 1602(7))).

(e) Duties and Powers-

(1) IN GENERAL- The Corporation shall develop and execute a plan--

(A) to provide useful information to foreign tourists, business people, students, scholars, scientists, and others interested in travelling to the United States, including the distribution of material provided by the Federal government concerning entry requirements, required documentation, fees, processes, and information concerning declared public health emergencies, to prospective travelers, travel agents, tour operators, meeting planners, foreign governments, travel media and other international stakeholders;

(B) to identify, counter, and correct misperceptions regarding United States entry policies around the world;

(C) to maximize the economic and diplomatic benefits of travel to the United States by promoting the United States of America to world travelers through the use of, but not limited to, all forms of advertising, outreach to trade shows, and other appropriate promotional activities;

(D) to ensure that international travel benefits all States and the District of Columbia and to identify opportunities and strategies to promote tourism to rural and urban areas equally, including areas not traditionally visited by international travelers; and

(E) to give priority to the Corporation's efforts with respect to countries and populations most likely to travel to the United States.

(2) SPECIFIC POWERS- In order to carry out the purposes of this section, the Corporation may--

(A) obtain grants from and make contracts with individuals and private companies, State, and Federal agencies, organizations, and institutions;

(B) hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out its purposes; and

(C) take such other actions as may be necessary to accomplish the purposes set forth in this section.

(3) PUBLIC OUTREACH AND INFORMATION- The Corporation shall develop and maintain a publicly accessible website.

(f) OPEN MEETINGS- Meetings of the board of directors of the Corporation, including any committee of the board, shall be open to the public. The board may, by majority vote, close any such meeting only for the time necessary to preserve the confidentiality of commercial or financial information that is privileged or confidential, to discuss personnel matters, or to discuss legal matters affecting the Corporation, including pending or potential litigation.

(g) MAJOR CAMPAIGNS- The board may not authorize the Corporation to obligate or expend more than \$25,000,000 on any advertising campaign, promotion, or related effort unless--

(1) the obligation or expenditure is approved by an affirmative vote of at least 2/3 of the members of the board present at the meeting;

(2) at least 6 members of the board are present at the meeting at which it is approved; and

(3) each member of the board has been given at least 3 days advance notice of the meeting at which the vote is to be taken and the matters to be voted upon at that meeting.

(h) Fiscal Accountability-

(1) FISCAL YEAR- The Corporation shall establish as its fiscal year the 12-month period beginning on October 1.

(2) BUDGET- The Corporation shall adopt a budget for each fiscal year.

(3) ANNUAL AUDITS- The Corporation shall engage an independent accounting firm to conduct an annual financial audit of the Corporation's operations and shall publish the results of the audit. The Comptroller General of the United States may review any audit of a financial statement conducted under this subsection by an independent accounting firm and may audit the Corporation's operations at the discretion of the Comptroller General. The Comptroller General *and the Congress* shall have full and complete access to the books and records of the Corporation.

(4) PROGRAM AUDITS- Not later than 2 years after the date of enactment of this Act, the Comptroller General shall conduct a review of the programmatic activities of the Corporation for Travel Promotion. This report shall be provided to appropriate congressional committees.

### SEC. 3. ACCOUNTABILITY MEASURES.

(a) OBJECTIVES- The Board shall establish annual objectives for the Corporation for each fiscal year subject to approval by the Secretary of Commerce (after consultation with the Secretary of Homeland Security and the Secretary of State). The Corporation shall establish a marketing plan for each fiscal year not less than 60 days before the beginning of that year and provide a copy of the plan, and any revisions thereof, to the Secretary.

(b) BUDGET- The board shall transmit a copy of the Corporation's budget for the forthcoming fiscal year to the Secretary not less

than 60 days before the beginning of each fiscal year, together with an explanation of any expenditure provided for by the budget in excess of \$5,000,000 for the fiscal year. The Corporation shall make a copy of the budget and the explanation available to the public and shall provide public access to the budget and explanation on the Corporation's website.

