APEC BUSINESS TRAVEL CARDS
REAUTHORIZATION ACT OF 2017

REPORT

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 504

TO PERMANENTLY AUTHORIZE THE ASIA-PACIFIC ECONOMIC COOPERATION BUSINESS TRAVEL CARD PROGRAM

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APEC BUSINESS TRAVEL CARDS REAUTHORIZATION ACT OF 2017

AUGUST 1, 2017.—Ordered to be printed

Mr. JOHNSON, from the Committee on Homeland Security and Governmental Affairs, submitted the following

REPORT

[To accompany S. 504]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 504) to permanently authorize the Asia-Pacific Economic Cooperation Business Travel Card Program, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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I. PURPOSE AND SUMMARY

The purpose of S. 504, the APEC Business Travel Cards Reauthorization Act of 2017, is to permanently authorize the United States' participation in the APEC Business Travel Card program that was first authorized by Congress in 2011. The authority is set to expire at the end of fiscal year 2018.
II. BACKGROUND AND THE NEED FOR LEGISLATION

The Asia-Pacific Economic Cooperation (APEC) is a forum used by some countries in the Asia-Pacific region to promote economic growth by reducing barriers that hinder trade, travel, and investment among participating countries. Since 1989, Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; the Philippines; Russia; Singapore; the Republic of Korea; Chinese Taipei; Thailand; the United States; and Vietnam have been cooperating to improve customs procedures and market standards. In 1997, APEC launched the APEC Business Travel Card (ABTC) program to encourage free and open trade among member economies. The ABTC program facilitates safe, fast, and efficient access to APEC markets. The program reduces business travel costs and wait times for ABTC cardholders. Under the ABTC program, each member nation establishes its own screening requirements, issuing cards mostly to business travelers and senior government officials participating in APEC business meetings and conferences.

All applicants are vetted prior to receiving a card. For example, American citizens must be an existing member in good standing or be approved in a U.S. Customs and Border Protection (CBP) trusted traveler program such as SENTRI, NEXUS, or Global Entry. Once the application is approved, cardholders are issued the ABTC, which provides access to fast-track immigration processing lanes. Upon arrival at an airport of entry, ABTC users are vetted against customs and immigration databases to ensure they meet trusted traveler requirements. Similar to screening procedures for other visa holders, CBP officers make admission determinations on a case by case basis for each ABTC traveler.

All 21 APEC member nations participate in the ABTC program, but only 19 nations are full members of the program. Full members provide ABTC holders visa-free travel into the country and access to expedited immigration lanes upon arrival. The United States and Canada are transitional members, meaning that a short-stay visa is still required for nationals of a non-Visa Waiver
Program country. In support of greater APEC cooperation, the United States allows APEC users to use designated lines at airports that are maintained to screen pilots and airline crew. The United States affords foreign ABTC holders expedited visa interviews at designated embassies and consulates in APEC countries.

Because the United States did not offer ABTCs to its citizens, but allowed expedited immigration access to foreign ABTC holders, American businesses were placed at a competitive trade disadvantage in a vital region of the world. To remedy this imbalance, Congress passed and President Obama signed the Asia-Pacific Economic Cooperation Business Travel Cards Act in 2011. The law authorized the Department of Homeland Security (DHS) to issue ABTCs through the end of fiscal year 2018 to eligible business leaders and U.S. Government officials who are actively engaged in APEC business.

DHS began issuing U.S. ABTCs in June 2014. As of March 2017, there were approximately 30,300 American citizens participating in the ABTC program. Unless reauthorized, the authority for the United States to issue ABTCs to its citizens will expire on September 30, 2018. The DHS, Department of State, and CBP support ABTC reauthorization.

III. LEGISLATIVE HISTORY

On March 2, 2017, Senator Mazie Hirono (D–HI) introduced S. 504, the APEC Business Travel Cards Reauthorization Act of 2017, with Senator Steve Daines (R–MT). Senators Amy Klobuchar (D–MN) and Cory Gardner (R–CO) joined as co-sponsors on March 28, 2017, and May 8, 2017, respectively. The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered S. 504 at a business meeting on May 17, 2017. No amendments were offered. The legislation was ap-
proved by voice vote *en bloc*. Senators present for the vote were Johnson, McCain, Portman, Paul, Lankford, Daines, Enzi, McCaskill, Tester, Heitkamp, Peters, Hassan, and Harris.

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

*Section 1. Short title*

This section specifies that the bill may be cited as the “APEC Business Travel Cards Reauthorization Act of 2017.”

*Sec. 2. Permanent authorization*

This section amends Section 2(a) of the Asia-Pacific Economic Cooperation Business Travel Cards Act of 2011 (8 U.S.C. § 1185 note) by removing the sunset provision. This permanently authorizes the ABTC program.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the Rule. The Committee agrees with the Congressional Budget Office’s statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

**JUNE 14, 2017.**

Hon. RON JOHNSON,  
Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 504, the APEC Business Travel Cards Reauthorization Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Grabowicz.

Sincerely,

KEITH HALL.

Enclosure.

**S. 504—APEC Business Travel Cards Reauthorization Act of 2017**

The Asia-Pacific Economic Cooperation (APEC) Business Travel Cards Act of 2011 (Public Law 112–54) authorized the Department of Homeland Security (DHS) to issue special cards to eligible U.S. citizens to facilitate international travel to participating countries (mostly in Asia). Under the act, DHS may not issue the cards after September 30, 2018. S. 504 would extend this program permanently.

DHS collects a fee of $70 from applicants for the APEC card. These fees are classified in the budget as offsetting receipts (a reduction in direct spending) and are available to DHS to spend without further appropriation. In fiscal year 2016 DHS collected a total of about $1 million in fees. CBO estimates that enacting S. 504...
would have no significant net effect on DHS spending because we expect the department would collect and spend roughly the same amounts in future years.

Because enacting the bill would affect direct spending, pay-as-you-go procedures apply; however, we estimate that the net effect would be negligible in every year. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 504 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 504 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by S. 504 as reported are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

UNITED STATES CODE

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TITLE 8—ALIENS AND NATIONALITY

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CHAPTER 12—IMMIGRATION AND NATIONALITY

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SUBCHAPTER II—IMMIGRATION

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PART II—ADMISSION QUALIFICATIONS FOR ALIENS; TRAVEL CONTROL OF CITIZENS AND ALIENS

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SECTION 1185—TRAVEL CONTROL OF CITIZENS AND ALIENS

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ASIA-PACIFIC ECONOMIC COOPERATIVE BUSINESS TRAVEL CARDS ACT OF 2011

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SEC. 2. ASIA-PACIFIC ECONOMIC COOPERATION BUSINESS TRAVEL CARDS.

(a) In General.—[During the 7-year period ending on September 30, 2018, the Secretary] The Secretary of Homeland Security, in coordination with the Secretary of State, is authorized to issue Asia-Pacific Economic Cooperation Business Travel Cards (referred to in this section as ‘ABT Cards’) to any eligible person, including business leaders and United States Government officials who are actively engaged in Asia-Pacific Economic Cooperation business. An individual may not receive an ABT Card under this section unless the individual has been approved and is in good standing in an international trusted traveler program of the Department of Homeland Security.