RPTR BRYANT

EDTR CRYSTAL

DAYLIGHT AND DESTINATIONS: EXAMINING

TIME, TRAVEL, AND TOURISM

THURSDAY, NOVEMBER 20, 2025

House of Representatives,

Subcommittee on Commerce, Manufacturing, and Trade,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to call, at 10:04 a.m., in Room 2123, Rayburn House Office Building, Hon. Gus Bilirakis [chairman of the subcommittee] presiding.

Present: Representatives Bilirakis, Dunn, Cammack, Obernolte, James, Bentz, Houchin, Fry, Lee, Kean, Evans, Goldman, Guthrie (ex officio), Schakowsky, Castor, Soto, Trahan, Clarke, Veasey, and Pallone (ex officio).

Also Present: Representative Carter of Georgia.

Staff Present: Ansley Boylan, Director of Operations; Jessica Donlon, General Counsel; Sydney Greene, Director of Finance and Logistics; Natalie Hellman, Professional

Staff Member, Commerce, Manufacturing, and Trade; Calvin Huggins, Energy, Clerk; Megan Jackson, Staff Director; Johnson, AT, Special Advisor; Daniel Kelly, Press Secretary; Sophie Khanahmadi, Deputy Staff Director; Alex Khlopin, Policy Analyst Commerce, Manufacturing, and Trade; Brayden Lacefield, Special Assistant; Giulia Leganski, Chief Counsel, Commerce, Manufacturing, and Trade; Sarah Meier, Counsel and Parliamentarian; Joel Miller, Chief Counsel; Seth Ricketts, Special Assistant; Chris Sarley, Member Services/Stakeholder Director; Matt VanHyfte, Communications Director; Jane Vickers, Press Assistant; Hannah Anton, Minority Policy Analyst; Keegan Cardman, Minority Staff Assistant; Kelly Fabian, Minority Chief Counsel, Commerce, Manufacturing, and Trade; Tiffany Guarascio, Minority Staff Director; Jackson Hall, Minority Intern; Megan Kanne, Minority Professional Staff Member; Shae Reinberg, Minority Intern; Andrew Souvall, Minority Director of Communications, Outreach and Member Services; and Hannah Treger, Minority Staff Assistant.

Mr. Bilirakis. The committee will come to order.

The chairman recognizes himself for 5 minutes for an opening statement.

Good morning, everyone. It is great to be back. Welcome to today's hearing examining time, travel, and tourism, and how they can strengthen our economy and our communities.

Thank you to all the witnesses for being here today. We appreciate you so much.

So, for me, this topic is personal. It hits home. I grew up in Tarpon Springs, Florida, in a strong Greek community where the Sponge Docks and our annual Epiphany celebration have welcomed visitors from around the world for generations.

In Florida's 12th Congressional District of Citrus, Hernando, and Pasco Counties, tourism supports family-owned restaurants, hotels, and outfitters, helping to sustain our Nature Coast way of life.

In Crystal River, you can swim with the manatees. In Weeki Wachee Springs, you can see the famous live mermaid show. And in Pasco County, Pasco County is home to a vibrant sports tourism industry with countless kayaking, waterways, and the AdventHealth Ice Rink, which just had the Wounded Warrior competition for hockey.

I know it is in Florida, but we have great hockey there. And it attracted over 630 people that participated in that particular tournament and their families.

So to further highlight the importance of tourism in the State of Florida, I would like to introduce for the record a study commissioned by Visit Florida showing tourism's economic impact in the State as well as Visit Florida's Marketing Effectiveness Survey revealing tourist preferences and ways to boost demand.

No objection, so ordered.

[The information follows:]

Mr. <u>Bilirakis.</u> Nationwide, travelers spent roughly \$1.3 trillion last year, generating nearly \$3 trillion in economic output and supporting over 15 million jobs. International visitors alone spent over \$250 billion.

As we prepare for the 2026 FIFA World Cup and the 2028 Los Angeles Olympics, we have a once-in-a-generation runway to welcome the world and spread those benefits to communities large and small, not to mention that we are celebrating the 250-year anniversary of our great country next year.

The critical tool here is Brand USA, folks -- I think you know that -- our public-private partnership that markets American destinations abroad.

I was proud to author the bipartisan Travel Promotion, Enhancement, and Modernization Act of 2014 to reauthorize Brand USA, because it helps attract visitors without relying on taxpayer dollars for funding.

We should ensure Brand USA remains strong and accountable as the global competition for travelers intensifies.

To achieve that, I filed legislation yesterday with my partner in the Tampa Bay area, Ms. Castor, to increase funding for Brand USA as we gear up for America's 250 celebration. Dina Titus also is a primary cosponsor from the great State of Nevada.

Today, we will also examine the tradeoffs to commerce, health, and safety that come with daylight saving time and any adjustments to our clock-changing practices. Many argue that more evening daylight boosts consumer activity and tourism. Others raise valid concerns about sleep, road safety, and school routines.

Our job is to take actions that help American workers, businesses, of course, and visitors alike so we can deliver wins for communities like mine -- and, of course, yours -- giving families and businesses the opportunity and certainty, whether we lock the

6

clock or maintain the status quo.

So thank you to the witnesses.

I also want to mention that we have spring training in the State of Florida, and that attracts a lot of economic -- a lot of tourism. And we need one more team in the Tampa Bay area. So if anybody has any ideas, let us know.

The chairman recognizes the ranking member, Ms. Schakowsky, for her 5 minutes for an opening statement.

I yield back.

[The prepared statement of Mr. Bilirakis follows:]

Ms. Schakowsky. Thank you, Mr. Chairman.

I hate to say this, but I believe that President Trump has contributed to a decrease right now in the people who want to come to the United States of America. That is right. We have seen a decrease in the people who are coming to visit us.

And I want to tell you that even people who are citizens of the United States of

America often are mistaken as people who are foreign and taken away for a while until it is

finally true that they are actually sometimes citizens and certainly members in the United

States of America.

So we have seen a real decrease in the number of people who feel safe in coming to the United States, and that is a real -- that is a serious problem.

I know that we are well aware that we want to have people come here and visit, but we have seen a 25 percent decrease in the number of people who have come here from Canada, who used to be our good friends, and they are not interested in seeing them coming into the United States right now. Of course, they are certainly not welcomed. And this is a real problem right now.

And so I just want to say that in Illinois there are people being grabbed and sent, whether or not they are citizens or not, depending on how they look. It has been a real trauma in my State, something that we do not need.

We want people to feel comfortable. We want them to come to our events that we have here. And I think some people are very nervous about that.

So I am going to yield now to Senator Castor to talk about this important issue because we need to have people come and be welcomed to the United States.

I yield to you.

[The prepared statement of Ms. Schakowsky follows:]

Ms. <u>Castor.</u> Well, thank you, Ranking Member Schakowsky.

And I want to thank Chair Bilirakis and our witnesses.

All of these topics are very important to the State of Florida, where we have no shortage of sunshine, and travel and tourism are the bedrocks of our economy and our small businesses and our way of life.

Just last year, Florida welcomed over 143 million visitors. And all across the United States last year, travel and tourism generated \$2.9 trillion in economic output, supported over 15 million jobs, generated large amounts of local and State tax revenue.

And part of that success is due to Brand USA. Brand USA was created by the Congress in the Travel Promotion Act of 2009. It is a public and private partnership that promotes the United States to international tourists. In the last 12 years, their efforts have contributed big time to visitors to the United States.

And next year, the U.S., in the State of Florida we are going to welcome a lot of international visitors due to the World Cup. And then on the horizon, we have the Olympics, the Paralympics, USA 250, and the Women's World Cup in the outer years.

Those are huge draws, but local economies also rely on a consistent return of visitors year after year to the beautiful diverse beaches, mountains, and trails that America has to offer.

I want to mention that the temperature today in Tampa/St. Pete is going to be about 82 degrees and sunny. And we love our tourists, because this is a clean industry that really provides enormous opportunities.

So I see my time is running out. I will have more to say. I want to thank Chair Bilirakis for leading the charge to introduce the bipartisan VISIT USA Act. I am proud to be your partner on that and look forward to our discussion today.

Thank you. I yield back.

[The prepared statement of Ms. Castor follows:]

Mr. <u>Bilirakis.</u> Thank you very much. The gentlelady yields back.

And now we will recognize the chairman of the full committee, Mr. Guthrie, for 5 minutes for an opening statement.

The <u>Chair.</u> Thank you, Chairman Bilirakis, and thanks for having this hearing.

And thank you to our witnesses for being here.

When I looked at the title of this hearing, I realized how important punctuation is -- Ms. Tees from English high school -- because if you didn't use the commas, this would be "time travel tourism," but it is "time, travel, and tourism."

So thanks for being here and thanks for having this hearing.

So in Kentucky, travel and tourism are essential to our economy. In my district, the city of Bowling Green draws visitors from around the globe, whether they are touring the National Corvette Museum or exploring the expansive caves, caverns, and underground rivers in Mammoth Cave National Park or Abraham Lincoln's birthplace.

Those experiences don't just showcase Kentucky's beauty and ingenuity, they fuel local jobs and economic opportunity, just the vast of tourists that go to the national park, not just the national park but the surrounding communities who also have caves -- not every cave is in Caves National Park -- and have tourism as well and the things that work for our tourists.

So you can talk about travel and tourism in Kentucky. You can't talk about it without talking about the Kentucky Derby. It is one of the largest drivers of tourism across the country.

It is like we have a Super Bowl every year in Louisville. The 2025 Derby brought an estimated \$441 million to our State. And that impact goes beyond the city limits of Louisville. It has significant impact on the entire Commonwealth and even the national

economy.

And our Bourbon Trail is a great example of tourism, and it brings people from around the world.

But one factor that has outsize impact on our robust travel and tourism industry in the U.S. is the twice annual clock-changing practice as a result of daylight savings time.

And my good friend from Florida is going to learn that her young daughter will not understand when the time changes, so she is going to be on a body schedule, not on a clock schedule. So it is always great to have Peanut in the room, so that is wonderful.

But shifting from 1 hour of sunlight from the beginning to the end of the day or vice versa can have different impacts on people's ability to exercise outside, attend live events, or attract customers to the retail business.

In my district, I live right on the line where it divides. And so I have communities that are eastern and communities in my district that are in central time zone. And so it is a personal decision, and each place needs to look at how they observe daylight savings time. And time would have real and varied impacts for families.

If you think about it, Bardstown, Kentucky, has the same time as Portland, Maine, but the sun comes up about an hour and a half earlier in Portland, Maine, than it does in Bardstown and sets an hour and a half earlier than it does in Bardstown.

Bowling Green, where I live, I have the exact same time as my good friend from Fort Worth, Mr. Goldman, but the sun rises for us an hour earlier and sets an hour earlier than it does, maybe a little over an hour.

So these are things we really need to discuss, and I am glad that we are.

And I have heard a range of arguments for and against biannual time change, including the impact, more or less, of sunlight so our children can safely travel to and from school impacts. It impacts energy efficiency as well as concerns from Kentucky farmers,

13

who say the time change disrupts their morning harvest.

No matter where we fall on the issue, I know that many of us have heard directly from our constituents about this topic. And given our committee's significant responsibility to oversee issues affecting interstate commerce, it is imperative that we revisit policies like daylight savings time regularly to ensure Federal law appropriately reflects the interests of all Americans.

Thank you again to our witnesses for joining us today, and I am looking forward to our conversation.

And I will yield back.

[The prepared statement of The Chair follows:]

Mr. Bilirakis. Thank you, Mr. Chairman. I appreciate it.

Now I will recognize the ranking member of the full committee, Mr. Pallone, for 5 minutes.

Mr. Pallone. Thank you, Chairman Bilirakis.

Today, we are discussing travel, tourism, and time. As Americans, we are extremely fortunate to have such a large and diverse Nation to explore, from our beautiful national parks and historic sites to world-famous theme parks and concert and sports venues.

The U.S. provides a travel experience with something for everyone to enjoy. And tourism contributes trillions of dollars to our economy every year, creating jobs and supporting local businesses.

Now, in my district, which is along the Jersey Shore, tourists can enjoy beautiful coastal areas with serene beaches, embark on fishing ventures along the Atlantic Coast, explore the music scene at iconic venues like the Stone Pony, and so much more.

So last year alone, New Jersey welcomed more than 120 million visitors to our State, and they contributed more than \$50 billion to our State's economy.

People around the world also recognize the top-tier travel experience America has to offer. Over the next decade, the U.S. will host many major world events. It has been mentioned by my colleagues, the Olympics and Paralympics, FIFA World Cup. I am proud to say that New Jersey will host multiple matches of the World Cup, including the final game, next summer.

And major world events present an opportunity for growth in the tourism sector that will bolster our economy, create jobs, and allow us to showcase all that America has to offer. And we must ensure that cities across the country are able to reap the full benefits of these major events.

Unfortunately, the tourism industry is suffering. The Trump administration's hostile trade policies and harsh immigration actions have caused numerous countries, including Germany, Canada, and the U.K., to issue travel warnings to their citizens looking to visit the United States.

High visa fees, stories of legal tourists being wrongfully detained at the border and treated cruelly by immigration agents, and strained diplomatic relationships discourage travelers from visiting our country because they simply do not feel welcome.

And we are already feeling the economic impacts. The International Trade

Administration reported that travel spending is down almost 3 percent from this time last year.

If these trends continue, our economy could lose billions of dollars this year.

And we must ensure that travelers feel safe and welcome in the United States. We can't afford not to, frankly.

So for American families, rising costs on everyday essentials are forcing them to rethink travel plans. Republican policies are driving up prices for Americans on everything from groceries to healthcare premiums to their monthly power bills.

And as budgets get tighter, many Americans are cutting back on travel. Studies have shown that more than half of Americans are traveling less because of economic concerns.