(c) ANNUAL REPORT TO CONGRESS- The Corporation shall submit an annual report for the preceding fiscal year to the Secretary of Commerce for transmittal to the Congress on or before the 15th day of May of each year. The report shall include--

- (1) a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this Act;
- (2) a comprehensive and detailed inventory of amounts obligated or expended by the Corporation during the preceding fiscal year;
- (3) a detailed description of each in-kind contribution, its fair market value, the individual or organization responsible for contributing, its specific use, and a justification for its use within the context of the Corporation's mission;
- (4) an objective and quantifiable measurement of its progress, on an objective-by-objective basis, in meeting the objectives established by the board;
- (5) an explanation of the reason for any failure to achieve an objective established by the board and any revisions or alterations to the Corporation's objectives under subsection (a);
- (6) a comprehensive and detailed report of the Corporation's operations and activities to promote tourism in rural and urban areas; and
- (7) such recommendations as the Corporation deems appropriate.

(d) LIMITATION ON USE OF FUNDS- Amounts deposited in the Fund may not be used for any purpose inconsistent with carrying out the objectives, budget, and report described in this section.

#### SEC. 4. MATCHING PUBLIC AND PRIVATE FUNDING.

(a) ESTABLISHMENT OF TRAVEL PROMOTION FUND- There is hereby established in the Treasury a fund which shall be known as the Travel Promotion Fund.

(b) Funding-

[Struck out->] (1) START-UP EXPENSES- For the period beginning on October 1, 2009, and ending on December 31, 2009, the Secretary of the Treasury shall make available to the Corporation such sums as may be necessary, but not to exceed \$10,000,000, from amounts deposited in the general fund of the Treasury from fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)) to cover the Corporation's initial expenses and activities under this Act. [<-Struck out]

[Struck out->] (2) Fiscal year 2010 and subsequent years- For the period beginning on January 1, 2010, and ending on September 30, 2010, and for each of fiscal years 2011 through 2014, from amounts deposited in the general fund of the Treasury during the preceding fiscal year from fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)), the Secretary of the Treasury shall transfer not more than \$100,000,000 to the Fund, which shall be made available to the Corporation, subject to subsections (c) and (d) of this section, to carry out its functions under this Act. Transfers shall be made at least quarterly on the basis of estimates by the Secretary of the Treasury of the amounts required to be transferred in accordance with subsection (c), and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess or less than the amounts required to be transferred. [<-Struck out]

[Struck out->] (c) Matching Requirement- [<-Struck out]

[Struck out->] (1) IN GENERAL- The Secretary of the Treasury shall make available to the Corporation at least quarterly from amounts available in the Fund for the period beginning on January 1, 2010, and ending on September 30, 2010, and for each of fiscal years 2011, 2012, 2013, and 2014, an amount equal to the amount received from non-Federal sources by the Corporation. The amount made available to the Corporation under this paragraph for the period ending on September 30, 2010, and for each of those fiscal years, may not exceed \$100,000,000. [<-Struck out]

(1) START-UP EXPENSES- For fiscal year 2010, the Secretary of the Treasury shall make available to the Corporation such sums as may be necessary, but not to exceed \$10,000,000, from amounts deposited in the general fund of the Treasury from fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)) to cover the Corporation's initial expenses and activities under this Act. Transfers shall be made at least quarterly, beginning on October 1, 2009, on the basis of estimates by the Secretary, and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess or less than the amounts required to be transferred.

(2) SUBSEQUENT YEARS- For each of fiscal years 2011 through 2014, from amounts deposited in the general fund of the Treasury during the preceding fiscal year from fees under section 217(h)(3)(B)(i)(I) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)(i)(I)), the Secretary of the Treasury shall transfer not more than \$100,000,000 to the Fund, which shall be made available to the Corporation, subject to subsection (c) of this section, to carry out its functions under this Act. Transfers shall be made at least quarterly on the basis of estimates by the Secretary, and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess or less than the amounts required to be transferred.

(c) Matching Requirement-

(1) *IN GENERAL*- No amounts may be made available to the Corporation under this section after fiscal year 2010, except to the extent that--

(A) for fiscal year 2011, the Corporation provides matching amounts from non-Federal sources equal in the aggregate to 50 percent or more of the amount transferred to the Fund under subsection (b); and

(B) for any fiscal year after fiscal year 2011, the Corporation provides matching amounts from non-Federal sources equal in the aggregate to 100 percent of the amount transferred to the Fund under subsection (b) for the fiscal year.

