Testimony Before the House Subcommittee on Commerce, Manufacturing & Trade

Hearing: Daylight and Destinations: Examining Time, Travel, and Tourism

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Summary of Key Points: Decline of International Inbound Travel to the United States

International inbound travel is a vital American export industry that supports millions of jobs, strengthens local economies, and contributes significantly to the U.S. trade balance. Yet today, this industry—present in every congressional district—is in decline, and the U.S. economy is already feeling the effects.

This testimony will share key factors contributing to the current state of Inbound Travel, including:

- **Steep Fee Increases for International Visitors**, like a proposed $250 Visa Integrity Fee, increased entry costs, and a surcharge on international visitors to national parks
- **Policies and Uncertainty Inhibiting Entry**, including visa wait times, tariffs, stricter border security and immigration policies and hidden resort fees.
- **Funding Cut to Brand USA**, reducing the country's destination marketing by 80%

It will emphasize the economic consequences resulting from the decline in international travel and propose ways in which Congress can address the issues, including:

- ➢ **Ensure a welcoming, seamless entry experience**
- ➢ **Reject policies that single out international visitors**
- ➢ **Expand the Visa Waiver Program**
- ➢ **Fund and Reauthorize Brand USA**
- ➢ **Fund the Assistant Secretary of Tourism position**

Chairman Bilirakis, Ranking Member Schakowsky, and distinguished Members of the Subcommittee.

Thank you for the opportunity to testify on the state of international inbound travel to the United States – an industry that affects every congressional district, every urban and rural community, and thousands of small businesses across our country.

Introduction

I'm Lisa Simon, CEO and Executive Director of the **International Inbound Travel Association**, which is a non-partisan trade association representing the U.S. inbound travel industry. Our members are the tour operators, destination partners, attractions, hotels, transportation companies, restaurants, retail and other small businesses that welcome millions of international visitors to the United States each year.

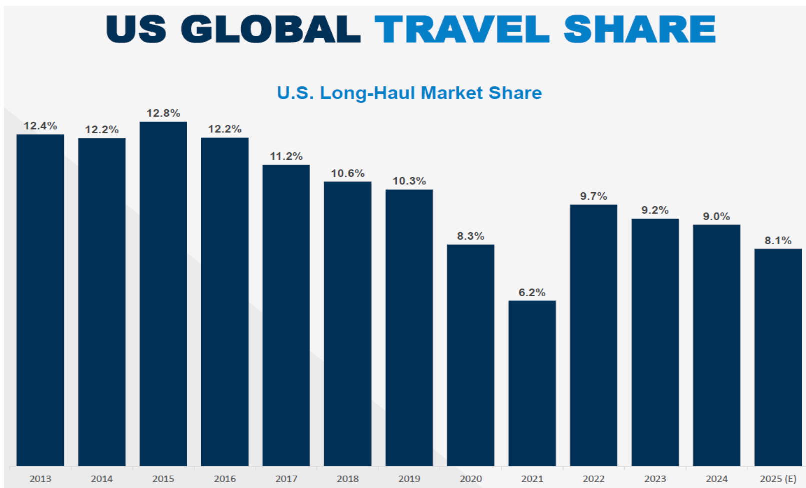
U.S. inbound tour operators, working with the international travel trade, deliver nearly 30% of the total international visitation to the United States, according to the Department of Commerce's National Travel and Tourism Office.

International inbound travel is one of America's quiet but powerful economic engines. It's a **major U.S. service export**, supporting more than **three million jobs** across various industries such as lodging, dining, entertainment, hospitality and transportation. International visitors spend heavily, creating a ripple effect that boosts employment and the overall economy.

Today, I must share a sobering reality: International inbound travel to the United States is declining, and the U.S. economy is already feeling the consequences.

State of Inbound Travel

The United States' share of global international travel has been declining for years. Despite the fact that pre-pandemic, international visitor numbers were increasing annually, the rest of the world was growing faster due to substantial government investments, thus reducing our market share of international travelers.