So we know the U.S. has a lot to offer tourists, and our economy, jobs, and small businesses have much to gain from a thriving tourism industry, so we have to reverse course to encourage travel, both domestic and international, and ensure that international travelers choose the U.S. as a travel destination and that American families can afford to see this incredible Nation from coast to coast.

Now, I know we are also discussing daylight savings time today.

Changing our clocks twice a year disturbs our natural sleep cycles, impacts productivity, and has been shown to be harmful to our health.

Most people I talk to would like to have a set time that doesn't change. But, unfortunately, we have not been able to come up with any consensus on the best solution of how to do that. Everyone has an opinion, particularly around the days that we either spring forward or fall back, but finding consensus has been difficult.

So I know this is an important issue. It also showcases our jurisdiction.

Mr. Dingell, one of our former chairmen who is probably the most famous chairman of this committee, would often say that the Energy and Commerce Committee has jurisdiction over the world.

I don't know that he ever mentioned time, but I think when I tell people, "Oh, we have jurisdiction over time," they are very impressed. Maybe they shouldn't be, but they are. So it is certainly something we should discuss.

But I had a real hard time, Mr. Chairman, getting any kind of consensus amongst Democrats or Republicans or the Senate or the House. So I know this is going to be difficult.

But I do think most people think that we shouldn't be going back and forth, but then they don't agree on where we stay.

So I look forward to hearing from our witnesses today, and yield back, Mr. Chairman. [The prepared statement of Mr. Pallone follows:]

Mr. <u>Bilirakis.</u> Thank you. I appreciate it very much.

The gentleman yields back.

Now our witnesses for today.

Ms. Rosanna Maietta, president and CEO of the American Hotel and Lodging Association.

Welcome.

Dr. Tyler J. Kleppe, EY Associate Professor of Accounting at the Von Allmen School of Accountancy at Gatton College of Business and Economics at the University of Kentucky.

Ms. Lisa Simon, CEO and executive director of the International Inbound Travel Association.

Welcome.

And Mr. Jay Karen, CEO of the National Golf Course Owners Association.

Welcome, sir.

So why don't we begin with Ms. Maietta. You are recognized for your 5 minutes of testimony. Welcome again.

STATEMENTS OF MS. ROSANNA MAIETTA, PRESIDENT AND CEO, AMERICAN HOTEL AND LODGING ASSOCIATION; DR. TYLER J. KLEPPE, EY ASSOCIATE PROFESSOR OF ACCOUNTING, GATTON COLLEGE OF BUSINESS AND ECONOMICS, UNIVERSITY OF KENTUCKY; MS. LISA SIMON, CEO AND EXECUTIVE DIRECTOR, INTERNATIONAL INBOUND TRAVEL ASSOCIATION; AND MR. JAY KAREN, CEO, NATIONAL GOLF COURSE OWNERS ASSOCIATION

STATEMENT OF ROSANNA MAIETTA

Ms. <u>Maietta.</u> Good morning, Chairman Bilirakis, Ranking Member Schakowsky, and distinguished members of the committee. My name is Rosanna Maietta, and I am the president and CEO of the American Hotel and Lodging Association, the unified voice of the Nation's hotels.

Thank you for the opportunity to testify today.

Travel and tourism are essential to the American economy. Travel opens doors and builds appreciation for American culture and values. It is how we connect with each other on a human level. It is how we build business relationships that make this country go. It is, of course, how we enjoy well-earned vacation time.

Hotels are at the heart of travel. They are where we start and end each day, our homes away from home.

I am proud to note that all of you have hotels in your district. Most of you have more than a hundred of them. All of them are economic engines when they are allowed to flourish.

The majority of hotels in this country are small business owned. Hotels generate

nearly \$900 billion in GDP annually, contribute \$83 billion in tax revenue, employ more than two million workers. That means our industry supports one in every 25 jobs across this Nation.

I do think it is important for you to be aware that the past 5 years have been challenging for our industry, which has yet to fully recover from the pandemic. While there was a surge in travel immediately after it, hotel occupancy rates have since softened.

Since 2020, hotel owners and operators have struggled with rising operating costs due to increasing insurance premiums and interest rates and higher labor and healthcare costs. These expenses have increased four times faster than revenue. The recent shutdown exacerbated these challenges.

We also face significant staffing shortages. Nearly half of the Nation's hotels remain severely or partially understaffed.

Despite it all, hotels remain open, resilient, and committed to serving their communities.

And we believe the future is bright. Major happenings, like the World Cup, America 250, and the Olympics, are right around the corner. These have the potential to drive surges in both major and secondary markets and generate tax revenue, infrastructure investment, and workforce development, and, importantly, show the rest of the world the best of America.

Crucially, the tax reform bill signed into law this summer was a particular bright spot. It delivered the clarity and permanence that hotel owners and small businesses across the country urgently need to be able to invest in their communities and expand their operations. And we are proud that more than 800,000 hotel employees will keep more of what they earned through No Tax on Tips.

Looking to the future, congressional decisions on government funding, international

travel, and workforce stability will determine whether hotels can fully welcome millions of visitors for these events, and our industry recommends four specific policy solutions.

First, we echo the letters from Congress to the Departments of Homeland Security and Labor urging that they release the maximum allowable number of supplemental H-2B visas. These visas are critical to helping hotels maintain operations, especially on the eve of the World Cup.

Second, restore full funding to Brand USA, the Nation's destination marketing organization, via the VISIT USA Act. Brand USA consistently delivers one of the highest returns on investment of any Federal program by promoting the United States to the rest of the world.

Third, we urge lawmakers to pass a long-term funding bill before the January deadline. The recent shutdown cost more than \$1.2 billion in lost economic activity just tied to hotel stays, hurting the communities that we serve.

Lastly, Congress should pass the American Franchise Act, which provides essential clarity and protection to preserve the franchise relationship and safeguard brand standards. Franchised hotels are the backbone of the hotel industry, accounting for nearly 60 percent of U.S. hotels.

Chairman Bilirakis, Ranking Member Schakowsky, and members of the committee, thank you for your leadership and for the opportunity to testify today. I look forward to working with each member of this committee to ensure that America remains the most hospitable Nation in the world.

Thank you.

[The prepared statement of Ms. Maietta follows:]

Mr. <u>Bilirakis.</u> Thank you so very much. Appreciate it.

Dr. Kleppe, you are recognized for 5 minutes for your testimony. Welcome, sir.

STATEMENT OF TYLER J. KLEPPE

Dr. <u>Kleppe.</u> Thank you, Chairman Bilirakis, Chairman Guthrie, Ranking Members Pallone and Schakowsky, and members of the subcommittee. Thank you for your invitation to testify at this hearing.

My name is Tyler Kleppe. I am the EY Associate Professor at the University of Kentucky.

My research covers several topics related to capital markets and financial regulation.

Of particular interest to this subcommittee and this hearing, I have recently published coauthored research that examines the effects of daylight saving time, or DST phasing, on capital market participants. I am excited to share the insights of this research with you today.

Before I discuss this research in detail, I want to make it clear that my testimony is based on my expertise as a researcher in capital markets. I am not an expert on the psychological or psychophysical impacts of DST phasing.

With that said, my interest in studying the effects of DST phasing on capital markets was motivated by the considerable evidence, including some that has been mentioned by the members already, across other disciplines, indicating that DST adjustments negatively impact individuals and yield various negative consequences, including increased traffic and workplace accidents, atypically punitive judicial sentencing, and higher frequencies of heart attacks and brain dysfunction.

My research seeks to address whether these negative impacts spill over to another important but under-explored setting: public equity markets. Understanding how DST phasing impacts U.S. financial markets is crucial for understanding the broader economic implications of DST policy.

My work in this area is titled "The Effects of Daylight Saving Time Adjustments on Investor Information Processing." It was published in The Accounting Review, one of the leading accounting research journals.

This work is coauthored with Andrew Pierce at Georgia State University, Zac Wiebe at the University of Arkansas, and Teri Yohn at Emory University.

Now, in the study we examine the effects of spring forward, so in March the DST advances on U.S. investors' processing of corporate earnings news. We focused on advances in March because these time shifts occur during spring earning season which, as many of you might be aware of, it is a period when many public companies disclose earnings news to investors and other capital market stakeholders.

Now, given our interest in understanding how these adjustments affect investors' decision-making, we view this as an ideal setting to examine our research question.

Using quarterly earnings announcements made by U.S. companies during this current DST regime, so we looked specifically from 2007 through 2018, we examined investors' price responsiveness to earnings news.

Now, most of the time, a company's earnings map directly into company value.

And consistent with this, decades of research in accounting and finance have shown that earnings news impacts stock prices.

This finding is so robust, it is a classical test of market efficiency in the capital markets literature. In other words, when stock prices are less responsive to earnings news, this is evidence that markets are less efficient.

Consistent with DST advances dampening the investor response to earnings news, we observe significantly lower price responsiveness for earnings announcements made in the week following a DST advance relative to other announcements.

Now, this finding is consistent with DST adjustments inducing cognitive impairment, such that investors are slower to process information contained in these very important earnings announcements.

Now, our study adds to our collective understanding of how DST adjustments impact capital markets and highlights an important economic cost of DST phasing.

Market efficiency is crucial for a well-functioning financial system, and thus, we view our evidence that DST advances impair the efficiency of U.S. equity markets, which are well-known as the most efficient and sophisticated markets in the world, to be meaningful and relevant to U.S. policymakers.

In particular, we find that retail investors are particularly susceptible to the cost of these DST advances, which we view as relevant, because there could be a disadvantage to retail investors versus the more sophisticated investors.

Now, that said, we acknowledge that we are only one of several economic studies that examine the impacts of DST phasing. Thus, I believe it is prudent to consider the evidence as a whole in making any policy decisions as opposed to focusing on one particular finding in isolation.

Moreover, our evidence cannot speak directly to any potential changes in processing costs associated with remaining on daylight saving time or standard time permanently, which is a common challenge in the academic literature since we, as most of us as Americans, aside from a few States, have been experiencing these biannual time shifts for several decades.

As such, the intent of our study and our research is not to speak to the optimality of

24

different policies, but, rather, to provide evidence that you can weigh in considering the costs and benefits of alternative policies.

I appreciate the opportunity to testify to this subcommittee, and I look forward to your questions.

[The prepared statement of Dr. Kleppe follows:]

Mr. Bilirakis. Thank you, sir.

The gentleman yields back.

Now we will recognize Ms. Simon for her 5 minutes.

Thank you.

STATEMENT OF LISA SIMON

Ms. <u>Simon.</u> Thank you, and good morning, Ranking Member Schakowsky, Committee Chair Guthrie, Ranking Member Pallone, and esteemed 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.

I am Lisa Simon with the International Inbound Travel Association, and our members are the tour operators, destination partners, and travel services that welcome millions of international visitors to the United States each year.

International inbound tourism is a vital American export that supports millions of jobs, strengthens local economies and small businesses, and contributes significantly to the U.S. trade balance.

I would like to first acknowledge that good things have happened and are happening this year in support of international tourism, none the least of which is the recognition and support of the mega events that are coming to the U.S. in the next several years, starting with the FIFA World Cup next year and the Olympics and Paralympics in 2028 and 2034.

We commend Congress and the administration for taking tourism issues seriously.

However, we have other big issues that are negatively impacting this vital economic driver.

Today, I share the sobering reality that Ranking Member Schakowsky also mentioned: that our international inbound travel to the U.S. is in decline. Through September, international arrivals are down 3.5 percent, and we are expected to end the year with 67 million international visitors, which is down 6 percent from the 72 million in 2024.

While it varies by market, an example is Canada. Our top inbound international market is down a whopping 25 percent.

At the beginning of the year, projections indicated we would reach pre-pandemic visitor levels by the end of 2026. That recovery has now been pushed out to 2029.

Since 2019, the U.S. has gone from a \$54 billion travel trade surplus to a projected deficit of nearly \$60 billion this year.

The rest of the world has been growing international visitation faster than the United States, reducing our market share of global international travelers. In fact, the United States is the only major country in the world that is predicted to decline in international visitor spending in 2025.

While there are many contributors, many of the biggest deterrents come from recent policy changes, some of which that have gone into effect, others that have been proposed.

First, steep fee increases for international visitors that are building on the already high cost of visiting the United States. We are an expensive destination.

From the One Big Beautiful Bill 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.

Entry fees for travelers from visa waiver countries and those entering at land borders

have doubled and increased fivefold, respectively.

And a recent executive order directs higher entrance fees for international visitors to national parks, coupled with a bicameral bill, the PATRIOT Parks Act, that would codify this international visitor surcharge.

This particular policy we believe would have serious consequences beyond cost.

Imagine the long lines and delayed entry for visitors, including Americans, as the parks check the IDs of every visitor.

Second, several issues are causing economic uncertainty and eroding consumer confidence, like stricter border and immigration policies, tariffs, and geopolitical relations overall.

The government shutdown definitely impacted, and I should note that this shutdown cost \$5.5 billion in travel revenue.

Long visa appointment wait times. I should also mention that. As an aside, we were very happy to see the President's action this week to create a World Cup pass to guarantee visa appointments for ticket holders and an addition of 400 consular officers.

That will definitely ease the pressure.

Finally, the funding cut to Brand USA. Brand USA, as mentioned, is funded by private sector contributions and fees paid by international visitors from visa waiver countries. No American tax dollars are used to fund Brand USA.

The One Big Beautiful Bill cut Brand USA's funding by 80 percent at a time when we need to be in front of the world with a unified welcoming message.

We respectfully urge Congress to ensure a welcoming, seamless, and efficient entry process for international visitors. Reject policies that single out international visitors, including the PATRIOT Parks Act and the \$250 visa integrity fee. Streamline visa processing and expand visa waiver programs. Support Chairman Bilirakis' bill, the VISIT USA Act

28

announced yesterday -- and again thank you, Chairman -- to restore full funding for Brand USA for the next 2 years. And then reauthorize Brand USA in 2027.

In closing, we cannot afford to lose any more ground in one of our most important export industries that supports our communities, American workers, and our national economy.