(2) *GOODS AND SERVICES*- For the purpose of determining the amount received from non-Federal sources by the Corporation, other than money--

(A) the fair market value of goods and services (including advertising) contributed to the Corporation for use under this Act may be included in the determination; but

(B) the fair market value of such goods and services may not account for more than 80 percent of the matching requirement under paragraph (1) for the Corporation in any fiscal year.

(3) *RIGHT OF REFUSAL*- The Corporation may decline to accept any contribution in-kind that it determines to be inappropriate, not useful, or commercially worthless.

(4) *LIMITATION*- The Corporation may not obligate or expend funds in excess of the total amount received by the Corporation for a fiscal year from Federal and non-Federal sources.

(d) Carryforward-

(1) *FEDERAL FUNDS*- Amounts transferred to the Fund under subsection (b)(2) shall remain available until expended.

(2) *MATCHING FUNDS*- Any amount received by the Corporation from non-Federal sources in fiscal year 2010, 2011, 2012, 2013, or 2014 that cannot be used to meet the matching requirement under subsection (c)(1) for the fiscal year in which amount was collected may be carried forward and treated as having been received in the succeeding fiscal year for purposes of meeting the matching requirement of subsection (c)(1) in such succeeding fiscal year.

## **SEC. 5. TRAVEL PROMOTION FUND FEES.**

Section 217(h)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1187(h)(3)(B)) is amended to read as follows:

^ (B) Fees-

^ (i) *IN GENERAL*- No later than September 30, 2009, the Secretary of Homeland Security shall establish a fee for the use of the System and begin assessment and collection of that fee. The initial fee shall be the sum of--

^ (I) \$10 per travel authorization; and

^ (II) an amount that will at least ensure recovery of the full costs of providing and administering the System, as determined by the Secretary.

^ (ii) *DISPOSITION OF AMOUNTS COLLECTED*- Amounts collected under clause (i)(I) shall be credited to the Travel Promotion Fund established by section 4 of the Travel Promotion Act of 2009. Amounts collected under clause (i)(II) shall be transferred to the general fund of the Treasury and made available to pay the costs incurred to administer the System.

^ (iii) *SUNSET OF TRAVEL PROMOTION FUND FEE*- The Secretary may not collect the fee authorized by clause (i)(I) for fiscal years beginning after September 30, 2014.'

## **SEC. 6. ASSESSMENT AUTHORITY.**

(a) *IN GENERAL*- Except as otherwise provided in this section, the Corporation may impose an annual assessment on United States members of the international travel and tourism industry (other than those described in section 2(b)(1)(C) or (H)) represented on the Board in proportion to their share of the aggregate international travel and tourism revenue of the industry. The Corporation shall be responsible for verifying, implementing, and collecting the assessment authorized by this section.

(b) *INITIAL ASSESSMENT LIMITED*- The Corporation may establish the initial assessment after the date of enactment of the Travel and Tourism Promotion Act at no greater, in the aggregate, than \$20,000,000.

(c) Referenda-

(1) *IN GENERAL*- The Corporation may not impose an annual assessment unless--

(A) the Corporation submits the proposed annual assessment to members of the industry in a referendum; and

(B) the assessment is approved by a majority of those voting in the referendum.

(3) *PROCEDURAL REQUIREMENTS*- In conducting a referendum under this subsection, the Corporation shall--

(A) provide written or electronic notice not less than 60 days before the date of the referendum;

(B) describe the proposed assessment or increase and explain the reasons for the referendum in the notice; and

(C) determine the results of the referendum on the basis of weighted voting apportioned according to each business entity's relative share of the aggregate annual United States international travel and tourism revenue for the industry per business entity, treating all related entities as a single entity.

(d) Collection-

(1) IN GENERAL- The Corporation shall establish a means of collecting the assessment that it finds to be efficient and effective. The Corporation may establish a late payment charge and rate of interest to be imposed on any person who fails to remit or pay to the Corporation any amount assessed by the Corporation under this Act.

(2) ENFORCEMENT- The Corporation may bring suit in Federal court to compel compliance with an assessment levied by the Corporation under this Act.

