

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC  
DEVELOPMENT

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Chairperson

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1	COMMITTEE ON ECONOMIC DEVELOPMENT	3
2	CHAIRPERSON GARODNICK: Good	
3	afternoon. Welcome to the Economic Development	
4	Committee of the New York City Council. Today	
5	is Thursday, April 20, 2017. My name is Dan	
6	Garodnick and I have the privilege of chairing	
7	this committee. Federal policies over the last	
8	few months have generated considerable anxiety	
9	and confusion for international visitors to the	
10	United States. And we, as New York City	
11	leaders, want to take this opportunity to set	
12	the record straight. No matter what	
13	restrictions the Federal Government places or	
14	attempts to place on travel into this country,	
15	foreign tourist and workers are always going to	
16	be welcome in New York. After all, we are a	
17	city of immigrants with a full 37 percent of us	
18	foreign born. As you will recall, the Muslim	
19	Travel Ban Order was issued during the	
20	President's first week in office and suspended	
21	the entry of foreign visitors into the Unites	
22	States from seven Muslim majority countries:	
23	Iran, Iraq, Libya, Somalia, Sudan, Syria and	
24	Yemen. This Executive Order was issued with	
25	the stated purpose of improving the screening	

and vetting protocols associated with federal visa and refugee admission programs. However it came with little to no consultation with the federal, state or local governmental agencies who would ultimately be responsible for carrying out its terms or who would be affected by their impacts. Travelers were detained at our nation's major airports as enforcement agents awaited specific orders from Washington. Visas were revoked. Families were separated and in some cases deported. Lawyers occupied JFK airport to provide aid. Confusion and protests ensued. After three long days, federal courts across the country granted temporary restraining orders suspending the President's Executive Order. These restraining orders were ultimately affirmed by the Ninth Circuit Court of Appeals but the damage was done. At our core, we are a nation of immigrants yet the message this travel ban sent is that foreigners are no longer welcome. Days later, New York bodega owners of Yemeni origin staged a protest to send a message to Washington to demonstrate how vital the nation's and indeed the city's immigrant communities are to our local economies. Many of

these owners are refugees themselves who had fled civil war and persecution. They work hard to earn money to protect their families here and in Yemen. Unfortunately, many of their families were stranded overseas as a result of the sudden implementation of the travel ban and some traumatized by the experience are still hesitant to return to New York. This is the opposite of the message that we want to be sending to our immigrant communities. In early March, the President signed a second Executive Order tweaked slightly in taking Iraq off the forbidden list. That bill too was halted in court. Most recently, the Department of Homeland Security and the Transportation Security Administration issued an emergency security directive on March 21st prohibiting airline passengers from carrying any electronic devices larger than a cellphone in cabin luggage on direct flights to the United States from ten airports in the Middle East and North Africa. These airports include some of the busiest airports in the world such as Dubai, Istanbul and Doha and all ten offered direct flights into our own JFK International Airport. Let's get real, prohibiting

a business traveler from accessing a laptop or tablet during a 13 hour flight does more than create an inconvenience. It means an entire lost day of work and productivity on the plane. And if these electronic create a real danger, then this ban is quite under inclusive. It is like saying that only passengers traveling from certain airports need to be subject to a security screening. Those who would do us harm will far too easily find a way around this rule. While we recognize the need to balance immigration and national security, misinformed and poorly executed travel bans are not the solution. It is sending absolutely the wrong message to tourists and business travelers and they are voting with their feet and the impacts are significant. New York City is a major hub for international banks and consulting firms many of who do substantial business in the Middle East. If those firms suffer drops in efficiency because their employees or executives cannot work while in travel, we will see less business travel. We will see a less economic activity and we will suffer the loss in taxes and jobs. The CEOs of several Middle Eastern airlines