Thank you for the opportunity to testify, and I am happy to answer any questions.

Thank you.

[The prepared statement of Ms. Simon follows:]

Mr. <u>Bilirakis.</u> We appreciate it very much.

Now we will hear from Mr. Karen.

You are recognized for your 5 minutes of testimony.

Mr. Karen. Good morning.

Mr. Bilirakis. Good morning.

STATEMENT OF JAY KAREN

Mr. <u>Karen.</u> Members of the subcommittee, thank you for this opportunity. I am Jay Karen, CEO of the National Golf Course Owners Association, representing 4,000 golf courses nationwide, public, private, resort, municipal facilities. Basically, if it has a flag stick, we take a stake in it.

I also serve on the leadership committee of the American Golf Industry Coalition and on the board of directors at the U.S. Travel Association.

Many people think of golf as just a game until they really understand the impact behind it. Golf is a \$102 billion industry employing nearly 2 million Americans and a game played outdoors by 30 million Americans.

What many don't realize is that 75 percent of courses in America are public access. We generate \$40 billion in tourism annually and raise \$5 billion for charities through golf outings, more than all sports combined. And I understand golf outings can be effective fundraisers for political campaigns as well.

Golf is a public health and environmental asset. It is outdoor recreation, green space, wildlife habitat, and exercise all in one.

So about daylight saving time. Let me be direct. The golf industry strongly

opposes making standard time permanent. Our data shows that permanent standard time would cost the industry, at a bare minimum, \$1.6 billion annually in green fees alone, not counting cart rentals, food, beverage, or merchandise. That is approximately \$200,000 lost in revenue per golf course and 37 million lost rounds of golf.

Why is that? Golf depends on what we call recreational daylight, when the sunlight overlaps with people's availability to be outdoors. Americans overwhelmingly prefer afternoon and evening recreation. Our point of sale data shows afternoon and evening hours generate 40 percent more revenue per hour than the morning play.

Permanent standard time would trade 6 p.m. for 6 a.m., eliminating our most valuable inventory while adding demand at hours nobody wants. And I can tell you from experience, except for maybe Bethpage Black, where the Ryder Cup was just played, Americans are not lining up at five a.m. for tee times.

Our industry has diverse views on making daylight saving time permanent, though. Surveys show that about 64 percent of our members support permanent daylight saving time while 83 percent agree, though, that it would help their businesses; 27 percent prefer changing the clocks twice yearly, the status quo; and only 7 percent support making permanent standard time.

So permanent standard time would devastate evening leagues, after-work play, after-school play, charity fundraising events, and seasonal employment.

Beyond golf's economic interests, extending evening daylight supports public health, combating obesity, supporting youth sports, and enhancing public safety through reduced crime rates. If we eliminate changing the clocks, we urge permanent daylight saving time.

Now, turning to travel and tourism, America is losing ground internationally. We have heard that. The U.S. is the only major country projected to see declining international visitor spending in 2025. Cost and perception issues are major barriers, the

strong dollar through 2024. Visa wait times can average 175 days in top markets. And now the visa integrity fee.

This comes at the worst possible time. In the next 4 years we will host all of these wonderful events and expect to draw 40 million international visitors, but only if we strengthen our competitiveness.

Inside of travel, golf represents an underutilized asset. Our \$40 billion in annual golf tourism makes us the second-largest economic driver in the sport. International golf travelers are exceptionally high-value visitors, spending \$3,000 per trip versus \$1,600 for domestic travelers, staying six nights versus three and a half nights, and filling shoulder seasons when beach and ski destinations struggle.

The U.S. has the best golf tourism product in the world, and we are dramatically outmarketed by Scotland, Ireland, Spain, and emerging destinations in the Middle East and Asia.

The urgent priority is to restore Brand USA's full funding. Congress cut it by 80 percent. Brand USA represents, as we know, or operates through ESTA fees and private industry contributions, not taxpayer dollars, and generates a 24-to-1 return on that investment.

At current funding levels, we cannot compete with countries spending 40 to 50 million dollars annually marketing their destinations.

So we strongly support bipartisan legislation, led by Chairman Bilirakis,
Representative Castor, along with Senators Sullivan, Klobuchar, Capito, and Rosen, to
restore full funding in fiscal years 2026 and 2027.

Following funding restoration, Brand USA should be reauthorized beyond fiscal year 2027, and, of course, with specific direction to position golf as a signature American tourism experience.

32

In conclusion here, daylight and tourism policy may seem unrelated, but if we get this right, Americans stay active, communities thrive, and the U.S. remains a premier destination.

Thank you for inviting me to share this perspective.

[The prepared statement of Mr. Karen follows:]

Mr. <u>Bilirakis.</u> Thank you very much. We appreciate it very much. And I have several golf courses, as you know, in my area. That is for sure. I am not going to mention any, because I don't want to leave anyone out.

But in any case, let's go ahead and start with the questions. I am going to recognize myself for 5 minutes.

My first question is to Ms. Maietta.

I am a strong supporter, as you know, of Brand USA, the Nation's tourism marketing arm, which in fiscal year 2024 brought an estimated \$25 in visitor spending for every dollar invested. Again, no taxpayer dollars.

How important is Brand USA to America's competitiveness in attracting international travelers?

Ms. <u>Maietta.</u> Thank you, Chairman, for having me here and for introducing VISIT USA, along with Representative Castor.

Brand USA is critical to attracting more visitors here at home. As you have heard from myself and others here, we have been losing international travelers for a number of years. We are down 24 percent over the last 5 years. We haven't come back to pre-pandemic levels of international visitors here at home.

And the benefit of not only showing this great country of ours from coast to coast and all of the culture that America showcases and has to offer the rest of the world, foreign travelers spend eight times more when they are here in the States. For every American that travels across the country spending \$100 in hotels, they spend \$234 in the community. International travelers spend eight times that.

And so it is a critical international -- it is a critical export for us. So we would encourage passage of that into law in the funding of -- the restoration of funding for Brand

USA. It is critical to our future.

Mr. Bilirakis. Thank you.

Mr. Karen, sports tourism, including golf, is a major engine of economic activity, generating \$114.4 billion in total economic impact and supporting 665,000 jobs in 2024, according to the Sports ETA, in the coming years.

The U.S. is preparing, of course, as you know, in the coming years to host major international events, like the 2026 World Cup and the 2028 Olympics.

How can the U.S. capitalize on these opportunities and ensure local communities benefit from the spillover economic effects that these mega events will bring?

Mr. <u>Karen.</u> The wonderful thing about Brand USA is the cooperative marketing that happens within it, the cooperative marketing and branding that Brand USA does with hundreds of destinations around America, State and local.

So I am sure, knowing what is coming over the next 4, 5, 6 years, that Brand USA is ready to pick up the opportunity to kind of be the concierge for all those coming to America, if you will, for international visitors, looking to enjoy their stay before, during, and after these amazing events.

The technology that they use on their site allows you kind of to build itineraries. If I am coming to the U.S. for 5, 6, 7 days, where do I want to go, what do I want to do? And it includes the surrounding areas, not just the hub cities.

And the marketing campaigns often highlight the local and unsung assets in those areas as well.

So I think the way for the spillover effect into the local communities is to let Brand USA do their thing. Empower them to do this.

Mr. Bilirakis. Very good. Thank you very much.

The great State of Florida was the first State to enact legislation to adopt a

permanent daylight savings time, pending Federal action, in order to secure more evening daylight, but we need Federal action if that is going to happen.

Dr. Kleppe and then Mr. Karen, what are the economic pros and cons of year-round daylight savings time, particularly with respect to travel and tourism?

We will start with Mr. Kleppe. And I know, Mr. Karen, you might want to elaborate a little bit. I know it was in your previous testimony.

But, Mr. Karen, please.

Dr. Kleppe. Thank you, Chairman, for that question.

Now, the answer to that question kind of lies outside of the direct research I have done.

Mr. Bilirakis. I understand that.

Dr. <u>Kleppe.</u> But I can give you the academic perspective.

So as far as the pros, the economic pros for permanent daylight saving time, I think echoes what Mr. Karen mentioned about the potential increased revenue in certain industries, particularly retail, restaurants, hospitality, outdoor recreation, those particular industries that benefit from more afternoon or evening sunlight.

I think the major cons come from the -- supported by the evidence in neurology and sleep science -- that being on permanent standard time is better for our cognitive function.

And so being on daylight time permanently could lead to issues like absenteeism for workers, because they are more likely to be absent when there is more daylight time in the evenings. Research has shown that. And so that could have economic productivity costs if workers are working less.

And the spillover effect could be, if they are working less, salaries and wages are lower, they have less disposable income to spend on those retail and hospitality services.

So, again, it is -- there is not a ton of research on it, because we don't have -- we

haven't lived in an environment where we have this permanent daylight time, but that is the academic perspective that I can share.

Mr. Bilirakis. Okay. Thank you very much.

Mr. Karen, briefly, because I am over time.

Mr. <u>Karen.</u> So I think Congressman Fry will appreciate this one about Myrtle Beach, because when you look at a golf destination like Myrtle Beach, and standard time goes from November to March, really about 4 months, and if daylight saving time was made permanent, it opens up afternoon hours to play more golf in the afternoon.

So the folks coming down from Ohio and Canada that like to go to Myrtle Beach, they can squeeze two rounds of golf in instead of one on these trips.

And it just basically unlocks an amazing amount of inventory for the golf industry.

But that translates to good health for Americans as well. So we have millions, tens of millions more people playing golf in the afternoons as a result. So the economic impact of that is enormous.

Mr. Bilirakis. Thank you very much. I appreciate it.

I went over my time. I will give you opportunity, Ms. Schakowsky, to go over your time if you like.

I want to yield to you 5 minutes for your questioning, please.

Ms. Schakowsky. Thank you very much.

Ms. Simon, I want to thank you so much for your participation here. Thank you.

And I have just a couple things that I want to ask you about.

We have a 25 percent decrease from Canada in the amount that is paid now to the United States of America, and some other places not doing so well either.

And I wanted to ask you, what are the things that are standing in the way of increasing the work that other countries are doing with the United States of America? So if

you could talk about what kind of improvements that we could make.

It is really too bad I think with Canada that we are -- they have been a good friend of ours for a long time and no longer.

But if you could talk about what we need to do to make it better for foreign travel.

Ms. <u>Simon.</u> Thank you, Congresswoman. That is a wonderful question and I appreciate it.

International travelers are confronted with a number of issues that are prohibiting them or inhibiting them from coming to the United States, starting with I think rising costs.

We are an expensive destination. Hotel costs and transportation costs haven't really gone down since the pandemic. So business costs are up. Therefore, traveller expenses are up.

And then we, by policy, are now adding rising expenses to just them coming to the United States with the \$250 visa integrity fee that is proposed.

There are also higher entrance fees that have gone into effect for ESTA fees for travelers from visa waiver countries. That has gone from \$21 to \$40. It nearly doubled.

Land border fees, which would affect, obviously, Canada. The I-94 form entrance fee has gone from \$6 to \$30.

So there are significant additions to the cost of just entering the United States.

And now there is a proposal from -- an executive order actually -- to introduce international fees that are higher than U.S. fees, residence fees, for entry to national parks.

We believe this: Just the target of these fees on international visitors sends an unwelcoming message. And you couple that with the global media attention, basically, that there has been on tariffs and the border detainments, hardening of immigration and ICE raids, I think, as you mentioned earlier, it presents unwelcoming images to foreign visitors. And it creates a lot of uncertainty, a lot of negative sentiment, a lot of feeling of

unwelcomeness.

And it is coming at a time when there are a lot of other options. There is very high competition for destinations right now. Other countries are making it cheaper and easier to visit, and we are making it harder and more expensive.

Ms. <u>Schakowsky.</u> So what do you recommend are the things that we could do to improve travel to the United States?

Ms. <u>Simon.</u> I would eliminate those fees. Do not move forward with the \$250 visa integrity fee. Do not implement a higher fee for international visitors to national parks.

I would reauthorize in 2027 but for now fund through the new VISIT USA Act, Brand USA, because they really do drive travelers and demand to the United States.

They also are challenged with making sure that they address policies and procedures and that international visitors are well informed.

And as my colleague said, they coordinate destination marketing across the country and help our destinations and cities across the country welcome and let international visitors know they are welcome to the United States to visit.

Ms. <u>Schakowsky.</u> So are you working to help prevent the things that are keeping them away?

Ms. <u>Simon.</u> Absolutely. Our members are working with the international travel trade, the tour operators and travel agents that are actually working with the consumers, international consumers. And we spend a great deal of time educating them on current policies and, as they are changing, making sure they are aware of changes, making sure they understand facts versus perhaps misperceptions.

Ms. <u>Schakowsky.</u> Thank you so much. I appreciate it.

Ms. Simon. Thank you.

Ms. <u>Bilirakis.</u> The gentlelady yields back.

Now I recognize the chairman of the full committee, Mr. Guthrie, for his 5 minutes of questioning.

The Chair. Thanks.

Thanks, Dr. Kleppe. This is for you.

I mentioned that my district splits. Literally, I live right almost on the border.

And I mentioned in the afternoon the sun rises and sun sets an hour different in Portland and Bardstown and my place where I live in Fort Worth.

But if you look at Bardstown and where I live, we have the same sun but different time. And so I know we all want -- we are interested in the extra hour. I would love to have the extra hour afternoon time.

But also, if you change it in the morning, then kids from Bardstown will be -- actually, there is a town called Brandenburg. It is really west of where I live. It is still in eastern.

They would be going to like 8:30, I think, before the sun would rise.

So would you just talk about the effects of daylight changing time zones when people live this close together?

Dr. <u>Kleppe.</u> Absolutely, Chairman. Thank you for that question. I would also like to get in that when you mentioned the Derby for Kentucky tourism, let's not forget Keeneland and Lexington as well.

But yeah, to answer your question, Kentucky, your district, is --

The <u>Chair.</u> Well, for 140,000 people to come to Keeneland too on a certain day, that would be great.