Source: Oxford Economics

In 2019, before the pandemic, the United States welcomed 79 million international visitors who spent nearly $180 billion across the country. In 2024, we came close to recovery with 72 million visitors, and projections at year end 2024 were that we would reach pre-pandemic levels by the end of 2026. That **recovery has now been pushed out to 2029.**

	U.S. Inbound Visitors (Thousands)										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
TOTAL VISITS	79,442	19,212	22,280	50,771	66,350	72,390	67,866	70,404	74,382	78,120	81,900
% CHANGE YEAR-OVER-YEAR		-75.8%	16.0%	127.9%	30.7%	9.1%	-6.3%	3.7%	5.6%	5.0%	4.8%
% CHANGE RELATIVE TO 2019		24%	28%	64%	84%	91%	85%	89%	94%	98%	103%

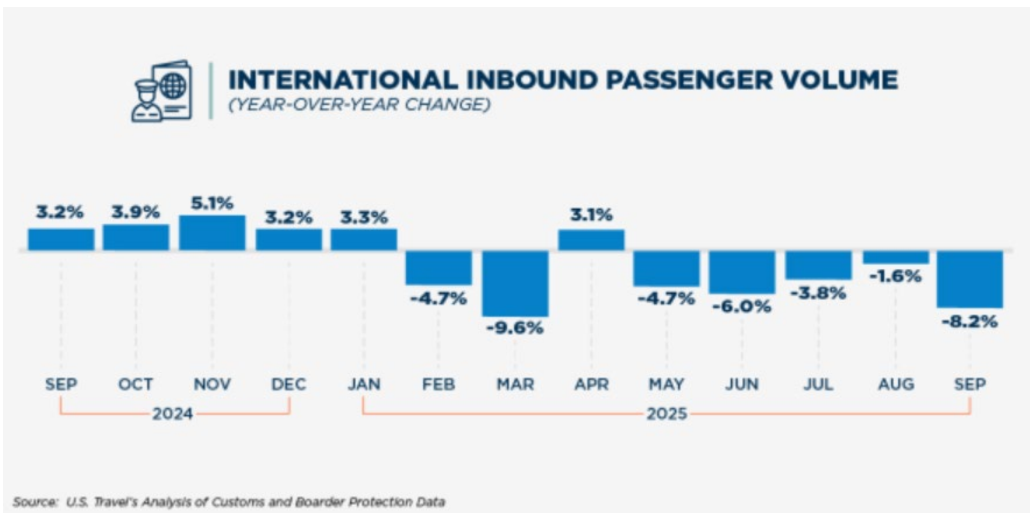
FORECAST

Source: Oxford Economics

Current Situation. Projections by Tourism Economics/Oxford Economics for 2025 show only **67 million international visitors spending $173 billion**. That is a **nearly 10% year-over-year decline** in travel exports.

Through September, **overseas arrivals to the U.S. are down 3.5%**. While it varies by market, **Canada** — our top inbound market — **is down 25%,** representing billions in lost revenue.

Customs and Border Protection data reinforces the trend: international visitation in September was down 8% year-over-year, an even steeper decline than in recent months.



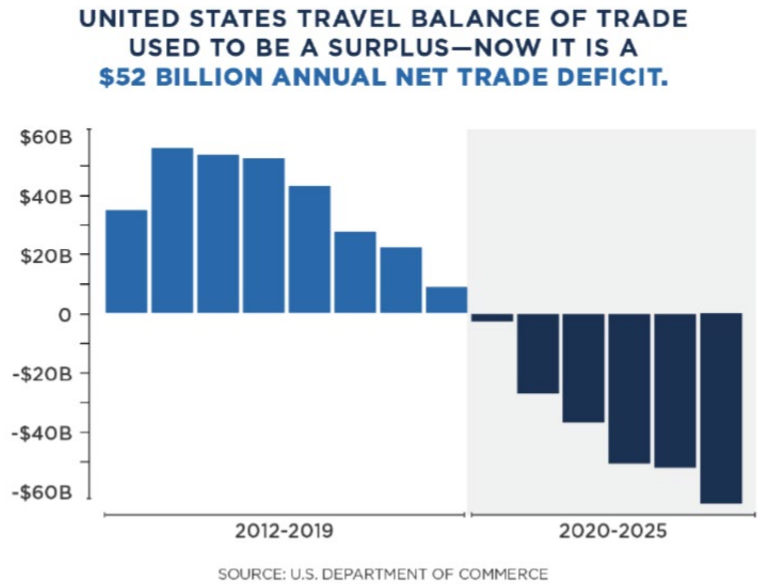
To put this into perspective, the average **overseas visitor spends $4,000 per trip**. **Every 1% drop** in international visitor spending **costs the U.S. economy $1.8 billion in lost export revenue.**

Economic Consequences

These declines are not abstract; they have real impacts on American workers and businesses.