1 impacted by the ban have already reported  
2 measurable drops in bookings to the United States  
3 and just yesterday Emirates Airlines announced that  
4 it was reducing its flights to five American cities  
5 due to "weakened travel demand." While New York  
6 was not among the first cities facing cuts, the  
7 airline explicitly cited new US policies including  
8 "the issuance of entry visas, heightened security  
9 vetting and restrictions on electronic devices in  
10 aircraft cabins as reasons for the reduced demand."  
11 If these policies persist, a reduction in flights  
12 to JFK from Emirates and its counterparts in the  
13 Middle East may not be far behind. The Association  
14 of Corporate Travel Executives has noted that at  
15 least 20 percent of its members have needed to  
16 reduce their business travel to the Middle East  
17 since the ban was implemented and many of its  
18 business members also believe that the long-term  
19 impact of the ban could be the cancellation of  
20 contracts between the United States and Middle  
21 Eastern firms. This would have an outside impact  
22 on New York's economy. It is not just business  
23 travel that is affected. While international  
24 travel to New York stalled in the years after 911,  
25

the city has seen a consistent increase in foreign tourists every year since 2009. Prior to the implementation of the travel bans, the city's chief tourism marketing company, New York City and Company, projected 1.3 -- sorry, 13.1 million international tourists in 2017. Now it looks like that number will be just shy of 12.4 million. That is a reduction of 300,000 foreign tourists in New York City in 2017 from last year and the first drop since the Great Recession. This number represents a swing of roughly 700,000 people from what had been projected prior to the first proposed ban. The average international tourist spends around \$2000 per visit to New York and so 700,000 fewer tourist could cost the city as much as \$1.4 billion in economic activity less than what was initially projected and specifically \$600 million less than what happened last year. This number says nothing about the associated loss in direct tax revenue to the city and state which could be in excess of \$120 million. While we certainly appreciate the federal government's concerns regarding safety and security, the same security concerns need to be addressed in a less haphazard way. For a President



who prides himself on his business acumen and who campaigned on a platform of creating and retaining jobs, these security policies are already having a palpable, negative impact on the economy of his home city, jeopardizing up to \$1.4 billion from the city's tourism industry in untold lost revenue from our many business travelers does not make America great and it does not put America first. Today's hearing will explore the impact of the travel bans on New York City's local economy and what tools we may employ to address it. On that note, I want to invite New York City and Company at the Mayor's Office of Immigrant Affairs up to testify to share their experience thus far with the federal travel ban and the electronics ban and I want to note that I have been joined by my colleagues Council Members Borelli and Richards. Welcome gentleman. With that, whenever you are settled please begin.

BITTA MOSTOFI: Hello. Thank you to Chair Garodnick and members of the Committee on Economic Development. My name is Bitta Mostofi. I am the Assistant Commissioner at the Mayor's Office of Immigrant Affairs. This testimony will provide an overview of the impacts on New Yorkers both

economic and otherwise of President Trump's Executive Orders restricting travel and immigration to the United States. I will describe how the city has responded to these repercussions under the leadership of Mayor de Blasio who has repeatedly affirmed the city's to protect and serve all New Yorkers, regardless of race, religion, national origin or immigration status. As the Chair described, President Trump has issued two Executive Orders aimed at restricting entry into the United States and halting the refugee resettlement program. The first Executive Order blocked entry from seven Muslim majority country: Iraq, Iran, Syria, Somalia, Sudan, Yemen and Libya for 90 days but the second EO removed Iraq from the list. Both directed the suspension of the refugee resettlement in the United States for at least four months. Key provisions in both orders were subject to litigation and eventually enjoined by federal courts. While the future of the orders is uncertain, the impact of the orders have been far-reaching. In conjunction with the numerous other actions by the federal government designed to ramp up immigration enforcement, they have contributed

to an overall climate of xenophobic sentiments, the realities of which are felt not just in our city but nationwide and even internationally. Over 26,000 New Yorkers were born in the six countries affected by the second version of the Executive Orders and nearly 40,000 claim ancestry from these countries. Even if these individuals were not directly affected by the ban due to their legal status or citizenship, their family members, employees or business associates could be affected. The EO also calls for enhanced vetting of immigrants and travelers raising fears among individuals from the named countries and beyond. Many people have been understandably afraid to travel or enter the country from abroad even though these EOs have been halted. Many have remained separated from their families due to the fear that the courts injunctions might be overturned. Many more have expressed fears that their country of origin could be added to the list of suspended nations. These fears are not baseless. Many individuals were stranded abroad or unable to leave the country during the first iteration of the EO. Families were separated. International students

