outlay of $5,284,000 in the U.S.—almost as much as we spent abroad. If the present legislation is passed, there is no way that I could possibly preserve my business. I would be forced to close. And my business is only one of thousands who would be so affected. I do not have available, at this time, the annual expenditure of the 6,000 travel agents of America for salaries, advertising, rent, light, telephone and other normal operating outlays; but the figure is a staggering one, and would be sharply curtailed if the proposed legislation is passed.

Industry sources indicate a total of 127 million dollars was spent in 1966 on domestic flights connecting with transatlantic flights. Foreign airlines, steamship lines and governments spent an estimated 300 million dollars in day to day operation in the U.S. Preparatory expenditures by Americans prior to going abroad probably exceeds another 250 million dollars, all of which will be radically reduced if the proposed legislation is enacted.

3. In 1966 (the last full year for which figures are available) the U.S. exported 30 billion dollars worth of goods and imported 25.5 billion dollars worth, leaving us a favorable balance of 4.5 billion dollars, much of which came from Western Europe. We sold 50% more to France than we bought from that country—our exports to Holland, Greece and Spain were from 3 to 4 times greater than our purchases. These, and other, countries would be hard hit by a reduction of tourist dollars and would reduce their ability to buy our goods. The Administration has announced it seeks a reduction of $500,000,000 in spending abroad. *If accurate, net, figures are used, the total travel deficit is already less than that figure.* But if gross figures are used and an additional $500,000,000 cutback in American spending abroad is achieved, *little, if any, further progress would be made in balancing the flow of gold because of the concurrent lessening in the need by foreign countries for all types of American goods*, including hotel supplies such as American computers, coca cola, cigarettes, toilet paper (much now in vogue in the better European hotels), air conditioning equipment and bathroom fixtures. Nor would foreign companies have sufficient dollars to buy medical products, of which we export 2 billion dollars more than we import or 6 billion dollars more worth of machinery and transportation equipment than we import.

4. We depend on, and hopefully will, increase, the 1.85 billion dollars spent by foreign visitors to the U.S. It is certain that if we restrict travel abroad the foreign governments will limit the travel of their people to our country. Between 1946 and 1966, 17 European airlines reported total net passenger sales of 2.079 billion dollars and in the same period spent 2.572 billion dollars in the U.S. for aircraft, engines, and spare parts. Aircraft orders and options by foreign airlines now in hand in the U.S. equal the total expenditures for the 1946–1966 era, *many of which orders no doubt would have to be cancelled if American travel abroad is limited.*

5. I respectfully point out the unbelievable complexity involved in the enforcement of the legislation as currently proposed. From my long experience in the travel business I know that it is virtually impossible to travel abroad for less than $15 a day—the average expenditure, for even modest travelers, is much higher, putting even low income travelers in the 30% taxation bracket for some of their expenditures.

If the present bill is enacted, within forty-eight hours of its signing, enterprising Europeans would be peddling complete documentation for trips of any duration ranging from one week to one year, which documentation would include *receipted* bills for hotels, meals and transportation under $7 a day, leaving the American traveler to spend whatever his purse and conscience would permit. If the traveler reports expenditures exceeding $15 per day, he must pay 30% on everything he spends including gifts purchased. Thus if a man buys his mother a small souvenir he must first pay 30% tax on the expenditure and, when he returns, he must pay 25% to the U.S. Customs, a total tax of 55%. The proposed law states that if a traveler uses a through air ticket and stops over 12 hours or more in a city, the tax (15 to 30%) will apply on the continuing segment. Airline tariff structures are themselves so complicated that as many as a dozen different point-to-point rates apply on through tickets—how is the uninitiated traveler to estimate his tax on these intra-European journeys? The Committee is aware, I am sure, that during Prohibition otherwise law abiding citizens thought no wrong would result in taking a drink in a speakeasy or buying a bottle of booze from a bootlegger. A bad law invites chaos. The proposed travel legislation, if passed, would create a police state atmosphere, requiring travelers going abroad to disclose the contents of purses, pockets and wallets, with search rights authorized. The traveler would be required to use