Dr. <u>Kleppe.</u> Yeah. I know your district is uniquely positioned as it relates to time and sunlight issues.

What I can say from our research is that there is no reason to expect that these time

shifts would differentially affect your constituents based on time zone.

However, a shift in the policy to permanent -- for example, permanent daylight saving time would be more salient and potentially more costly, depending on what time zone you are in and where you are in the time zone.

So just, for example, for the part of your district that is on the western edge of the eastern time zone, the costs and risks of reduced sunlight in the mornings are going to be much more significant than your constituents on the eastern side of the central time zone.

And so I think you could have a whole nother hearing on time zone issues. We could spend a whole day on that. But I would just urge you to consider those issues as well if you consider any policy changes, that the impacts, some of the costs would certainly differ, based on where you are located within a time zone.

The <u>Chair.</u> So, Mr. Karen, so the opposite of -- so the hour comes up. So it would be like 8:30 before the sun comes up in the western edge of eastern; but where I live, the sun goes down about 4:35 like now. December 21st, I think the sun goes down just a little after 4 o'clock in the afternoon, probably before 5. It is between 4:30 and 5.

And then other States, you have, like, we are across from Indiana. I think Indiana, they changed the way they observe time. But it used to be there were the counties around Louisville was always on eastern. The counties around.

So could you just describe about the difficulty of just a patchwork of time zone changes?

So let's say we let each State do it. Kentucky doesn't do it but Indiana does do it. For some reason, Indiana did it a couple years ago. As a matter of fact, the Governor at the time, he ended up being president of Purdue, said that that was probably the most difficult decision he made as Governor, or the most political I would say.

Mr. <u>Karen.</u> So I think the legislation that is being proposed right now in Congress,

whether it is to make daylight saving time permanent but it would allow for States to opt out into standard time, or there is another law that would allow States just simply to choose whichever one they want.

You know, we already -- I mean, I am no States' rights expert necessarily, but I can tell you, we already have enough issues with figuring out what time zone some States are in. If we add another variable, whether what time zone and if they are in DST or standard time, that will be very interesting.

Dr. Kleppe and I were talking earlier. Just imagine that Florida is on standard,

Georgia is on daylight, South Carolina is on standard. Just having to figure that out is just mind-blowing.

But it would cause a lot of complexities for sure, additional complexities, to understand -- in my industry golfers probably, if they cross State lines, they might show up late or the technology may have to identify which golf course is in what time zone, in what time observance.

I would urge Congress to pick a uniform time, and, if it is possible, to get the entire country on it.

The <u>Chair.</u> Meade County and Breckinridge County, some people who live on the very eastern area of Breckinridge just observe eastern time because most people work at Fort Knox. They live there and Fort Knox is in eastern time. But the school system is on the county time. So it is confusing. I have showed up -- the one time I have actually messed up was going to Irvine, that area, on time.

So, Ms. Maietta, could you elaborate on the economic impact of the lodging industry, local communities that rely on tourism. Specifically, why is travel-driven spending such an important part of the broader U.S. economy?

Ms. Maietta. Thank you for the question, Chairman.

Travel and tourism brings us all together, for one. It unites us around big events, wonderful moments.

People are traveling more now for experiences, whether that is coming to the Derby or other sporting events or concert and food, Bourbon Trails, and the like.

But more than that, we fuel communities. If you think about the \$83 billion that the industry supports in tax revenue alone, that goes back into individual communities.

Any time a hotel goes up in Main Street America, commerce around that community flows, because the coffee shop opens, the retail store opens, a florist pops up across the street.

And so it just generates both revenue for communities that go back into emergency services, supporting firefighters --

The Chair. I just noticed my clock has expired.

Ms. Maietta. Thank you.

The <u>Chair</u>. We are all looking forward to hearing more.

I will yield back.

Mr. Bilirakis. I appreciate it very much, Mr. Chairman.

I now will recognize the ranking member for his 5 minutes of questioning.

Mr. Pallone. Thank you, Mr. Chairman.

I am probably not going to ask questions about the time because, to be honest, I really think the key is if we can get a consensus on agreeing on one time. Very few people I talk to want to go back and forth, but then they don't agree on what we should stay with. So that is the problem.

But I want to talk about some travel issues. As we know, the COVID-19 pandemic grounded travel to a halt, decimating the tourism industry, which is still recovering, frankly.

So, Ms. Simon, in your testimony you state the U.S. is not expected to reach

pre-pandemic levels of international travel until 2029, even with major sporting events like the 2026 FIFA World Cup and the 2028 Olympic and Paralympics Games taking place in the U.S. even before that.

So let me just ask you, how will challenges to visiting the U.S., such as increased visa fees and other cost increases, long visa wait times, hidden fees, immigration concerns, and unpredictable market conditions, impact America's ability to reap the full benefits of hosting next year's World Cup and other international sporting events, if you will.

Ms. <u>Simon.</u> Thank you, Ranking Member, and I appreciate the question.

There are a number of issues that you have mentioned that are impacting visitation to the United States. And the mega events that we have coming in the next few years are definitely going to help our international numbers stay somewhat stable.

But the impacts that we are seeing are not just for visitors coming in for those mega events. It is the traditional visitors and tourists that are coming in for other activities, just to see the national parks, to see the destinations, to experience the American culture.

Issues like rising costs at the border, tariffs and rising costs, concerns on different travel supplies, like hotels, again, transportation costs, and so on, for their whole trip, and then again the negative sentiment that some of these rising costs and tariffs and images that are being presented about the United States are impacting travelers' decisions on whether or not to come to the United States.

I think we have a golden opportunity with the mega events, starting with the World Cup next year, to really spotlight the United States and all the different unique things we have to do, see, and experience here in our country.

And that should have a lasting effect on growing travel in future years, because people will see all the things that they can do. And those who are coming for the Games will be experiencing multiple destinations while they are here. So that is going to drive,

again, business across the country.

RPTR HNATT

EDTR ZAMORA

[11:04 a.m.]

Mr. <u>Pallone.</u> And let me ask you this. You know, the Jersey Shore, it is mostly people, you know, from Americans, you know, New York, Pennsylvania, come, right. But we do get a signif- -- or we used to get a significant number of Canadians, and that clearly has dropped significantly.

So, you know, I mean, I don't understand, the Trump administration just keeps targeting Canada in this kind of overreaching tariff wars and attacks on Canada, he wants it to be another State, whatever.

But both Mr. Karen, and you, Ms. Simon, your testimony cited a significant drop of close to 25 percent of inbound travel from Canada. Mr. Karen said this has led to a \$4 billion loss in spending from Canadian tourists.

So, Ms. Simon, how does this attitude towards one of our closest allies impact inbound tourism and the greater national Canada? I am talking about Canada, now, not just to New Jersey, but elsewhere.

Ms. <u>Simon.</u> As you indicated, Canada is down, through September, 25 percent.

That varies by land entry and air. Air is about 23 percent. Land entry is about 31 percent of Canadian decline. It is primarily due, as you said, to the tariffs and the political relations, if you will, with Canada.

Our Canadian friends are longing to come back, and our destinations across the country are really trying to help them see that they are welcome in the country. But we really have to do a very significant job, I think, of communicating that from the U.S. Government, not just individual destinations, the U.S. Government has to say, you are

welcome, we want you here.

Mr. <u>Pallone.</u> Well, I also think Trump has got to stop saying he is going to make it a State, you know. I mean, I can't think of anything that is more insulting to Canadians than saying, you are going to be our 51st State, over and over again, you know. Anyway, thank you so much.

Ms. <u>Simon.</u> Yes.

Mr. <u>Bilirakis</u>. The gentleman yields back.

I now recognize Dr. Dunn, and he represents part of the Panhandle. Isn't that right?

Mr. <u>Dunn.</u> It is.

Mr. Bilirakis. In Florida, so I know that is a split time zone, so --

Mr. <u>Dunn.</u> And I am assured I am allowed to --

Mr. Bilirakis. You are recognized.

Mr. <u>Dunn.</u> -- boast about the free State of Florida today, so if I may, I would like to do a little of that.

My district includes Panama City Beach, Apalachicola, St. George Island, 30A,

Rosemary Beach, Mexico Beach, and our treasured State capital city, Tallahassee. They are
all welcomed tourist destinations domestically and internationally.

I think it has been known that our Panhandle area has been known as the Emerald Coast, the Miracle Strip, and sometimes called the Forgotten Coast. It is frequently ranked as home to the world's best beaches. I happen to think that is correct.

And as my colleagues noted, the travel to America has been susceptible to a changing global economy, especially after the restrictions placed upon the country during the pandemic.

I support the hard work of our hospitality and service industry in Florida. They

work around the clock to make our State a top travel destination. We number over 100 million tourist visits a year.

In addition to the many programs we support in Congress, like the public-private partnership Brand USA, and the billions of dollars generated at our national parks every year, I mean, there is a lot of good things to say and talk about.

I look forward to discussing that today. And, of course, we are preparing for the 2028 Summer Olympics and 2026 FIFA World Cup as well, so -- not to mention our birthday celebration, the 250th.

Ms. Maietta, the American Hotel and Lodging Association State of Industry shows that the occupancy rates in 2024 are still below the pre-pandemic 2019 level. What are the biggest barriers preventing us from recovering from COVID, perhaps, I guess, and expanding our domestic and international travel markets, and how have traveler behaviors changed since the pandemic? Thank you.

Ms. <u>Maietta</u>. Thank you for the question. So I think there are a couple of -- there are many factors that have kept us from reaching pre-pandemic levels. But make no mistake, Americans are traveling. Their travel habits have changed. They are looking for experiences. They are looking for budget experiences. There is a hotel that meets every pocketbook, so I am very proud about that.

I think it is really important for us as we think about our industry that is still facing a significant staffing shortage and that prevents other services, perhaps a restaurant stays closed, or we are not offering room service because we don't have the staff to support that. So releasing the supplemental H-2B visas, it is a legal guest worker program that helps supplement our staff, particularly in places like Florida, resort destinations, far flown places that are hard to get to for staff. And so the visa -- the H-2B visa program is of particular importance.

And, again, passage of the VISIT USA Act, supporting Brand USA, so that we can continue to showcase the best of America with a welcome message, ease of travel, and making it affordable for international guests to come here and spend their money here will be important.

Mr. <u>Dunn.</u> Well, I urge you to continue pressing on the guest worker programs. I mean, we tried to fix that years ago. I mean, this is something we need across a number of industries, so please keep working on that.

Mr. Karen, something you said earlier actually piqued my interest. Did I understand you to advocate for a single time zone for all of the United States?

Mr. <u>Karen.</u> No. No, sir. A single time observance, not a single time zone. So daylight savings -- that standard.

Mr. <u>Dunn.</u> Oh, okay. Better. I was struggling with that concept. You know, there is a reason why we have time zones. I was going to say, why don't we all just go on Zulu time or whatever the heck, you know.

You know, so I was working in Australia a number of years ago, the Army sent me there, and they actually define local time -- they define time zones quite locally, and they break them down into 15-minute intervals. I mean, that gets, you know, kind of confusing with the train schedules and whatnot, but -- so, I was, you know, just -- I am glad you clarified that point for me. I was a little stunned.

Mr. Chairman, I will yield back.

Mr. Bilirakis. Thank you very much. Appreciate it.

Now we will recognize Ms. Castor from the great State of Florida, from the Tampa Bay area, and she has a lot of hidden treasures in her district as well.

Ms. <u>Castor.</u> Yeah, we do.

Mr. Bilirakis. You are recognized.

Ms. <u>Castor.</u> Thank you, Mr. Chairman.

Ms. Simon, international travelers have a lot of options. These are their hard-earned dollars, discretionary dollars, and they can travel just about anywhere they want all across the world. I think that highlights the importance of a consistent public-private partnership to promote American destinations.

We took an unfortunate U-turn under the big ugly bill in slashing support for Brand USA, and that is why I am so grateful to Chair Bilirakis for getting us back on track under the Vital Investment in Sustaining International Tourism Act to the USA, the VISIT USA Act. I am proud to be the co-lead on that.

But can you talk about why it is important to have consistent messaging, advertising, promotion outside the United States to encourage international travelers to come to the U.S.?

Ms. <u>Simon.</u> Thank you for the question. And Brand USA does do a tremendous job at that consistent messaging and making sure that they are touting the best of America for international visitors to come to our country. That is critical because there is so much competition. We are -- as I indicated earlier, we are the only country that is going to see an international spending -- visitor spending decline in 2025. The rest of the world, global international travel is growing. And it is critical that we really focus on this as an industry and as an economic driver of our country.

Brand USA is so important because for every dollar they spend in industry promotions, the return is \$21. So it is a logical investment.

Ms. <u>Castor.</u> And that is not just in the State of Florida. That is all across the country. There are plenty of places, like I know Rep. Soto is going to talk about everything happening in the Orlando area, you have heard our -- but international travelers come all over to -- and that supports jobs and local economies all across the country. Is that right?

Ms. <u>Simon.</u> Absolutely. And Brand USA is, by law, to promote smaller destinations, rural destinations, small businesses, as well as the main, of course, gateways and attractions to the country. So they are bringing that economic benefit across the country to all businesses and business owners.

Ms. <u>Castor.</u> And I hear from my Tampa Bay area of small business owners, they need all the help they can get right now.

And I know many, many travelers are alarmed by the policies of the Trump administration. And I have heard directly from some of our best friends from Canada that they miss visiting the Sunshine State that they love. Even an aside, my mother, who is 84 years old, used to play golf with three Canadian women, and when the President started to insult Canada they said, Betty, we are packing up and we are not coming back, and they have not returned.

And then, clearly, there are larger policy issues at play, an affordability squeeze, over half of Americans are cutting back on travel. Part of it is because of some of the deceptive information out there when it comes to lodging.

I want to thank everyone on this committee for passing my bipartisan Hotel Fees

Transparency Act. It has passed the House now. We are waiting for the Senate.