According to the World Travel & Tourism Council, the **U.S. is on track to lose at least $21 billion** in international travel spending in 2025.

Since 2019, the **U.S. has gone from a $54 billion travel trade surplus to a projected deficit of about $60 billion this year**. And we are now predicted to **be the only major country in the world facing a decline** in international visitor spending in 2025.



These losses hit hardest at the local level. Inbound travel dollars reach far beyond typical tourism centers. Every single congressional district benefits from international visitation, and every district feels these losses.

What's Driving the Decline

While there are many contributors, this downturn is not simply the result of global economic pressures; many of the biggest deterrents come from our own policies. Several U.S. policy choices — some which have gone into effect and others that are proposed — are creating barriers that deter inbound travel.

First, steep fee increases are creating sticker shock and can disincentivize travel to the U.S. The One Big Beautiful Bill included increases to several fees for international travelers to visit the United States.

- There is a **proposed $250 Visa Integrity Fee**, on top of the existing $185 visa application fee, which, if implemented, would result in the **U.S. having the second-highest visa cost in the world**.

- Electronic System of Travel Authorization (ESTA) fees for Visa Waiver Program travelers recently **increased from $21 to $40**.
- I-94 fees for international travelers entering at land borders **increased from $6 to $30.**
- Not included in the bill, but a recent Executive Order directs **higher entrance fees for international visitors to national parks**, and a bicameral bill—the PATRIOT Parks Act—being considered would **codify an international-visitor surcharge**.

These costs place the **U.S. out of alignment with competitor destinations**, many of which have moved in the opposite direction making it easier and less expensive to visit their countries. They give the impression that we simply don't want foreign visitors in the U.S.

Second, policies and uncertainty are inhibiting entry.

Uncertainty and fear are leading to international travelers' hesitation to travel to the United States.

- **Long visa-appointment wait times,** inconsistent interview procedures, stricter border policies reduce demand and undermine confidence.

  We applaud the recently announced FIFA World Cup pass that would essentially guarantee ticket holders timely visa interview appointments and the addition of 400+ consular officers to ensure seamless processing.

- **Tariffs** have caused anxiety in markets with fears of unpredictable costs.

- **Government shutdowns**, and even threats of shutdowns, disrupt aviation staffing, create operational delays, and cost the U.S. billions. It's important to note that the Government shutdown has taken a toll on the economy and the travel infrastructure, **costing the travel economy $1 billion for every week** the government was closed.
  This shutdown cost $5.5 billion in travel revenue.
- **Unexpected resort fees and other forms of drip pricing** create uncertainty for international visitors and undermine the overall U.S. destination experience. These hidden charges complicate trip planning and weaken trust in the U.S. travel marketplace as they are not common in most international markets.

  Congress has made solid progress toward fixing this. Senate Bill S.314, now awaiting floor action, would require clear upfront disclosure of all mandatory fees—an important structural step that aligns U.S. practices with international expectations and strengthens our competitiveness as a destination.

Finally, the funding cut to Brand USA. Brand USA is our country's highly effective destination marketing organization charged with promoting the U.S., which has dramatically impacted the industry's ability to compete internationally.

Brand USA is a public/private partnership funded by private sector contributions and fees paid by international visitors from Visa Waiver Program countries (42) via the Electronic System for Travel Authorization (ESTA). **No American taxpayer dollars are used to fund Brand USA.**

The One Big Beautiful Bill **cut Brand USA's funding by 80%,** at a time when we need to be in front of the world with a unified welcoming message to rebuild lost business and ensure we have successful mega-events that we're hosting in the next several years, starting with the FIFA World Cup and the Route 66 Centennial next year and the Olympics and Paralympics in 2028 and 2034.

According to U.S. Travel Association, these cuts to Brand USA could lead to a loss of:

- **$ 7.5 billion in visitor spending** on American products and services

- **$2.1 billion in federal, state and local tax revenue**
- Enough spending to support **100,000 American jobs**

We strongly support Chairman Bilirakis and Rep. Castor's recently announced legislation to restore full funding for Brand USA leading up to the biggest couple years for travel for our country.

