

# National Advisory Committee on Travel and Tourism Infrastructure Record of Meeting

March 27, 2019 1200 New Jersey Avenue, SE Washington, D.C.

## **Members in Attendance**

Name	Title	Affiliation	
Rosemarie	President & CEO	MAG USA	
Andolino			
Andrew Cook	Mayor	Westfield, Indiana	
James Dubea	Vice President	TranSystems	
<b>Camille Ferguson</b>	Executive Director	American Indian Alaska Native Tourism	
		Association	
Sean Fitzgerald	Vice President	Enterprise Holdings, Inc.	
Bryan Grimaldi	Chief Operating Officer &	NYC & Company, Inc.	
	General Counsel		
Mufi Hannemann	President & CEO	Hawaii Lodging and Tourism Association	
David Harvey	Managing Director of	Southwest Airlines Co.	
	Business Development		
Steve Hill	President & COO	Las Vegas Convention and Visitors	
		Authority	
Jim Mathews	President & CEO	National Association of Railroad	
		Passengers	
Peter Pantuso	President & CEO	American Bus Association	
Sharon Pinkerton	Senior Vice President	Airlines for America	
	Head of Policy		

#### **Member Designees**

Name	Title	Affiliation	Designee
Sean Menke	<b>Executive Vice President</b>	Sabre	Michael Hanson

### **Other Officials Present**

Name	Title	Affiliation
Derek Kan	Under Secretary of Transportation for Policy	U.S. Department of Transportation
Joel Szabat	Assistant Secretary for Aviation & International Affairs	U.S. Department of Transportation



# National Advisory Committee on Travel and Tourism Infrastructure Meeting

<u> </u>	U.S. Department of Transportation
Committee Manager	U.S. Department of Transportation
Committee Manager	U.S. Department of Transportation
Community Planner	U.S. Department of Transportation
Community Planner	U.S. Department of Transportation
Operations Research Analyst	U.S. Department of Transportation
Vice President, Government	U.S. Travel Association
Relations	
Government Affairs Program	Summit Strategies
Manager	_
Northeast Field Coordinator	Rail Passengers Association
Senior Vice President	Xenophon Strategies
Director of External Affairs and	NYC & Company
Public Engagement	
President	SB Capitol Solutions
Executive Director of Strategic	Las Vegas Convention and
Initiatives	Visitors Authority
Federal Government Affairs	Metropolitan Washington Airports
Program Manager	Authority
Vice President	Cornerstone Government Affairs
Senior Advisor	The Ferguson Group
	Community Planner Community Planner Operations Research Analyst Vice President, Government Relations Government Affairs Program Manager Northeast Field Coordinator Senior Vice President Director of External Affairs and Public Engagement President Executive Director of Strategic Initiatives Federal Government Affairs Program Manager Vice President

#### Welcome and Introductions

David Short, Designated Federal Officer, welcomed the National Advisory Committee on Travel and Tourism Infrastructure (NACTTI), and thanked the Committee members for the time they have taken over the past few years to provide recommendations. The Committee's recommendations will inform the development of a DOT Strategic Plan that assesses current performance, identifies specific issues and barriers, and forecasts volumes and conditions over the next 20 years. He announced that Secretary Chao was unable to attend, but passed on her thanks to the Committee members for contributing their expertise and going above and beyond the call of duty.

#### **Call to Order**

David announced that this public meeting of the NACTTI was published in a Federal Register notice, and the public may address the Committee during the public comment period. He called the roll of members. John (Jack) Potter and Sean Menke were absent. Mr. Michael Hanson served as Mr. Menke's designee.



David also introduced the Committee's newest member, Mufi Hannemann. Mufi is the President and CEO of the Hawaii Lodging and Tourism Association and previously served as Mayor of Honolulu. He thanked Mufi for agreeing to serve on the Committee and turned it over to Mufi, who briefly thanked the Committee for allowing him to join.

#### October 24 and December 4, 2018 Meetings Recap

David turned the meeting over to Rosemarie (Rosie) Andolino, Chair of Subcommittee 1, who provided a recap of the Committee's previous two meetings. In the October 24, 2018, meeting, the Committee convened to discuss recommendations from both subcommittees. Subcommittee 1 provided an overview of 46 projects within major corridors that fit the criteria of critical infrastructure and discussed their methodology for narrowing them down to a final list of 10 to 15 projects. Subcommittee 2 gave an overview of their process for determining barriers and recommendations, which are categorized into funding, organizational, regulatory, and technology and innovation.

