



Insight

# Happy Holidays Travelers!

GORDON GRAY | DECEMBER 10, 2014

From the standpoint of fiscal policy, the Consolidated and Further Appropriations Act of 2015, colloquially referred to as the “cromnibus,” is hardly news. The Act adheres to the spending caps baked into current law and tweaked as part of the Ryan-Murray budget deal last December. Instead, the Act makes news and important policy changes outside of the green eyeshade. Included in the Act are policy changes to Dodd-Frank, campaign financing, and marijuana laws. Much of these policy changes reflect partisan horse-trading. A conspicuous exception is the inclusion in the cromnibus to extend the Travel Promotion Act.

The Travel Promotion Act reflects [both sound policy and sound budgeting](#). The Act reauthorizes Brand USA, a public-private partnership that promotes the near half-trillion dollar U.S. travel economy. In so doing, Brand USA supports about 8 million U.S. jobs. The travel and tourism industry is an essential part of the U.S. economy, contributing 2.8 percent of GDP in 2011.

But the U.S. is facing robust international competition for travel dollars, confronting the U.S. economy with the potential loss of [hundreds of billions of dollars](#) in travel and tourism dollars. Part of this challenge could be laid at the feet of other federal policies that might burden the travel economy, such as security. Other nations also pursue travel promotion strategies, often at taxpayer expense. For example, the U.K., Mexico, Spain, and France all spent in excess of \$100 million of taxpayer dollars to fund travel promotion. Brand USA serves as an important policy counterweight to these forces, and at zero cost to the U.S. taxpayer, with financing split equally between industry and fees assessed on foreign tourists.

The Travel Promotion Act is a fiscally responsible approach to assure continued U.S. competitiveness in the global travel and tourism market that has enjoyed bipartisan support in both Houses of Congress. Its inclusion in the “cromnibus” is important signal that sound policymaking can be achieved even in divided government.