International **consumer perception is being driven by extensive global media coverage** of detainments and disruptions at the border, the crackdown on immigration and images of raids in cities and rural areas, and overall unwelcoming rhetoric and images. We need Brand USA more than ever to actively counter these misperceptions and driving demand in our key source markets.

Why It Matters

Inbound travel is a vital export. It **strengthens the U.S. trade balance, supports millions of American jobs, and sustains businesses of every size**—from rural communities to major metropolitan centers.

- The **spending from international visitors directly supports over 3 million U.S. jobs.** Job creation is not limited to just hotels and airlines. International visitor spending has a **broad ripple effect,** supporting employment in numerous related sectors, including food services, entertainment, retail, transportation, advertising, real estate, and even healthcare and education services.

  If the current downward trends continue, the U**.S. risks losing billions in travel export** revenue and potentially **over 230,000 jobs**.
- U.S. inbound travel is **facing stronger competition globally**. Forecast commentary mentions that while other destinations reduce barriers – lowering fees and implementing visa waivers, the U.S. is facing increased friction.

- The data signal that inbound travel is not simply still in "recovery mode", but in fact sliding backward in 2025. This elevates the **urgency for policy, marketing, and structural fixes**.
- With major global events on the horizon (e.g., the 2026 FIFA World Cup in the U.S., the 2028 and 2034 Olympics etc.), failing to stabilize inbound travel business now means the U.S. will miss a window of opportunity that spotlights the uniqueness of our great country driving demand for years to come.

What We Ask of Congress

We respectfully urge Congress to:

- **Ensure a welcoming, seamless entry process** for international visitors.
- **Reject policies that single out international visitors**, including the PATRIOT Parks Act requiring an entrance-fee surcharge at national parks.
- **Improve entry and exit efficiency**, including staffing, infrastructure, and technology modernization.
- **Streamline visa processing** and broaden interview waivers where appropriate.
- **Expand the Visa Waiver Program**, giving more countries secure, streamlined access to visit the U.S.
- **Support Chairman Bilirakis' bill to restore full funding for Brand USA,** that is $160 million in surplus funds from the Travel Promotion Fund over the next two years at no burden to U.S. tax payers.
- **Reauthorize Brand USA in 2027.** Brand USA's current authorization will expire at the end of FY27.
- **Fund the Assistant Secretary of Tourism** position, which was established by the Visit America Act.

Closing

Inbound travel strengthens America—economically, culturally, and diplomatically. When visitors come here, they spend money in our communities, support American workers, and contribute to our national prosperity.

We cannot afford to lose ground in one of our most important export industries, especially when many of the barriers are within our control to fix.

Please find some additional graphics below and note that our primary data sources are the National Travel and Tourism Office, Tourism Economics/Oxford Economics, U.S. Travel Association and Brand USA.

Thank you for the opportunity to testify.

2025 INTERNATIONAL VISITATION FORECAST

Outlook amongst the top 10 markets is mixed.

Top 10 Markets	2024 Actual	2025 Forecast	YOY % Change
Mexico	16,989,950	17,919,500	+5%
Canada	20,241,120	15,746,260	-22%
United Kingdom	4,037,120	4,094,156	+1%
India	2,190,345	2,074,306	-5%
Japan	1,843,880	1,937,379	+5%
Brazil	1,910,260	1,933,037	+1%
Germany	1,994,790	1,782,281	-11%
France	1,706,080	1,592,392	-7%
China	1,625,960	1,555,350	-4%
South Korea	1,700,120	1,535,303	-10%
Total Top 10	**54,241,649**	**50,171,989**	**-8%**
TOTAL INTERNATIONAL	**72,390,320**	**67,865,690**	**-6%**

Source: Tourism Economics, October 2025

2025 INTERNATIONAL VISITATION FORECAST EVOLUTION

Tourism Economics' 2025 visitation outlook has evolved significantly over the past 12 months:

- December 2024: 78.8M (+9% YOY)
- March 2025: 65.6M (–9% YOY)
- October 2025: 67.9M (–6% YOY)

Source: U.S. Department of Commerce/NTTO, September 2025; Tourism Economics, October 2025, forecast in millions