

Statement for the Record

International Trade Administration
United States Department of Commerce

Subcommittee on Indian, Insular and Alaska Native Affairs
House Natural Resources Committee
United States House of Representatives

H.R. 3477, the “Native American Tourism and Improving Visitor Experience Act”
February 24, 2016

Chairman Young, Ranking Member Ruiz, and members of the committee, we appreciate the opportunity you have given us to present comments for the record regarding the U.S. Department of Commerce’s work to promote travel and tourism in Native American communities as well as provide views on H.R. 3477, the “Native American Tourism and Improving Visitor Experience Act” (NATIVE Act).

The National Travel and Tourism Office (NTTO) in Commerce’s International Trade Administration (ITA) is leading federal efforts through the interagency Tourism Policy Council to achieve the goal of the National Travel and Tourism Strategy (Strategy) to welcome 100 million international visitors annually by 2021. This government-wide effort to attract more international visitors has a positive economic impact at the state and local level and for Native American communities. According to Commerce survey research, 1.65 million of nearly the 35 million overseas tourists who came to the United States in 2014 visited Native American communities. From 2013 to 2014, Native American communities saw a 50 percent increase in visitors from China, a 23 percent increase from the United Kingdom, and a 32 percent increase from France.

To support increased visitation to Native American communities, the NTTO works closely with the American Indian Alaska Native Tourism Association (AIANTA) and with tribal groups. NTTO provides data on international visitation and international traveler trends to assist tribal groups to develop marketing strategies to increase international visitation and determine ways to measure results. Also, ITA’s U.S. and Foreign Commercial Service delivers export counseling assistance to help Native American communities expand their travel and tourism businesses in international markets. Additionally, the Executive Vice President of AIANTA has previously served on the Secretary of Commerce’s U.S. Travel and Tourism Advisory Board to provide input on U.S. travel and tourism policy.

In addition to work being done at ITA, Commerce’s Minority Business Development Agency (MBDA) has a long history of partnering with tribal and Native American groups, such as the National Center for American Indian Enterprise Development, the American Indian Chamber of Commerce of New Mexico, the United Tribes Technical College, and the Indian Pueblo Cultural

Center. MBDA embraces the rich culture of Native American tribes and understands that while native-owned businesses might be classified as Minority Business Enterprises (MBEs), the United States owes a unique trust responsibility to the various Indian tribes and Native Americans. MBDA believes that the best way for tribes to effectively self-govern is to empower tribes and Native peoples to create jobs and opportunities on- and off-reservation. That is why six MBDA Business Centers are located in geographical areas with large American Indian and Alaska Native populations: Anchorage, Alaska; Fresno, California; Santa Fe, New Mexico; Bismarck, North Dakota; Tulsa, Oklahoma; and Bridgeport, Connecticut.

When a Native-owned firm comes to MBDA seeking assistance with access to capital, the agency's Business Centers provide individually tailored consulting services to them. These services include helping them identify their immediate- and long-term business needs; establishing projected growth tracks; implementing targeted plans of action for increasing the firm's size, scale, and capacity; and providing strategic support to promote the achievement of the firm's desired outcomes.

Additionally, MBDA advocates for MBEs, including Native-owned firms, in the traditional banking space through relationships with national level banks and countless community banks through MBDA's National Business Center network. The agency also works closely with the Small Business Administration, on increasing opportunities for MBEs to pursue micro-lending opportunities. Through these partnerships and MBDA's steadfast commitment to the American Indian and Alaska Native community, MBDA has served thousands of Native American businesses. Last year, MBDA's entire network of centers worked with over 1,100 American Indian and Alaska Native firms. Further, over the past six fiscal years, FY 2009-FY 2014, MBDA has assisted American Indian and Alaska Native clients with accessing nearly \$1.87 billion in capital.

Commerce's Economic Development Administration (EDA) provides grants that help remove economic barriers and attract capital to Indian country, addressing a broad array of needs from construction to non-construction, technical assistance, and revolving loan fund projects. Through the Local Technical Assistance and Economic Adjustment Assistance programs, EDA can help Indian Tribes develop economic development plans and studies designed to build capacity and guide the economic prosperity and resiliency of an area or region, including in the tourism industry.

In addition, EDA can assist Indian Tribes not only with the planning, but the implementation of their plans. For example, in 2014, EDA invested \$300,000 in the Four Corners School of Outdoor Education, Monticello, Utah, to support continued construction of the Canyon Country Discovery Center, a destination tourist site in San Juan County, which is home to numerous national and state parks and forests, a Native American reservation, and other recreation sites. The project will expand the tourism industry in the Four Corners region, bringing opportunities for employment and job creation. That same year, EDA awarded \$511,000 to support renovation of the historic Santo Domingo Trading Post located on Santo Domingo Tribal lands in

New Mexico, reviving an historic Native American tourist attraction and increasing retail opportunities for Native American artists.

Complementary to Commerce's existing efforts to support economic growth, the NATIVE Act would require the Secretary of Commerce to update management plans and tourism initiatives to include Indian tribes and tribal organizations. Many of the responsibilities under the bill would likely be delegated to ITA's NTTO.

The bill requires that the Department's management plans and tourism initiatives include a proposal to improve travel and tourism data collection and analysis. Currently, NTTO works with AIANTA and tribal groups to provide them with available data. However, to improve the data would require the expansion of Commerce's existing Survey of International Air Travelers (SIAT). Commerce does not have the resources to expand the SIAT, which would be necessary to accomplish this goal. The legislation also calls for expanded technical assistance activities; there is currently no mechanism in place within ITA's NTTO to implement the technical assistance component envisioned in this legislation.

Overall, Commerce notes that if passed, the bill could set the expectation from Congress or the public that ITA should engage in expanded data collection, outreach activities, and technical assistance specific to Indian tribes and tribal organizations in the future. To achieve the data expansion component in this bill, increased funding from Congress, including the \$2 million to expand the SIAT already requested in the President's Fiscal Year 2017 budget, would be needed. This would allow an adequate sample size to double the current sample and make progress towards meeting the previously unfunded data collection requirements required under the Travel Promotion Act of 2009.

We appreciate the committee providing the Department the opportunity to comment on this legislation, and we look forward to working with the bill's sponsors and the committee to enhance the bill so that it provides the tools necessary to allow the Department of Commerce to realize the full scope of the legislation's intent.