In the December 4, 2018, meeting, Subcommittee 1 convened separately in a morning session to review their draft recommendations. The full Committee reconvened for an afternoon session. The Committee first focused on airport funding and then moved to a discussion of critical travel infrastructure by mode. They then discussed next steps for the report, including expanding on the national strategy and funding mechanisms and enhancing the discussion on incorporating travel and tourism into planning.

There was a motion to accept the minutes for both previous meetings, and both motions were seconded and passed.

#### **Discussion of Subcommittee Recommendations—Subcommittee #1**

Rosie provided an overview of Committee 1's recommendations from the report. Section one of the report provides the Committee's guidance and recommendations for how DOT can identify critical travel infrastructure and establish a National Travel and Tourism Infrastructure Network, measure the Network's performance, identify major mobility gaps, and identify critical travel and tourism infrastructure projects. Section two identifies barriers to improving critical infrastructure and provides recommendations related to funding, technology, organizational issues, and regulatory hurdles.

Rosie stressed that travel is a huge industry and critical to America's employment and economy. Congress recognized this in the FAST Act and tasked DOT with establishing NACTTI and developing a report. Freight has been prioritized recently and the national freight strategy and policy can provide a model for success for this group as similar corridors are used to move freight and people.

Committee 1's key recommendations are:



- 1. DOT should identify and officially designate a National Travel Infrastructure Network (NTIN or Network) to inform planners, the private sector, and the public about where major travel occurs and to develop policy and strategies to prioritize these areas.
- 2. DOT should perform an analysis of the Network to determine safety, resilience, and future growth of travel to and within the U.S. and to address any mobility gaps.
- 3. Policy changes should be implemented to align Federal policies and resources with the goals of the Strategic Plan. This includes strengthening Federal investment through funding mechanisms such as public-private partnerships and ensuring DOT discretionary grant programs provide special consideration for projects that support the goals of the Plan.
- 4. Policy changes should be implemented to ensure State and local transportation agencies align planning and investments to support the goals of the Strategic Plan. This includes establishing a National Travel and Tourism Mobility Program, providing planning funds to states and MPOs to develop projects that support this Program, and establishing a State Travel & Tourism Advisory Committee.
- 5. DOT should leverage existing initiatives and programs to enhance the economic contributions of travel and tourism, including streamlining the permitting and environmental review process, expanding the use of biometrics for security, and developing guidelines for the testing and implementation of new and innovative technologies.

Rosie then turned it over to Jim Mathews for a discussion of critical infrastructure. Jim stated that the Committee came up with a consensus definition of "Critical Travel Infrastructure" (see Figure 1 below) and then identified whether project criteria met this definition. They did not come up with a definitive list of projects but provided examples of projects to give a sense of the kinds of projects that met the definition. Jim displayed a map of the top 100 tourist destinations in the U.S. and showed the locations of the top airports, major highway routes supporting these destinations, and the national rail system. He also displayed example projects that met the consensus definition.

Figure 1. NACTTI Consensus Definition

"Critical Travel Infrastructure" consists of the <u>fixed installations</u>, including but not limited to roads, railways, airways, waterways, and terminals such as airports, railway stations, bus stations and seaports, that enable <u>long-haul travel mobility</u> to and within the United States. Whether physical or virtual, these systems and assets are so vital to the large-scale movement of people that the <u>incapacity</u>, inefficiency or <u>absence of such systems and assets would debilitate travel and tourism and endanger security, safety,</u> <u>economic growth, or any combination of those matters</u>. When determining if systems or assets qualify as Critical Travel Infrastructure, consideration should be given to alleviating congestion and accommodating future growth along major corridors for long-haul travel (surface, air, rail) and enhancing connectivity, reliability, efficiency, technology, safety and security between modes and to major destinations and tourism assets (AVs, TNCs, transit).