Ms. Maietta, thank you for being outspoken in support of this. Why is it important that domestic travelers, or travelers from anywhere, understand the price that is real to them, especially when they are so concerned about the affordability squeeze right now?

Ms. <u>Maietta.</u> Congresswoman Castor, thank you for your leadership on that important bill.

Transparency is so important to all our guests, and I am so proud of our industry for leading on displaying the price, the total all-in price at the time of booking.

If you think about the habits of people booking hotels today, they are coming from

many different sites. Not everyone is booking direct, even though we encourage that as the best pathway. And so making sure that the rest of the travel ecosystem is up to the same standards of displaying an all-in price, incomprehensive of resort fees. It should be noted that resort fees are only charged in 6 percent of all hotels. And we know that guests are fine paying those charges if they are getting a benefit or an amenity for it. But it is not widespread, not every hotel is charging resort fees.

Ms. <u>Castor.</u> But it will be a little bit of help for travelers if the Senate can get that across the finish line. Don't you agree?

Ms. <u>Maietta.</u> Exactly. Thank you for sponsoring that bill, and we hope to see that cross the finish line.

Ms. Castor. Thank you. I yield back.

Ms. <u>Lee.</u> [Presiding.] Thank you. I now recognize myself for 5 minutes.

I appreciate all of our witnesses for being here today and sharing your insight.

Tourism is critical for Florida's economic growth and success. This fiscal year, the Tampa Bay area, which I am also proud to represent, surpassed a record \$1.2 billion in hotel revenue. In Florida's 15th District, we regularly welcome visitors from across the State, country, and world to our many attractions, from amusement parks like Busch Gardens, to beloved annual celebrations, including the Florida Strawberry Festival, which is a personal favorite of mine.

I look forward to hearing more from each of you about how we can best support these industries and keep our great State home.

So, Mr. Karen, I would like to return to your testimony. As you know, Florida has a booming golf industry, we have already touched on that here today, which generates over \$11 billion each year, according to the Florida Sports Foundation.

In your written testimony, you suggest creating golf tourism as a distinct marketing

category to better position the United States as an international leader in this industry.

How can the U.S. better distinguish its golf offerings against international competitors like Europe and the Middle East?

Mr. <u>Karen.</u> What a great question. You know, golf is super hot right now. For the last 5 years, we have had year over year growth, and it is because of the popularity. We have young people, people of color, women and more flocking to this game, and the vibe is just different. So it is time to kind of leverage this interest into stronger marketing.

And I think restoring Brand USA's full funding, and maybe having a conversation between myself and Fred Dixon, who is the CEO, would go a long way in putting the American golf courses at center stage because, you know, Ireland and Scotland, and the Middle East now especially, are spending enormous money to get world travelers to come play golf in their locations.

Right now, golf is not very conspicuous in some of that marketing. There are some exceptions. I am sure Florida puts it front and center. South Carolina Parks and Recreation Tourism, they put golf center of their marketing when they go overseas and market to England and so forth to come to the States.

But it is about time to kind of recognize the economic -- we talked about the economic impact of golf in the communities, and the great resorts around America, we have got the best product in the world, but we are just not selling it very well. So it is time to kind of lift it and up and double down.

Ms. <u>Lee.</u> And you just touched on something about State marketing and State work in this arena. Is there a role that States and localities can also play in amplifying the marketing for golf tourism?

Mr. <u>Karen.</u> Absolutely. And we find -- I found, since I have been on the board at the U.S. Travel Association over the years, there are States that will slash funding, or cut it

completely in some cases, for all marketing. When they are looking at economic development and spending in their States, they slash tourism marketing.

And I think that is a self-inflicted wound. We have got the greatest assets, people -- we just talked about the economic impact of people spending money, why would we not double down on that.

Every State has golf courses in America, right. Every State has marquee ones as well. So, I mean, I am biased a little bit, but I think they should put that front and center. The imagery that you can put on the websites and the videos you could have on the golf assets are incredible. So I appreciate your support on that.

Ms. <u>Lee.</u> You also mentioned the importance of improving our transportation infrastructure in promoting golf tourism. I strongly agree that we need to make air travel, in particular, more reliable. I recently introduced the FLIGHT Act, which would notify passengers whenever a flight is delayed by more than 15 minutes.

Are there any existing Federal transportation programs that we should consider examining or strengthening, in your view, to help promote easier access to golf destinations?

Mr. <u>Karen.</u> I don't focus on the air travel with golf so much as I do the resorts themselves, and they are all doing quite well in the United States. But I would -- I mean, I would say keep modernizing the infrastructure, keep modernizing what airports are willing to do.

Luggage transfer, I mean, we have millions of people bringing golf clubs to the
United States, you know, so getting those clubs transferred quickly and safely is important
to those folks.

So it is not my area of expertise, but certainly we would be supportive of any modernization and progressive practices with air transport.

Ms. <u>Lee.</u> We have got some really innovative luggage and baggage transportation options in effect in Florida, so I agree.

Ms. Maietta, you mentioned in your written testimony that the recent Federal Government shutdown had a devastating impact on hospitality. Would you briefly tell us what that effect was and what you hope to see going forward?

Ms. <u>Maietta.</u> Thank you for the question, Congresswoman. The shutdown impacted travel immediately. Overnight, things changed, people canceled bookings. I have heard even from members this week that those who were planning to travel over Thanksgiving, there was just a wave of cancellations.

So the immediacy of that led to 13 -- or \$1.3 billion in lost revenue from hotels alone, all of that revenue that goes back into the community when people are traveling. We would urge a long-term solution to the January deadline, avoiding shutdowns, and ensuring that travel is not caught in the crosshairs.

Ms. <u>Lee.</u> Thank you. We are out of time. Thank you for that.

All right. Mr. Soto, you are recognized for 5 minutes.

Mr. Soto. Thank you, Madam Chairwoman.

I am proud to represent the theme park capital of the world in central Florida, areas like Orlando, Kissimmee, and St. Cloud; and we are honored to have Disney, Universal, Sea World, Gatorland, one of our local favorites too. We also have sport fishing in the Kissimmee Chain of Lakes in Northern Everglades. Space tourism in the district right next to mine, with Cape Canaveral being the busiest space port in the world. We are about to hit 100-plus launches this year. And beaches like Cocoa and Melbourne, although I will say, Chairman Bilirakis and Representatives Castor and Dunn have some pretty fine beaches too.

We have spring tourism and ag tourism, much like Reps Cammack and Lee as well.

And we see some strengths right now. Thankfully because of investment with Epic Universe, that really powered us for the summer when we saw tourism down in other places across the country, and Disney's commitment to \$8 billion over 10 years has been also helpful.

But demand is steady but flat, right. We see 7.3 million passengers at Orlando International Airport, the busiest airport in the State, that is about a 2.1 percent decrease, so we are hanging tough, but, you know, we have got to continue it through.

I think we are going to be strong through the holidays, but I worry about January or February after that all goes because we face some challenges. Trump's mass deportations hurt the workforce. A million immigrants have lost their legal status in Florida between Cubans, Venezuelans, and Haitians who work in this industry.

And then obstinate trade and foreign policies hurt foreign tourists, especially Canada. Why are we messing with Canada? For the record, Orlando loves Canada. Okay.

Europe too, as well, and Brazil. Fifty percent tariffs on Brazil. They are pound for pound some of the most lucrative tourists. And so -- and then add on this, the Kavanaugh stops, where if you look Hispanic and you have a Spanish accent and you are a blue collar worker, you could be detained right now. We have seen American citizens and legal tourists detained.

In Orlando, I want to make it very clear, we welcome everyone. Division and discrimination are bad for business. We welcome folks from across the world.

And then add in the tariffs, rising healthcare, groceries, energy and housing costs.

And I am worried about the domestic demand as well. So this is why supporting the bipartisan VISIT USA Act is so important.

And, Ms. Maietta, you talked about workforce shortages. How has that affected

guest experiences across the Nation right now?

Ms. Maietta. Thank you, Congressman, for that question. They are seeing services cut back or hours cut back. It is so important that we release the supplemental H-2B visas. That is 66,000 annually, and it is simply not enough to support all the resorts in Florida alone, let alone the rest of the country. It is a proven guest work -- legal guest worker program that has decades of experience.

When we can hire American, we do, and -- but we rely on that program to supplement around the country, especially as we are looking at the big events and ensuring that we are well staffed.

Mr. <u>Soto.</u> And that is a -- forgive me, because my time is limited -- that is a perfect transition. Ms. Simon, how could not only workforce shortages, but tariff insanity and mass deportations and Kavanaugh stops and all this stuff affect the World Cup or the Olympics?

Ms. <u>Simon.</u> Thank you for the question. I think what you have described is what a lot of international -- potential international visitors are seeing, and it does creat a lot of uncertainty, a lot of fear and anxiety about traveling to the U.S. We need to make sure that there is a welcome -- consistent welcome unified message saying that international visitors to the United States is not the same as immigration. Visitation is not immigration, and we need to make that very clear.

Obviously, supporting the VISIT USA Act is going to be critical so that Brand USA can get out there and get that message to the international travelers.

Mr. <u>Soto.</u> Thank you.

And, Dr. Kleppe, it is interesting to hear your analysis. I wrote that bill back in 2013 -- you may or may not know that -- although the Rs never let me pass it in 4 years, and the Florida Legislature then promptly passed it right afterwards, so I feel some justice being

here today to discuss it.

Before that, everybody was trying to keep on standard time, and, of course, keeping on daylight savings time would be a better impact. Have you estimated the total revenue from this change to extending daylight savings time to tourism nationally?

Dr. <u>Kleppe.</u> So thanks for the question, Congressman. I have not. That is not something that I have done in my research that I have seen --

Mr. Soto. It would be positive, though, based upon your experience, right?

Dr. <u>Kleppe.</u> It is hard to estimate. One of the reasons it is hard to estimate is that we can have — I mean, you can see it in Mr. Karen's testimony. We can get at estimates, I think, reasonably about what the added revenues would be in certain industries with an extra hour of evening daylight. I think the issue is the cost of that, the cost coming from disruption to our circadian rhythms, which is well established in neurology, sleep science, and kind of the medicinal community that believes that permanent standard time is a better alignment with our brains and our function cognitively. We don't know how that would affect economic decisions broadly. And so it is really hard to come up with an estimate of that side of it. And that would affect all aspects of the economy, not just industries like tourism and outdoor recreation.

Mr. Soto. Thanks for your opinion. My time has expired.

Ms. Lee. Mr. Obernolte, you are recognized for 5 minutes.

Mr. <u>Obernolte.</u> Well, thank you very much. And let me say how delighted I am to be having this hearing. This is an issue that I have been deeply engaged on for the last 10 years.

When I was serving in the California State Legislature, I helped lead an effort to enable the State of California to go on full-time daylight savings time should Congress act to amend the Universal Time Act to give States that option. And then later, California passed

Prop 7 in 2018, which empowers the legislature to make that change.

Unfortunately, Congress has not enabled that choice for States, and the bill that we are hearing today would allow States that option. And I think that it is very telling that when the most populous State in the Nation is voting to enable a switch onto full-time daylight savings time, that Congress should take note of that. And there are many States that would follow that example.

The evidence is overwhelming and compelling that it is not good for us to be changing back and forth twice a year. I mean, it is not good for our health. It is not good for our sleep cycles. It is not good for our productivity. It is not good for traffic accidents. I mean, I think everyone should be able to acknowledge that this is a practice that needs to stop.

And, I mean, if you want evidence for why we got into this situation in the first place, look at the origins of daylight savings time, which was born out of a necessity to conserve energy when lighting was the predominant consumer of energy. And now we are in an era with LED lighting where lighting is no longer the predominant consumer. I mean, I think this is an idea whose time has come. We need to stop switching back and forth.

So the compelling question that confronts us today is which to choose. Do we choose permanent daylight savings time or do we choose permanent standard time, and there are proponents on both sides of that issue. This is the one thing that has prevented us from doing what everybody wants to do, which is to stop switching. So to me this is the crux of the argument.

So, Mr. Karen, I found your testimony very compelling. One would think, looking at a golf course operator, for example, that you would be agnostic as to whether or not you had time in the morning or time in the evening. I mean, the problem that we have is, as the days grow shorter, we don't have the option of having sunlight in both the morning and

the evening. We have to pick one or the other. You would think that a golfer could choose to golf early or choose to golf late and it wouldn't matter, and yet your testimony is that, overwhelmingly, economic activity is enhanced by adopting full-time daylight savings time, which puts the daylight in the afternoon. Can you, like, opine as to why that might be?

Mr. <u>Karen.</u> I really think except for Saturday and Sunday mornings where people love to grab the first tee times of the day, you look at the rest of the week and the availability of Americans to play, especially working Americans, they just simply prefer the afternoon. There is a 40 percent premium that is -- or 40 percent more revenue that is drawn off the afternoon hours simply because that is where the demand is. So if that is where the demand is and we can open up a little bit more inventory when they are available to play, it is an exponential effect.

So, yeah, I think -- again, what I said, it is trading 6 p.m. for 6 a.m., and Americans that work are not going to make 6 a.m. tee times Monday through Friday, but they will make 3 p.m. tee times to play nine holes if they can get it in, right.

So the economic opportunity is tens of millions of dollars. And we only measured public golf courses and their green fees. We didn't even touch private clubs and the economic impact there. Cart fee, merchandise, food and beverage, it is into the tens of millions of dollars in opportunity, and that is great for the economy, but it also gets people outside recreating together. The social and mental health benefits of golf are well documented. I think there is nothing better to build relationships when you are on a golf course with someone for 2, 3, 4 hours.

So there are health benefits and economic benefits, and what I haven't heard is the economic benefits of standard time. There may be some health arguments, but I haven't heard any economic arguments. I think more sunlight in the afternoon has health and

economic.