unable to return to their universities. Doctors not able to return to practice. Employees of many global corporations were forced to remain abroad. These incidents only serve to amplify the fear that many people felt and continue to feel regarding international travel. They have created fertile ground for false rumors about what the Executive Orders entail and how they may be expanded as a result individuals who were not born in one of the six ban countries and individuals who hold US citizenship have reported travel. This culture of fear increases susceptibility of immigrants to the unauthorized practice of immigration law. Immigrants in the city have long contended with immigration service provided fraud or notario fraud in which an individual who is neither a licensed attorney nor accredited to provide legal advice offers legal services to immigrants, often targeted those who are undocumented and steep prices for these fraudulent services. People's willingness to trust these individuals is likely to increase as a result of the fear and confusion generated by the EOs. The Administration actions have also been correlated with a notable uptick in the occurrence

of bias crime, especially due to religious motivation. Last year, President Trump's frequent use of xenophobic rhetoric during his campaign was correlated with an upward trend in the incidents of bias and hate crime. The city Commission on Human Rights saw a 30 percent increase in reports of national origin, race, religion and alienage or citizenship status discrimination in 2016 with nearly 1500 reports of alleged discrimination in these areas in 2016 compared to approximately 1100 in 2015. The increase only became more drastic after the President took office and signed the first travel ban order one week later. NYPD Hate Crime Task Force data shows 168 incidents of bias crime have occurred in the city from the start of the year to April 16th, more than double the number of crimes reported in the same timeframe the year before. All of these impacts give rise to broader economic consequences that can be placed into two categories: first, the impact on New York City residents and second, the impact on international travelers who may consider visiting New York. The Executive Orders have had and could continue to have negative affects on immigrants economic output

and consumption by causing immigrant communities to feel excluded and divided from the rest of the society. These feelings of fear and confusion, of isolation and division naturally detract from individuals willingness and in some case their ability to engage with local economies and to continue to see themselves as part of the larger community. Moreover, the perception of unwelcoming policies of intolerance and these anti-immigrant policies breed and create a significant downturn in the interest of individuals to visit and stay in New York City. This impact is disproportionately concentrated in New York. According to data compiled my by colleagues at NYC & Co., New York City is the initial destination for 30 percent of all international visitors to the US and for nearly 50 percent of all visitors nationwide from the countries singled out by the President's Executive Orders. NYC & Company will speak more about the impacts of these EOs on travel and tourism during their testimony. In light of these serious impacts on immigrant communities of New York, the city has responded forcefully to continue protecting and serving all New Yorkers. First, we have directly

responded to and contested the orders. In the immediate aftermath of the first order, our Commissioner and staff were at JFK Airport helping to coordinate responses from returnees and members of Congress in order to advocate with federal officials for the release of those detained. Additionally, through our national coalition of mayors called City's for Action, we have responded strongly against federal anti-immigration policies by leading legal efforts, releasing coordinated statements and letters by municipal leaders and meeting with intergovernmental partners. The coalition developed a shared strategy amongst cities nationwide to coordinate and amplify the voices and efforts of municipal leaders who advocate for immigrant inclusion. We most notably leveraged this coalition by filing amicus briefs in cases filed to challenge both Executive Orders. In the case of Dahres (SP) versus Trump in the Eastern District of New York, we file jointly with coalition partners from 34 cities and counties representing 23 million people. The brief argued that the first EO would deeply harm millions of residents by interfering with local economies

immigration integration and public safety efforts.