Jim then turned it over to Camille Ferguson for a discussion of Tribal transportation needs. Camille explained that there are 573 tribes across the nation with unique transportation needs. The NATIVE Act of 2016 sought to enhance travel and tourism to reservation lands. However, reservation roads are often in poor condition, making seamless travel not possible due to inconsistent and unpredictable conditions. This is a significant barrier to economic growth, particularly as there have been major cutbacks to funding of tribal roads. The National Congress of American Indians (NCAI) examined the needs of travelers within, through, and to tribal lands and recognizes that despite the importance of these nations to U.S. tourism, unmet transportation infrastructure needs are significant. NACTTI recommends that the NTIN include maintaining national highway system corridors that serve these top U.S. destinations and Alaska should not be left out. The state features the Alaska Marine Highway System, which contributes to and is part of the U.S. travel and tourism economy.

### **Discussion of Subcommittee Recommendations—Subcommittee #2**

David Harvey then provided a summary of Subcommittee 2's recommendations on barriers and solutions. The Subcommittee identified the primary barriers to improving critical infrastructure, and categorized them into funding, organizational, regulatory, and technology and innovation. In general, the U.S. needs to match the capacity of its transportation system to the demand of large-scale people movement.

For funding, the Subcommittee recommends starting with better prioritization with the goal of return on investment. Funding should not be just about throughput and volume, it should be about economic risk, customer experience, connectivity across modes, and meeting with national and state/local needs. Funding mechanisms have not kept up with changing times and should expand beyond user-based charges to ensure new entrants that are contributing to road volume (such as ride sharing and others) are paying their fair share as well. Funding prioritization should consider visitor numbers as well as the local population, and there is a large opportunity for DOT to lead by example and utilize public-private partnerships.

The Subcommittee's organizational recommendations stress the need to integrate across different administrations and modes to create shared goals, objectives, and measurements for better integrated planning and implementation. Previous committees such as the Transportation Policy Council have come together to create recommendations on this topic, so it is important to go back and look at their recommendations and assess what has already been done.

For regulatory, the Subcommittee agrees with the One Federal Decision (OFD). There is an opportunity for reform and more transparency related to existing Federal policies and regulations. The Subcommittee recommends working with the Council on Environmental Quality (CEQ) to update the public on the state of regulatory reform, such as updating the website.



The Subcommittee also recommends establishing a Master Emerging Technology Committee to develop a framework to improve the safety and timeliness of going to market for new technologies. They also recommend incentivizing the distribution and development of these new advancements.

Steve Hill then provided an overview of innovative technologies and their impact on their tourism industry. He expressed his enthusiasm for the new <u>Non-Traditional and Emerging</u> <u>Transportation Technology Council</u> convened by DOT and provided an example of Las Vegas's recent request for proposal awarded to the Boring Company to develop the first commercial use of their technology through a pilot system at the Convention Center. The Subcommittee recommended eliminating unnecessary regulations that can serve as obstacles and ensuring the necessary regulations are in place to support the rollout of these new technologies. Steve also recommended a focus on funding to incentivize development and deployment of technology, fostering data sharing and accountability, and supporting intelligent transportation systems platforms in communities. He expressed that the Committee's recommended national travel mobility program is an important opportunity for the Federal government to partner with states and local municipalities to align priorities and funding for these new technologies.

Mayor Andy Cook then provided an overview of transportation funding. The current funding system is a mishmash of state, local, and Federal funding. Many of the Federal funding policies are regressive, such as taxes that are based on gallons of gasoline consumed. Vehicles are now more efficient and more alternative fuels are being used, so the amount of income states and cities are receiving from this source is falling short while our aging infrastructure needs it more. This is also tricky politically as raising taxes is unpopular with constituents. However, some places such as Indiana have had success raising and indexing the gas tax to fix infrastructure.

David then concluded with a summary of the subcommittee's recommendations for transparency in funding mechanisms, thinking of the traveler as a customer, and implementing the proposed Network. He stated that the Committee is ready to continue serving in any capacity and stressed the huge sense of urgency and risk related to implementing these recommendations.

#### **Public Comments**

There were no public comments. David Short closed the public comments.

#### Full Committee Vote on Recommendations

No Committee members opposed the recommendations. The motion to approve the Committee's recommendations carried unanimously, and the Committee broke for lunch to reconvene at 1:15 p.m.