Mr. <u>Obernolte.</u> Right. Well, I mean, I think that we should give States the option. You know, we right now give States the option to either switch back and forth, or to adopt permanent standard time, and very few States have chosen not to switch back and forth, despite the overwhelming evidence. And, you know, this bill would just enable States to make that choice to adopt full-time permanent daylight savings time, and I think that you will see the wholesale adoption of that if we give States that option.

So I would urge this committee to move this bill forward, to have a markup on it, and let's have this conversation. I yield back.

Ms. <u>Lee.</u> The chair now recognizes Ms. Trahan for 5 minutes.

Ms. <u>Trahan.</u> Thank you, Madam Chair. And thank you to our witnesses today for being here and for certainly your expertise.

So I feel that there is a strong case to be made for permanent daylight savings time.

My argument is twofold. First, disrupting Americans' circadian rhythms is bad policy, and

Congress should settle on a single standard.

Second, daylight savings time is preferable to standard time. When our circadian rhythms are disrupted -- disrupted, brain functioning worsens. And Dr. Kleppe seems to uncover precisely this phenomenon in his study on investor responsiveness after the March time shift.

Dr. Kleppe, can you summarize briefly the impacts of DST adjustments on investor performance that you found in your research?

Dr. <u>Kleppe.</u> Yes, I would be happy to. Thank you, Congresswoman.

So, yeah, our research does focus specifically on the potential cost of switching from -- to and from permanent time -- permanent standard time to permanent daylight saving time. And what we find is that investors are slower to incorporate earnings news

into their evaluations of companies through stock prices in that window right after the time change.

And we think that has a couple of big implications. So, you know, when prices don't reflect underlying value because of this market inefficiency, it is basically bad for everyone because it potentially creates higher risk and uncertainty because we don't know what the true value is, and it can create disparities across investors.

So in particular what we find in our research is that, you know, retail investors are likely at a disadvantage than more sophisticated investors, and so there is a chance for this -- worse trading outcomes for retail investors because they are less able to overcome some of these cognitive impairment issues that come from changing time.

So that is really what our research can speak to. The issue of what do we do if we choose to not switch becomes a lot more complicated.

Ms. <u>Trahan.</u> I will get there. You know, in a nutshell, Dr. Kleppe found that investors weren't as sharp after the clock shift. Analogize this effect to kids in a classroom or drivers on the road. Put simply, the aggregate impacts of lowered cognition across society appear profound. So I do believe the evidence is clear, it is time for us to decide on one standard and to just stick with it.

But what should that standard be? Standard time, as it is so-called, or DST, and I would argue DST. During this committee's last hearing on DST, we heard testimony about the mental health benefits associated with having an extra hour of sunlight in the evening.

So let's also explore the small business impacts. Mr. Karen, in your testimony, you emphasize the significant economic impacts associated with additional evening sunlight.

Can you elaborate on why DST is preferable to standard time for golf course owners, in particular, and small business owners more generally?

Mr. <u>Karen.</u> With pleasure. So the golf industry is made up of 15,000 small

business operators, and their businesses track to what we call recreational daylight, when Americans are available to play golf, and if the sunlight tracks better with when Americans are available to play golf, is only better for the economy and for their health. It is as simple as that.

And, you know, the interesting thing to this discussion, we are talking about standard versus daylight saving time, and daylight saving time is already 8 months of the year. In an ironic way it is our standard time. It is not the exception. And over time, Congress has closed that window of standard time to make it smaller and smaller over time. So I think we have already been moving in that direction for decades. It is a matter of now just kind of having the fortitude to choose one, and obviously our industry is mixed, but we strongly favor daylight saving time.

Ms. <u>Trahan.</u> Thank you. That is a great point. I mean, ultimately, the evidence shows that switching our clocks twice a year harms cognition, disrupts daily life, affects mental health, decreases opportunities for families and businesses alike. But by adopting permanent daylight savings time we can establish a single consistent standard that confers real benefits on all Americans, especially our children. So thank you.

I yield back.

Mr. <u>Bilirakis.</u> [Presiding.] All right. Thank you. The gentlelady yields back.

We will recognize Mr. Kean from the great State of New Jersey. You are recognized for 5 minutes for your questioning, sir.

Mr. <u>Kean.</u> Thank you, Mr. Chairman. And thank you to our distinguish witnesses for being here today.

New Jersey is the proud home to many important travel and tourism destinations.

From our historic Revolutionary War battlefields, to our New Jersey Shore, the Appalachian

Trail, rivers, lakes, small towns, golf courses, to our stadiums. New Jersey boasts some of

the greatest sites in the United States, and I look forward to hearing from our witnesses on the impact of their industries in bringing tourism and travel to New Jersey and to the United States.

Ms. Maietta, the State of New Jersey is pleased to host eight matches of the 2026 FIFA World Cup. The hospitality industry is critical to hosting these important matches. Could you please share how the hospitality industry is preparing for these highly anticipated events?

Ms. Maietta. Congressman, thank you for the question.

We are accustomed to holding and hosting big events all the time, but, of course, bringing in so many people at the same time simultaneously does present some unique challenges, but also opportunities. Right now, our industry is working very closely with law enforcement and city officials and all stakeholders involved to ensure that we are prepared. I would encourage that -- those lines of communication to stay open.

Thank you for serving on the caucus. We commend the administration for setting up task forces around these big events to ensure that they go off without a hitch and are as smooth as possible.

I would also say that it is important that we are well staffed for those. So, again, H-2B visas, releasing those supplemental visas in a timely way so that staff can be there in time for the games will be critical.

Thank you.

Mr. <u>Kean.</u> Thank you. And following up on this, the northeastern and mid-Atlantic United States are home to many important Revolutionary War battlefields.

While battles in neighboring States are often highlighted, I would like to note, for the record, that some of the most decisive American victories of the Revolutionary War took place in my home State of New Jersey. These include battles such as the Battle of Trenton and the

Battle of Springfield.

As we approach the 250th anniversary of American independence, can you share the important role the hospitality industry plays in supporting travel and tourism to these important American battlefields in New Jersey?

Ms. <u>Maietta.</u> Thank you for that question. I think we have a tremendous opportunity around the celebrations tied to our 250th anniversary -- birthday, I should say. That presents a really unique opportunity to encourage people to go out and see the best that America has to offer, driving more, travel, incentivizing people to travel, making it easier to travel.

Next year really presents a unique opportunity, and our industry is working really hard to highlight historic hotels that are iconic and that play and have played an important role in the history of this country.

Mr. Kean. Thank you.

Mr. Karen, New Jersey is home to countless athletes. My district alone had four New Jerseyans compete in the Summer 2024 Olympics. How do the athletics industry and athletics across New Jersey bring increased travel and tourism to our State?

Mr. <u>Karen.</u> Great question. First of all, it is amazing to have four Olympians. As someone who lived in Haddon Heights for several years, I absolutely love the Garden State.

And travel athletics is enormous in America, right. So you are asking about how to capitalize on that. I would say to make sure that your State tourism and local market -- destination marketing organizations are fully funded and fully staffed so that they can build the partnerships with these athletic-based organizations. Let them do the work they are good at and build those relationships, recruit them into your State to have those fantastic tournaments, events, and so forth.

Mr. <u>Kean.</u> Thank you. So what -- you know, there are many recreational facilities

across New Jersey that contribute to the economic benefits, whether they be stadium, whether they be golf courses, many other small businesses in between. What are some of the things specific to each of these industries that you would recommend for a State like New Jersey and the Nation?

Mr. <u>Karen.</u> Sure. So, you know, just spitballing here a little bit, but recreational facilities certainly help ensure the people of New Jersey are healthy. They are spending their time and money outside of hospitals and doctors' offices and into the economy, right. And that means that more people in New Jersey are enjoying their life and spending their money wherever they are. So there is a direct benefit there between recreating and enjoying your life -- a longer, healthier life -- and being able to add to the economy.

But I also don't want to forget, especially New Jersey, the environmental benefit, not just the economic benefit, of several hundred golf courses around New Jersey, some of the best in the world.

Mr. Kean. I would agree with that too.

Mr. <u>Karen.</u> You know, they offer much needed green space in a pretty densely populated State. Even places like Bayonne Golf Club, which was turned from an environmentally disastrous piece of land into a very healthy living green space. That happened at Liberty National as well. So New Jersey has been a leading example of the environmental positivity of recreational places.

Mr. <u>Kean.</u> Great outdoors, great shore. Many people -- more people need to come to New Jersey for our wonderful tourism industry. Thank you, and I yield back.

Mr. <u>Bilirakis</u>. The gentleman yields back.

Now we will recognize Ms. Clarke for her 5 minutes of questioning.

Ms. <u>Clarke.</u> Good morning. And thank you, Mr. Chairman and Ranking Member Schakowsky, for holding this hearing. And thank you to our witnesses for joining us today.

I am proud to say that my hometown, Brooklyn, New York City, is an iconic travel destination that imagery is evoked in music, culture, art, and whose landmarks are internationally recognized. And as the Notorious B.I.G. would say, If you don't know, now you know.

New York City is the number one international travel destination in the United States, welcoming millions every year, not to mention New York State, and, of course, Niagara Falls, Canada, and our border. Our average international travelers make up 20 percent of my city's visitors and 50 percent of tourism spending. International tourists typically spend twice as much as domestic travelers, stay longer, and may go on to visit other cities within the United States.

It is undeniable that welcoming tourism benefits New York and the United States. However, the cruel, inhumane immigration policies of this administration have carried into the tourism industry, and for the first time since COVID, international and domestic travel is decreasing.

For reference, New York City is expected to welcome over 3 million fewer international travelers in 2025 than in 2024. The harsh rhetoric and detainment of legal tourists by this administration have cultivated a climate of fear and hostility that deters international travelers so much so that the United States is the only country to see a decline in spending from international visitors in 2025.

Tourism is an essential column of the economy, and not just in New York. In 2024 alone, travel to the United States produced \$2.9 trillion in economic output, supported 15 million jobs, and generated \$89 billion in State and local tax revenue. Not only are we suffering from Trump's delusional economic policies, but now also having potential tourists avoiding our Nation due to his inhumane, barbaric, and fear-mongering immigration policies and further contributing to our deteriorating economic health.

Ms. Simon, aside from harmful rhetoric, what immigration policies have you found to be particularly detrimental to the inbound tourism industry, and what ways can Congress help address these concerns?

Ms. <u>Simon.</u> Thank you, Congresswoman. And you are absolutely right about New York City, it is one of the biggest -- well, it is the biggest draw for international visitors and a major gateway, obviously, for them to enter the country.

Thank you for the question. You know, the policies that we have seen that have really impacted visita- -- the image of U.S. for visitation include really the hardened enforcement of immigration policies and the global attention that it is getting on those expansive policies. It is creating concern and fear and a sentiment that they are just not welcome here in the United States.

We need to be very clear, the government needs to be very clear that visitation is not immigration, and that we welcome international visitors. We want them here. We want them to come, contribute to our economy, and experience all that the U.S. has to offer.

We really need to eliminate the proposed \$250 visa integrity fee. That is going to make it so expensive just to enter the country, on top of the application fee that is already \$185. And then higher fees targeting international visitors in general, both for entry, as well as entering the national parks. They feel like they are targeted, and they really need to understand that we want them here.

Ms. <u>Clarke.</u> Absolutely. They feel they are being targeted. Let's call it what it is, and so it is unfortunate. But let me thank you for your response.

The administration's treatment towards international tourists is especially concerning to me as, next year, the New York region will be hosting multiple games and the final game of the FIFA World Cup, one of the most internationally attended sporting events.

The World Cup attracts fans, not only to games, but to hosting cities to celebrate their team in dedicated fan zones. With 16 host cities spanning all over North American, we are expecting millions of visitors.

Next year, New York and the other cities will be on the world stage, but how can we possibly expect to keep all these fans and tourists safe when we have an administration that is hell-bent on demonizing anyone who is not born here?

I encourage my colleagues to get serious about the implications of this administration's policies and have had -- that they have had and how they have metastasized in so many critical industries.

With that, Mr. Chairman, I yield back.

Mr. <u>Bilirakis</u>. I thank the gentlelady.

Now we will recognize Mrs. Cammack, and her beautiful daughter, Augie, for 5 minutes of questioning.

Mrs. <u>Cammack.</u> Thank you, Mr. Chairman. And I appreciate everyone's patience.

As a working mom, and certainly a mom in the newborn trenches, this issue of daylight savings time actually really does impact all parents who are right now in the trenches with us. So I want to thank Chairman Bilirakis for his opening statement, particularly his remarks about the Sunshine State.

Tourism is not just a sector in our economy. It is the backbone of our State. It is the number one economic driver of Florida, as well as agriculture a quick number two right behind it. So whether we are dealing with packed stadiums during our University of Florida Gator games or families are traveling to fish or golf, the Sunshine State is a year-round mecca of activity.

And as we have heard today, the tourism and hospitality industries are facing significant pressures, whether it is hotels struggling with workforce shortages or rising

operation costs; outdoor recreation industries, such as golf and fishing, are very sensitive, as I said, to daylight hours.

So as we talk about Florida's economy, but, of course, nationally, some of the challenges as we are going through this issue, I want to start out with Rosanna -- is it Maietta? Did I say that right?

Ms. Maietta. Yes.

Mrs. Cammack. All right. Good. Good deal.

So many rural areas like mine in north central Florida, we depend heavily on seasonal tourism driven by activities such as fishing in the Gulf of America or small-town festivals.

We have everything from a watermelon festival -- which I am the seed spitting champion in Newberry, by the way, I should point out -- to zucchini festivals, you name it. This is a huge economic driver for our region.

So your testimony highlighted significant workforce shortages and the operational costs that continue to go up and the lingering impacts of the shutdown. So for rural communities that rely on just a few peak tourism windows to sustain them year-round, what Federal actions specifically or policy changes, and I want you to be very specific, would most help seasonal hotels, small lodging operators, and tourism-dependent businesses that remain fully staffed, financially stable, and able to meet the demand through those critical periods?