(e) INVESTMENT OF FUNDS- Pending disbursement pursuant to a program, plan, or project, the Corporation may invest funds collected through assessments, and any other funds received by the Corporation, only in obligations of the United States or any agency thereof, in general obligations of any State or any political subdivision thereof, in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System, or in obligations fully guaranteed as to principal and interest by the United States.

## SEC. 7. OFFICE OF TRAVEL PROMOTION.

Title II of the International Travel Act of 1961 (22 U.S.C. 2121 et seq.) is amended by inserting after section 201 the following:

### SEC. 202. OFFICE OF TRAVEL PROMOTION.

(a) OFFICE ESTABLISHED- There is established within the Department of Commerce an office to be known as the Office of Travel Promotion.

(b) Director-

(1) APPOINTMENT- The Office shall be headed by a Director who shall be appointed by the Secretary.

(2) QUALIFICATIONS- The Director shall be a citizen of the United States and have experience in a field directly related to the promotion of travel to and within the United States.

(3) DUTIES- The Director shall be responsible for ensuring the office is carrying out its functions effectively and shall report to the Secretary.

(c) FUNCTIONS- The Office shall--

(1) serve as liaison to the Corporation for Travel Promotion established by section 2 of the Travel Promotion Act of 2009 and support and encourage the development of programs to increase the number of international visitors to the United States for business, leisure, educational, medical, exchange, and other purposes;

(2) work with the Corporation, the Secretary of State and the Secretary of Homeland Security--

(A) to disseminate information more effectively to potential international visitors about documentation and procedures required for admission to the United States as a visitor;

(B) to ensure that arriving international visitors are generally welcomed with accurate information and in an inviting manner;

(C) to collect accurate data on the total number of international visitors that visit each State; and

(D) enhance the entry and departure experience for international visitors through the use of advertising, signage, and customer service; and

(3) support State, regional, and private sector initiatives to promote travel to and within the United States.

(d) REPORTS TO CONGRESS- Within a year after the date of enactment of the Travel Promotion Act of 2009, and periodically thereafter as appropriate, the Secretary shall transmit a report to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Homeland Security and Government Affairs, the Senate Committee on Foreign Relations, the House of Representatives Committee on Energy and Commerce, the House of Representatives Committee on Homeland Security, and the House of Representatives Committee on Foreign Affairs describing the Office's work with the Corporation, the Secretary of State and the Secretary of Homeland Security to carry out subsection (c)(2).'

## SEC. 8. RESEARCH PROGRAM.

Title II of the International Travel Act of 1961 (22 U.S.C. 2121 et seq.), as amended by section 7, is further amended by inserting after section 202 the following:

### SEC. 203. RESEARCH PROGRAM.

(a) IN GENERAL- The Office of Travel and Tourism Industries shall expand and continue its research and development activities in connection with the promotion of international travel to the United States, including--

(1) expanding access to the official Mexican travel surveys data to provide the States with traveler characteristics and visitation estimates for targeted marketing programs;

` (2) expanding the number of inbound air travelers sampled by the Commerce Department's Survey of International Travelers to reach a 1 percent sample size and revising the design and format of questionnaires to accommodate a new survey instrument, improve response rates to at least double the number of States and cities with reliable international visitor estimates and improve market coverage;

` (3) developing estimates of international travel exports (expenditures) on a State-by-State basis to enable each State to compare its comparative position to national totals and other States;

` (4) evaluate the success of the Corporation in achieving its objectives and carrying out the purposes of the Travel Promotion Act of 2009; and

` (5) research to support the annual reports required by section 202(d) of this Act.

` (b) AUTHORIZATION OF APPROPRIATIONS- There are authorized to be appropriated to the Secretary of Commerce for fiscal years 2010 through 2014 such sums as may be necessary to carry out this section.'.

Calendar No. 71

111th Congress

1st Session

**S. 1023**

**[Report No. 111-25]**

**A BILL**

To establish a non-profit corporation to communicate United States entry policies and otherwise promote leisure, business, and scholarly travel to the United States.

---

**June 5, 2009**

**Reported with amendments**

*END*

[THOMAS Home](#) | [Contact](#) | [Accessibility](#) | [Legal](#) | [USA.gov](#)