#### **Presentation of Recommendations to Secretary**



Assistant Secretary for Aviation and & International Affairs Joel Szabat kicked off the afternoon session by reminding the Committee that it takes approximately 18 months for a good idea to be turned into policy. There is a short timeline remaining for policy to be implemented before the end of this term.

Rosie then began the Committee's presentation by thanking the Assistant Secretary for his time and for acknowledging the importance of the group's work. She outlined Section 1 of their report, which provides guidance and recommendations for how DOT can identify critical infrastructure and officially identify a Network, measure the Network's performance and identify gaps, and identify critical projects that are essential for long-haul travel and tourism.

Under Secretary of Transportation for Policy Derek Kan then joined the meeting and thanked the Committee members for being there and expressed his gratitude for the great service they have provided on the committee. He stressed that infrastructure is very important for the administration, and the Committee's recommendations will be essential for developing a strategic plan and building tourism infrastructure and policies.

Rosie then continued the Committee's presentation by outlining Section 2 of the report, which identifies barriers to this critical infrastructure and provides solutions. She stressed the importance of travel and tourism to the economy and provided an overview of the Committee's five key recommendations as listed above in the Subcommittee 1 Recommendations. She stressed the importance of multimodal considerations for long-haul passenger travel and changes affecting this travel such as increased security and new technologies. Rosie then turned it over to Jim.

Jim defined critical travel infrastructure and provided examples of illustrative projects that meet this definition and are key to the economy at a national and international level. These projects included completing Interstate 73 to Myrtle Beach, PDX Terminal improvements, and Port Canaveral improvements. He then turned it over to David.

David stressed the substantial needs and opportunities for tourism infrastructure, both new projects and improving existing infrastructure. From funding components, to organizational and regulatory hurdles, to technological innovations, the stakes are very high in ensuring the U.S. continues to be attractive to both domestic and international travelers. The Committee then turned it over to the Assistant Secretary for a question and answer period.

Questions from Joel Szabat, Assistant Secretary for Aviation and International Affairs (A&I/A)



Joel: We would like to take you up on your offer to support the development of the Strategic Plan. My inclination would be to build this into the larger Department's Strategic Plan, rather than creating a separate document. What would the Committee's preferred strategy be?

**Rosie:** An individual strategic plan could help bring necessary attention to the topic, but incorporating travel and tourism into the larger strategic plan could be effective as well. However, we would need to have further discussion on how travel and tourism infrastructure, as well as the Committee's recommendations, can be embedded across all DOT modes, policies, and procedures. This could potentially be a highlighted area as the Department moves forward.

Sean: Perhaps this could be a standout section of the full Plan?

Joel: Thank you. The Department will consider all of this, but there are no guarantees.

Joel: How were the top 100 travel destinations determined? Where do the data come from, and how were they calculated?

**Jim:** We used travel data, ranked by volume and ins and outs by mode. These were aggregated and ranked. This is for individual net travelers. U.S. Travel Association has access to third-party data that considers all visitors arriving to a destination located at least 50 miles from home that stayed at least one night.

Joel: The consensus definition that you came up with of "critical travel infrastructure" is of immense value to the Department, one of the most important contributions from the Committee. Thank you for doing this. There is a chance the definition may be slightly altered as it is incorporated into the actual Strategic Plan.

**Rosie:** We would like to be part of the conversation as this definition and related scoping are developed. The definition should already be reflective of the travel and tourism community and U.S. at large.

**Bryan:** This definition was not created in a vacuum. We looked at existing literature, how other Federal Departments defined related terms, and used these to serve as a backdrop.

**Rosie:** Yes, it was truly a collaborative approach to create this, as we worked on this in both the public and subcommittee meetings. This process was essential in order to define the rest of our work. A lot of individuals outside of this room helped provide data and insight to create this definition.

Joel: You have mentioned the term "long-haul." What is the definition of this?

Jim: 50+ miles. This is based on the U.S. Travel Association criteria previously mentioned.



#### Joel: What value do you think this Committee brings to the Department?

**Jim:** We saw a gap in how travel and tourism is currently approached, as the regions generally only look internally. There is a need for a larger, more multimodal view to see how everything connects together. This will become increasingly important, particularly with the introduction of so many new technologies.

**James:** A similar approach is already being taken with freight and other topics. We need to use this framework and similarly think about travel and tourism all the way down to the MPO level.