Ms. <u>Maietta.</u> Well, thank you so much for the question.

You know, I have spoken already about the need for the H-2B visas. I do think that that is a program that needs some specific reforms. It hasn't really been reformed since 1990 when it first started. 66,000 H-2B visas are simply not enough for the demand.

We know that our hotel owners are creating housing to ensure that they can support people onsite during those peak periods so they don't have to travel back and forth, because

so many, as you noted, are in rural areas.

The second program I would say that we have invested and been proud to be a part of is the Department of Labor's apprenticeship program. That is a longer term solution. We have been working to increase the number of apprentices throughout our industry over the past 7 years, and we have seen increased retention at the end of it with a job promotion and a salary increase for those who go through that program. That is another critical program that we rely on.

Mrs. <u>Cammack.</u> Thank you. I appreciate that.

And, Dr. Kleppe, wanted to talk to you specifically about agriculture. So there is this urban legend that this all started at the behest of some farmers and ranchers, and I have to say for the record, that is not true. But this is a huge issue in our agricultural communities.

So while your research focuses primarily on the economic and behavioral effects of daylight savings time, transitions on markets, and et cetera, I want you to talk a little bit about the impact to agriculture as it relates to daylight saving time and what we could see should we decide that we make a jump away from the biannual time change.

Dr. <u>Kleppe.</u> Thank you, Congresswoman. And as a parent of a young child as well, I know very -- very saliently right now that kids do not care about us changing the clocks on their sleep patterns.

So thank you so much for your question. And you bring up a very important issue and it kind of relates to kind of something I mentioned earlier about, you know, there are obviously different economic arguments for permanent standard time versus permanent daylight saving time. We heard some of the arguments from the other witnesses about the benefits of permanent daylight saving time.

The agricultural industry -- again, outside of my specific research -- but the academic

literature on that suggests that permanent standard time would be more beneficial to the agriculture industry than permanent daylight saving time. That is my understanding of that tangential research.

And so it highlights that it is -- it is not, again, clear economically what is beneficial -- choosing to stay permanently on standard time versus daylight saving time.

And so there is going to be regional and industry specific preferences that you as Congress Members will have to sort out if you decide to kind of end the biannual shifts. But I think the research is clear that biannual shifts are harming us all across the entire economy.

Mrs. <u>Cammack.</u> I appreciate that. Thank you.

And my time has expired. I yield.

Mr. <u>Bilirakis.</u> Very good. Thank you. Thank you so much.

Now we have Representative Veasey. You are recognized for 5 minutes for your questioning.

Mr. <u>Veasey.</u> Thank you, Mr. Chairman.

I think this is a fascinating conversation, particularly around the daylight savings time piece. As someone that has gotten up very early in the morning to go sit in a duck blind to go hunting and wading through water, I would love to have a couple extra hours of sleep so I could go to the blind a little bit later, and so I totally get that.

But I do want to remind everybody -- and I am sure it has been touched, I believe, during the opening -- your opening statements, so I am sure it has been touched upon, but I do want to remind everybody about some of the history around this.

On January 7, 1974, in Washington D.C., the sun rose at 8:27 a.m. back then and it was jet black outside, and kids literally went to school with flashlights. Moms gave kids flashlights to go to school. And, of course, when things like that happen, more accidents happen. And, of course, after just a short time period, mamas all around the country

started to clickety-click and said, no mas, we don't want to do this anymore, and the Nixon administration promptly changed that.

And it is really fascinating to go back and look at some of the history, because there was even one Representative before that time that talked about putting the United States on just one time zone, it was a Representative of Hawaii, just having everybody have the same time. And so as we go back and forth and look at this, I think that it is absolutely incredible.

But I do want to take the time to ask you -- and I hope that we can come back and visit this issue on daylight savings time. But with us having FIFA coming to DFW, I wanted to specifically talk to you about that. And I wanted to ask Ms. Simon about the long-term impact that an event like FIFA can have to boost tourism for SMBs and for the World Cup. How can areas like DFW transfer that into long-term economic growth for the region? Because I know that there is a housing issue that I know that we are worried about in DFW because people are going to have to drive in from long distances to come to FIFA. So how can regions like ours translate this into long-term opportunity?

Ms. Simon. Thank you, Congressman, that is a great question.

It happens that, currently, there is good signs that there is already long-term demand for the United States, which is fantastic, even though we are seeing a decline this year and we won't be seeing numbers that reach pre-pandemic levels until 2029. But what we -- what we can do to really focus on World Cup and taking advantage of that is, as we get this influx of visitors into the country, we can showcase what we have to offer. They are going to be seeing, not only the host cities and the surrounding areas, but they are going to be traveling from host city to host city and destination to destination and experiencing, again, all the different things that they can do and see here, including national parks, small and rural communities, authentic experiences. They will take those messages home and

share what a wonderful destination the United States is, and that is going to help feed our long-term growth.

Congress can help, obviously, with, again, Brand USA, getting Brand USA fully funded for the next couple of years, making sure it is reauthorized in 2027 so that they are in market driving that demand with potential international travelers, again, recognizing and promoting the small businesses, the rural areas, and the opportunities that travel -- international travelers have in the United States.

Mr. <u>Veasey.</u> And speaking of international travelers, one of the big advantages that we have in the Dallas-Fort Worth area is DFW Airport, where you can get to just about anywhere in the world coming out of our regional airport there.

And as travel and tourism are key economic drivers, what can Congress do to help streamline travel processes, such as visa processing, airport capacity, security procedures, to ensure that international visitors can easily access the Dallas-Fort Worth region for events like FIFA?

Ms. Simon. Yes. Again, thank you for the question. Very good question.

We need modernized technology in our airports. We really need to advance our airport and transportation systems and infrastructures to make sure that the ease of traveling and safety for international travelers, as well as Americans, is looked after. We also need to eliminate the proposed \$250 visa integrity fee and other fees that are targeted to international travelers.

Mr. Veasey. Taxes.

Ms. <u>Simon.</u> Exactly.

Mr. <u>Veasey.</u> That is right.

Ms. <u>Simon.</u> And there is a new fee that is proposing higher entrance fees for international visitors to national parks. So we just think those types of things are

prohibitive on making it feel -- making international visitors feel like they are not welcome here.

Mr. <u>Veasey.</u> Yeah. Thank you very much.

Thank you, Mr. Chairman. I yield back.

RPTR BRYANT

EDTR ZAMORA

[12:04 p.m.]

Mr. <u>Bilirakis.</u> Thank you. Appreciate it very much.

Now we will recognize Mr. Fry from the great State of South Carolina. Thanks for your patience.

Mr. Fry. Thank you, Chairman, for having this hearing today.

I have the privilege of representing South Carolina's Seventh Congressional District, which is known predominantly as Myrtle Beach, at least on the coast. We have got some great agricultural sectors in the western part of the district, but the Grand Strand is considered 60 miles of beach. It is 60 miles of beach.

And we have roughly 790,000 people, obviously, that live in the district, but every year the Myrtle Beach area sees 18 million people come to our area, which is, if you take it proportionally, there are 20 visitors for every one resident. It is kind of astounding when you think about it.

Tourism in the Grand Strand generates tens of billions of dollars in economic impact, supports tens of thousands of jobs. In the district we talk about tourism, but we are really talking about the livelihoods of the folks that I represent, not only the small business owners themselves, but the waitress at the beachside cafe, the person who is a bartender down in Murrells Inlet, the individual who is a golf pro or works at one of our close to 90 golf courses in the Grand Strand area. Tourism is our lifeblood on the coast.

We talk about Florida, obviously. We are in much the same boat. So this is very important. Tourism matters to the people that I represent. Sports tourism is huge.

That matters. Recreation matters. You have not only got the beaches but you have got this recreational tourism that exists in the ecosystem, where people can kayak on the Black

River or visit some of our incredible botanical gardens. There are just so many things to do. So it is very important. I think this topic is very critical as well.

Mr. Karen, you estimate that permanent standard time would eliminate roughly 37 million rounds of golf and \$1.6 billion in green fee revenue nationwide, while a permanent daylight savings time would add 23 million rounds of golf and about \$1 billion. Can you translate what that might mean to a region like Myrtle Beach or some of the courses that you might see in Florida or elsewhere?

Mr. <u>Karen.</u> Sure. So Myrtle Beach is one of the most mature and actually progressive golf markets in America. It was really the first true destination market for golf. If standard time was made permanent, it would cripple the spring, summer, and fall seasons in that market. So all those travelers that enjoy visiting Myrtle Beach either would not come because they couldn't get the 36 holes in a day that they used to, and it would have certainly a rippling effect in the economy there locally. It could be very damaging to a destination like Myrtle Beach if that was to be the case.

Mr. Fry. Thank you for that.

Ms. Maietta, how are we ensuring that we have a workforce scaled to meet heightened demand during major sporting events in the coming years?

Ms. <u>Maietta.</u> Thank you for that question, Congressman. I know you are a champion of H-2B visas, so I am going to talk about that some more.

I think that is critical, especially in places like Myrtle Beach and other places in South Carolina where it may be hard to get to and find that staffing that you need. Ensuring that we can rely on that program is essential to supporting a lot of our resort communities, far-flung destination communities.

Mr. <u>Fry.</u> Thank you for that. And, similarly, in your testimony, you note that for every hundred dollars that is spent at a hotel, \$234 gets spent in the surrounding

community. Can you walk us through what that might look like in a place like Myrtle

Beach --

Ms. Maietta. Sure.

Mr. <u>Fry.</u> -- or Darlington for their Darlington 500 that they do? Who exactly is getting that, those dollars? Is it the waitress? Is it the golf caddy? Is it the boardwalk shops? I mean, how does that translate through a local economy?

Ms. <u>Maietta.</u> That is exactly right, and those are perfect examples. Yes, those extra dollars are going into the community. People will come and go to a resort, but they will visit the bar across the way or the restaurant. They will stop in and buy some, you know, clothes. They will go to the mall.

So coming to one hotel destination means that the rest of the community is benefiting. And that is why you see, when hotels go up, they are supporting other small businesses. And so it is really the central fabric of a community.

Mr. Fry. Thank you for that.

Dr. Kleppe, your testimony notes, studies linking daylight savings time shifts to more traffic accidents, workplace injuries, harsher sentencing, and even heart attacks and brain issues. If that is what is happening around the clock change, what is your best sense of how that might play out in a tourism town where people are driving long distances, working often odd or long hours, and relying on service workers?

Dr. <u>Kleppe.</u> Yeah. Thank you, Congressman, for the question.

I mean, I think the evidence, you know, that you cited that we cite in our work and that we build off of is -- there is a pretty good consensus that any economic activity, including tourism, you know, including transportation, you know, driving, all the things you mentioned, those activities are likely to be harmed by these time shifts because of the cognitive impairment that we all experience and that we cannot counteract.

And so I think whenever you have, with tourism specifically, people traveling, working odd hours, certainly those could have economic impacts and safety consequences.

Mr. Fry. Thank you for that.

I see my time is expired, and I yield back.

Mr. <u>Bilirakis</u>. The gentleman yields back.

Now we will recognize Mr. Evans from the great State of Colorado. Thanks for your patience, sir. You are a great member. Thank you.

Mr. <u>Evans.</u> Thanks, Chairman, Ranking Member. And, of course, thank you so much to our witnesses for coming.

And as the chairman said, I am from Colorado, born and raised. Big tourism State: Rocky Mountains, hunting, fishing, skiing, snowboarding, all of the different things that you can do in Colorado. Over \$28 billion annually in our tourism industry.

We are typically a top ten tourist destination of the 50 States. And so making sure that we have a good tourism industry, hotels, lodging -- we have some fantastic golf courses -- one of my first jobs was working at a golf course cleaning the golf carts -- is critically important to me. But, unfortunately, we also know how fast, how quickly a good news story can go to being a bad news story.

Colorado is, unfortunately, the sixth most heavily regulated State in the country right now, and it is crushing our economy. Between February of last year and February of this year, Colorado's private sector lost 14,700 jobs. This is the second largest decrease in the country.

During that same time period, employment in the State's public sector, so government jobs, grew by 15,200 jobs. That is the second highest growth rate in the Nation. So our public sector is struggling in Colorado.

We are seeing the same thing, unfortunately, in crime statistics. I was a police

officer in the Denver metro area for over 10 years. In 2011, when I started, Colorado was better than the national average for our crime rate. This year, we are the second most dangerous State in the country.

Denver -- 6 years ago, Denver didn't even make the top 50 most dangerous cities in the country list. And now we have seen Denver has had double the homicide rate per capita of San Francisco and is ranked the tenth most dangerous city in the country.

And so my question to Ms. Maietta is, can you comment on the impact that crime statistics like these have when people are traveling in from out of State, they are looking for a hotel, they are looking for someplace to stay? What is the impact that elevated crime rates like this have on your industry and the broader economy of the region?

Ms. Maietta. Thank you, Congressman, for that question.

Look, safety and security is our top priority for our guests and our employees. So ensuring that people feel safe when they are going to a hotel and visiting a city is important. And that is why we work really hard to create partnerships with local law enforcement, with city officials, with local government, to ensure that we are dealing with those issues around safety and security together and that business is part of the solution.

You have seen success stories like San Francisco, where they have tackled the issues of crime and safety and homelessness together with industry. Now, San Francisco, which was at the bottom of occupancy, is now rising up to becoming a top destination.

So there are pathways to making sure that people know what -- you know, that markets are safe and that cities are safe to visit.

Mr. <u>Evans.</u> Does your industry have any sort of statistics around correlation or causation? You see a dip in guests and in visitors when crime gets worse, the inverse happen when crime gets better. Do you have anything like that?

Ms. Maietta. I don't have that data top of mind, but I am sure we can look and

share that with your staff.

Mr. <u>Evans.</u> Fantastic. Moving a little bit more local in this line of questioning.

What happens -- you know, we have talked nationally. What happens at the local level when a hotel or some other sort of a lodging venue closes? Can you speak on the impact that that has on a local economy?