Joel: You mentioned public-private partnerships before. I want to hear a little more about that. If you look at the MPO/local project level, what are the types of projects the Department should champion?

**David:** We can provide a list of specific projects that serve as a good model, such as the Los Angeles Airport (LAX) project.

**Mufi:** What is DOT's policy on public-private partnerships? It would be great for DOT to be a champion of this, and reward states and local jurisdictions for engaging in these partnerships.

**Joel:** Great question about the mindset of the administration surrounding public-private partnerships. This concept has developed a lot over the years, and different Administrations have had different ideas of what they should be used for. Under this Administration, the President is skeptical of the benefits of all public-private partnerships, and wants to be shown how they can be successful and not just leverage Federal dollars to spend local dollars. There is also pushback from Congress because it means Federal dollars are still being spent. These both serve as constraints within the Administration and Congress that have not existed before. That being said, all conversations about an infrastructure bill include local match, and DOT was given a boost in the budget, primarily through discretionary grant programs. This is a similar model to public-private partnerships, using Federal money to leverage investments from the local level. There is no consensus on this topic between the Administration and Congress, or even across the Administration. This is where we need your help; if you think that public-private partnerships should be prioritized, then you should recommend this.

**Steve:** Yes, public-private partnerships can be very beneficial, because the equity is provided by a private entity, but the project comes to fruition through Federal support.

**Rosie**: Each project has to be looked at individually, as different partnership models exist. Public-private partnerships are great because they make projects possible that otherwise were not. They can help build upon existing infrastructure at the local level. Terminal development, cargo investments, and more are great examples of successful public-private partnerships. We are far behind other countries that have utilized these partnerships to improve their infrastructure.



**Mufi:** It is helpful for local investors to know that the Federal government is supportive of this type of concept and for DOT to embrace this. Hawaii, for example, would benefit as we have a lot of foreign investors.

**Joel:** This all makes sense. However these projects do need to make sure that revenue comes back to the investors, which can be difficult. Some local governments may see certain projects as a public good they don't need revenue from, but not always.

**Sean:** Is there an ask for the Committee to provide specific examples of successful public-private partnerships, and what has worked and what hasn't?

Joel: Yes, there is.

Joel: Disruptive technologies complicate things. For example, drones and local ordinances. It is easy to say "embrace the change," but these new technologies can be hard to implement into the existing transportation system.

David: Is there a way to partner with external expertise to do a more design-first approach?

**Rosie:** There are also different levels of disruptive technologies. This is why there is a need for investments in research and new infrastructure to support the technologies. Some of these technologies are using existing infrastructure, but not contributing to it. This should be addressed.

**Steve:** There is a lot of this happening in Las Vegas, for example. There are drones and other technologies, and we need help from Federal investments.

Joel: What would setting up the mobility program you mentioned within DOT look like?

**James:** The focus would be on integrating travel and tourism into existing infrastructure policies and programs within DOT. Travel and tourism isn't really represented anywhere in the organization; it is generally understood, but pushed off to the side. The spirit of this program is to integrate into DOT policies and procedures, for example, by having representation from the industry.

**Jim:** It's about thinking more about the consumer, and thinking about modes in a more catholic way. Multimodalism is often talked about, but things aren't funded or handled in this way. There are no mechanisms in place to do so, and to ensure it's a seamless trip.

**James:** One example of this is that airport and seaport security processes aren't the same, so that luggage has to be screened separately for a traveler's flight and cruise.

**Rosie:** There should be an opportunity to implement biometrics and other technologies to align travel seamlessly. It's about making it simpler for the customer, whether a domestic or international guest, in this case there may be a language barrier so it's more important, and they



are the ones contributing most to the economy. Travelers should have the ability to change modes and navigate easily. Rural areas would particularly benefit from this. Technology and data sharing can assist in this effort and help break down silos.

### **Closing Remarks and Adjournment**

Assistant Secretary Szabat thanked the Committee again for their contribution. He stated that the legislation is amorphous and lacks clear direction, and it is challenging to turn the directives into something concrete with true deliverables. The Committee has done a great job. He thanked every individual who contributed, no matter how much, and thanked his DOT colleagues for their help. He adjourned the meeting at 2 p.m.