Ms. <u>Maietta.</u> Sure, absolutely. And, unfortunately, we have seen that all too well this year. You know, operating costs have risen four times faster than revenue in the last 5 years. And so what we are seeing is small businesses, which our industry is primarily made up of small businesses, simply can't afford to stay open. And so we have seen closures. That impacts jobs and that impacts the local community that relies on a hotel to create more economic flow.

Mr. <u>Evans.</u> So that sixth most heavily regulated economy effect in the Nation and that bleeding of private sector jobs, 14,700 private sector jobs lost, that is going to have a negative impact on your industry, correct?

Ms. <u>Maietta.</u> That is exactly right. And I think, you know, things like the American Franchising Act, 60 percent of our industry is franchised. And so passage of that law, which would bring some certainty to the industry, would be most helpful.

Mr. <u>Evans.</u> I totally hear you there. I see my time is running short, so just appreciated your comments and the written testimony about the 199 passthrough deduction for small business and how important that is to keeping your business and our tourism economy strong.

I yield back.

Mr. <u>Bilirakis.</u> Thank you. The gentleman yields back.

Now we will recognize Mrs. Houchin for her 5 minutes of questioning.

Mrs. Houchin. Thank you, Chairman Bilirakis and Ranking Member Schakowsky, for

holding this hearing. Thank you to our witnesses for being here and for offering your testimony.

I am happy to be here, Mr. Chairman, although I must admit I was a bit disappointed when I learned that this hearing wasn't about time travel tourism and that commas matter.

I guess we will have to wait until technology catches up to our imaginations.

But in the meantime, we are focused today on something that is very real for my constituents: ending the twice yearly ritual of changing clocks and making better use of the daylight we have.

I come from an area of Indiana where we used to refer to fast time and slow time, and I am a proud cosponsor of H.R. 139, the Sunshine Protection Act of 2025.

The bill is simple and true to its name. It would make daylight savings time the new standard time nationwide, putting that extra hour of light where families can actually use it, in the evening. We know that there are health implications and commerce implications, as well as safety implications, with the constant changing of our clocks. It is not an abstract issue for my constituents.

In a recent survey by text message, more than 90 percent of respondents said they want to stop changing the clocks and stick with one consistent schedule. They are tired of dark late afternoons in the winter, tired of disrupted sleep schedules for their kids, tired of the productivity hit, and the confusion that comes with springing forward and falling back. In fact, we used to tell my kids, when it was still light outside and it was bedtime, that outside was closed, so we could get them to go to bed.

So with that in mind, I do want to turn to our witnesses.

Mr. Karen, I am interested in learning more about your perspective on the effects of the time changes themselves. I have mentioned some of those. What are some of the real world downsides of our current spring forward and fall back system?

Mr. <u>Karen.</u> So I only know the cursory research of the downside of the actual changing. We have heard it. It is economic. It is crime. Judges give harsher punishments the morning after clocks change than they do every other time of the year.

Mrs. <u>Houchin.</u> Oh, my husband is a judge, so I wonder if that probably is. I will have to ask.

Mr. <u>Karen.</u> Well, what we are learning is people are cranky and they are not sharp the day after the clocks change, and so that is -- I don't study that, but I certainly have perspective on which to choose.

And so we are in favor of locking the clock and choosing a side, and in our case, you said it perfectly, to make better use of the sun.

Mrs. Houchin. Yeah.

Mr. <u>Karen.</u> And Americans, they would rather recreate in the afternoons and the evenings than at 4, 5, 6 o'clock in the morning.

Mrs. <u>Houchin.</u> I certainly am in that camp. But I also think that, from a safety perspective, this is an issue, and it is relevant to the commerce question that we have and how we are operating over time, and exactly health concerns for longevity if we are constantly switching our sleep schedules. Those are all factors that are important to consider.

Mr. Karen, if Congress were to adopt permanent daylight savings time, what benefits would you expect to see in communities where your members operate?

Mr. <u>Karen.</u> Simply more Americans being outside walking around, playing sports, whether it is golf, tennis, pickleball, you name it, out there investing in their own health.

And that is going to allow people to live longer, and that will have an economic impact on society as well. So --

Mrs. Houchin. This is one of the issues, truly, we hear a lot about twice a year, and

it is something that I hope we will be able to do.

My constituents certainly have made it clear that they do want one consistent system, more daylight in the evenings and an end to dark afternoons that cut into family time and hurt our local businesses.

The Sunshine Protection Act is practical. It is a bipartisan answer. It supports families, workers, and communities, while putting an end to the disruptive clock changes.

I want to thank the committee again and to the witnesses for sharing your insights.

I look forward to working together to hopefully make this happen. Thank you so much.

I yield back.

Mr. <u>Bilirakis.</u> Thank you. The gentlelady yields back.

Now we will recognize Mr. James from the great State of Michigan. You are recognized for your 5 minutes of questioning, sir.

Mr. James. Thank you, Mr. Chairman.

I appreciate all the panelists being here today and I am looking forward to hearing from you about your perspective. These issues are not only important to the Nation but also our constituents.

Chairman Guthrie and Chairman Bilirakis, I couldn't agree with you more; travel and tourism are key drivers to both our local and national economies. It is essential that we explore the best ways to strengthen and capitalize on these opportunities for our country.

But also, as we deal with other crises, mental health crises, seasonal depression, for northern States like mine, Michigan, places that are on the western side of the Eastern Time Zone and farther north, we can address mental health issues by extending the time and the clock, potentially also saving lives.

I will get directly to my question. Mr. Kleppe, what other related research is relevant to the issue of financial and economic implications of daylight savings time policy

that maybe you have not discussed as of yet?

Dr. <u>Kleppe.</u> Yes. Thank you, Congressman, for that question.

I do have a brief summary prepared of some of the other relevant research and so, you know, specifically to kind of economic and financial market effects of these biannual time shifts.

So beyond the evidence that we provided in our study of investors being impaired in their decision-making and the effects that has on market efficiency, there is also recent research that finds that other economic and capital markets participants are negatively affected, including individuals that forecast earnings, which provides a very important information dissemination role to the capital markets. There is evidence that investors' reactions to merger announcements are worse after DST adjustments.

And one study that is not yet peer reviewed but is in the process that kind of gets at more of the maybe the personal household finance issue is that there is evidence now in this study that for loans that are applied for, including mortgage loans, after DST advances, that the default rates are higher, suggesting that contracting on loans is worse, which has not only, you know, corporate economic implications but also kind of personal household finance complications as well. So we --

Mr. <u>James.</u> So you are saying that by addressing this issue we might also put a dent in the affordability issue around the country?

Dr. <u>Kleppe.</u> Again, I can't speak directly to -- this is not my research, but what I can say is that the impairment from these time shifts has the potential to, again, lead to worse contracting when it comes to loans and could hurt households in loan contracting.

Mr. <u>James.</u> So let's step out into going from a little bit more micro to a little bit more macro.

Could you share the implications of reduced market efficiency caused by DST

adjustments?

Dr. <u>Kleppe.</u> Yeah, that is a great question. So, first of all, I will say the U.S. is kind of the hallmark of -- our capital markets are the hallmark of efficiency and sophistication, which sets us apart from the rest of the world. And so when markets become less efficient, there are implications for both investors and the companies seeking capital in those markets.

So on the investor side, less efficient markets means that determinations of value are harder. And individuals that have information advantages, usually more sophisticated or insider investors, can trade more profitably relative to retail investors, which creates disparities that are not good for markets.

And then on the company side, when there is, you know, more inefficiency, the cost of capital and raising capital and accessing those investors becomes more costly. And so that increased cost of capital impairs their, you know, companies' ability to invest and grow, and so for -- obviously, which has broader economic concerns as well.

So for both investors and companies, and markets in general, inefficiency in markets is just bad. And there is a long -- decades of research in accounting, finance, and economics that support that.

Mr. James. Thank you.

Mr. Chairman, I yield to Mr. Carter the balance of my time.

Mr. <u>Bilirakis.</u> The gentleman is recognized.

Mr. Carter of Georgia. I thank the gentleman for yielding.

Thank you all for being here.

Folks, I have the honor and privilege of representing the First Congressional District of Georgia, which encompasses the entire coast of Georgia, over 110 miles of pristine coastline. Obviously, tourism is a big part of our economy. In fact, it is the number

two -- second largest economic contributor to the State of Georgia.

In 2024, Georgia saw a record 174.2 million domestic and international visitors in total. And in 2024, visitors spent \$45.2 billion, that is with a B, on Georgia's hotels, restaurants, transportation, and other local businesses. That saved each Georgia taxpayer, each Georgia household I should say, over \$1,200 in taxes, and that is significant.

And guess what? Next year, FIFA, the FIFA World Cup coming to Atlanta, the biggest sports event on the planet coming to Atlanta, Georgia. Goal. We are excited. We are very excited.

Ms. Maietta, what are your expectations for the 2026 FIFA World Cup, and how would they drive occupancy and revenue?

Ms. <u>Maietta.</u> Congressman, thank you for the question. You represent a stunning district and you have been a longtime industry champion. We are grateful for your support.

We are excited too about the World Cup. It will represent about \$500 million in economic revenue for Georgia, and we are taking steps to ensure that we are collaborating with law enforcement and all stakeholders involved, local government officials, to make sure that we can have a seamless experience for all the guests who are coming and who can get to the games and enjoy the rest of Atlanta and that the State has to offer.

Mr. <u>Carter of Georgia.</u> Absolutely. In your opening testimony, you mentioned franchising several times. What can Congress do to support small business hotel owners and operators?

Ms. <u>Maietta.</u> Thank you for that question. I know you are a sponsor of the American Franchise Act. That bipartisan bill will be essential to bringing some certainty around joint employer standard.

Franchising accounts for -- 60 percent of our industry is made up of franchised hotel

owners. It allows for the path to entrepreneurship in the American Dream for so many in our industry, and passage of that will alleviate some of that uncertainty related to who can make decisions around, you know, employees.

Mr. Carter of Georgia. Great.

Mr. Karen, I want to ask you, as we all know, Georgia is home to some world-famous golf courses, including the Master's in Augusta. And today, as a matter of fact, the RSM Classic starts where I live, on St. Simons Island, at the Seaside Course. So we are very excited about that.

In 2024, golf's impact on the State of Georgia delivered over \$5.3 billion worth of economic impact. There is a lot of interest in year-round daylight savings time. In fact, the Georgia State Legislature passed a bill that would call for a permanent daylight savings time if Congress were to lift its prohibition on such a thing. It is called the Sunshine Protection Act.

How big of a difference would it make to the golf industry if Congress enacted permanent daylight savings time compared to our current twice-a-year clock changes?

Mr. <u>Karen.</u> Well, first, I must mention I played in The RSM Classic pro-am three times.

Mr. Carter of Georgia. Is that right?

Mr. <u>Karen.</u> And I enjoyed visiting your district to go do that. It is a great week. I wish I was there now.

Mr. <u>Carter of Georgia</u>. I hope you spend a lot of money.

Mr. Karen. It is hard not to, "The Closer."

Mr. Carter of Georgia. Yeah.

Mr. <u>Karen.</u> You know, our research indicates that if we had permanent daylight saving time, we would have at least a 1 percent uptick in economic activity in the golf

industry. I mean, that is bare minimum. And I would -- because that is not even counting private clubs. It is just public golf courses and it is only green fees.

So if you add all of the other components, I would estimate that that change alone would give a 2 to 5 percent increase in the economy overnight because of the expansion of the inventory and the availability of people to play golf. Tee sheets are full right now. So if you added inventory, they would fill up. So it would be enormous to the State of Georgia.

Mr. <u>Carter of Georgia.</u> So tell me the downside. Why would people say it would have a negative effect?

Mr. <u>Karen.</u> We have some in the industry who prefer the status quo and the changing of the clocks, because it slows down in the wintertime for them. Rounds are, you know, start going down. And they like giving their staff a break. It is a little bit of a reprieve to be able to go home at 4 o'clock.

Mr. <u>Carter of Georgia</u>. Can I interject?

Mr. Karen. Yes.

Mr. Carter of Georgia. My middle son is a golf pro, and he is happy to see --

Mr. <u>Karen.</u> There you go.

Mr. Carter of Georgia. -- be able to get home a little earlier.

Mr. <u>Karen.</u> Golf pros and superintendents don't -- they are not as exuberant about this. I mean, they still favor it, but they are not as exuberant as the owners of the facilities that are looking to, obviously, maximize their business.

Be no different than if a restaurant said, we are going to close now at 11 o'clock p.m. instead of 10 p.m. The staff would say, oh, you know, does that mean I have got to work longer hours or different shifts and so forth? So I understand that tension.

And then there are very few golf courses that want permanent standard time. It is

a single-digit percentage. And some of those are resorts, because they like the early play so that the golfers get into the dining room and eat dinner and spend their money on liquor and food.

Mr. <u>Carter of Georgia</u>. They don't do that.

Mr. <u>Karen.</u> Yes, they do, sir. And also, there are a lot of clubs that favor retirees that love to play early in the morning. So they don't want to mess with the clock.

Mr. <u>Carter of Georgia.</u> Well, thank all of you. This is extremely important. And remember, goal.

Mr. <u>Bilirakis.</u> What happened to -- I noticed you didn't mention the Georgia Bulldogs. I am okay with that, but I will give you some extra time if you want.

I appreciate it. Thank you very much.

So I think we are finished. No one on your side, no one on our side.

So I am going to ask unanimous consent to the documents on the staff -- that the documents on the staff document list be submitted for the record. Without objection, so ordered.

And I remind members that they have 10 business days to submit questions for the record, and I ask the witnesses to respond to the questions promptly. Members should submit their questions by the close of business day on December 5.

So I just want to thank all the witnesses. This was a fascinating hearing. It really was. And we learned a lot.

So, without objection, the subcommittee is adjourned.

[Whereupon, at 12:29 p.m., the subcommittee was adjourned.]