To quote directly from the brief, in the short time that the Executive Order restrictions were in place these restrictions stranded students, separated families disrupted traveling and commerce, spread fear among our residents and visitors and projected a message of intolerance and distrust towards members of our communities. The brief makes a strong statement that the economies and cultures of our cities along with so many other cities across America depend on openness to immigrant and visitors. New York City is one of the countries largest ports of entry and holds symbolic weight as the origin point for many immigrant stories in this nation. Nearly half of the city's workforce is foreign-born and more than half of the city's business owners are immigrants. Neither New York City's economy nor its cultural makeup can exist without our foreign-born residents and it was immensely important for us to communicate this fact directly in argument against the harmful actions of the federal administration. We also joined other cities in filing amicus briefs in support of state lawsuits against the Executive Order. Washington



and Minnesota's suit against the first EO resulted in the issuance of a nationwide injunction that was affirmed by the Ninth Circuit Court of Appeals. We joined an amicus brief in support of Hawaii's challenge to the second EO and yesterday we filed an amicus brief supporting the plaintiff in the federal action that is now before the Fourth Circuit. We will continue to explore opportunities to advocate for the city and for our residents' best interests in the courts. We have also worked on gathering crucial information and disseminating it to key populations and groups. We briefed faith in community leaders along with the staff of our sister agencies, private attorneys and numerous community-based organizations. We focused on distributing this information out to the communities through information campaigns and days of action coordinated with our sister agencies, presence at town halls, at numerous Know Your Rights forums and in partnership with elected officials. We have also communicated through a comprehensive one pager translated in over 10 languages that the city's resources, hospitals, schools, shelters, emergency assistance and more

1 remain accessible to all New Yorkers regardless of  
2 immigration status. Finally, our program, Action  
3 NYC, has been instrumental in ensuring that we  
4 connect vulnerable immigrants to safe and free  
5 legal services in this time. These Executive  
6 Orders run contrary to the values of our city and  
7 our nation. They have had starkly negative impact  
8 on our city's immigrant communities and our city as  
9 a whole. If allowed to go into effect, the  
10 Executive Order would cause far greater harm still.  
11 We will continue to use every tool at our disposal  
12 to maintain our commitment to serve and protect all  
13 New Yorkers regardless of status, national origin,  
14 religion or race. New York City's immigrant  
15 communities are vital to the fabric of our city and  
16 to who we are. They are our friends, our  
17 neighbors, our teachers and colleagues, any action  
18 taken to curtail their ability to live faithfully  
19 and comfortable erodes that which makes us great.  
20 Executive Orders banning entry into our country and  
21 suspending refugee resettlement have had and may  
22 continue to have harmful negative consequences on  
23 these communities. We look forward to further  
24 discussions on impacts on the economies of New York  
25

City from our colleagues at NYC & Company and thank the Chair and the committee for having us here today.

CHAIRPERSON GARODNICK: Thank you very much and before we go to NYC and Company, I just want to note that we have been joined by Council Member Koslowitz, Gentile, and Wills and Miller was with that welcome.

DONNA KAREN: Hello, and thank you Chairman Garodnick and members of the committee. We appreciate your giving this important topic your attention as well as the opportunity for NYC and Company to achieve shared insight. I am Donna Karen, Senior Vice President of Research and Analysis at NYC and Company. I am here to share the testimony of NYC and Company's President and CEO Fred Dixon, who is currently attending the US Travel Association's Secure Summit, Tourism Summit, here in NYC, where the issues related to how security and policy decisions could affect visitation are being discussed by industry leaders, destinations and businesses from across the country. As many of you know, NYC and Company is a membership based 501(c)6 not for profit. We work

1 closely with the city to provide certain  
2 destination marketing services via a procurement  
3 contract with the Department of Small Business  
4 Services. We fund approximately half of our  
5 operating budget via private revenue streams and  
6 all of it is dedicated to supporting our city's  
7 tourism economy. As the official destination  
8 marketing organization for all five boroughs, our  
9 primary mission is to create inspiration and  
10 urgency among both leisure and business visitors to  
11 travel to New York City now. Leisure travel is a  
12 choice and we work diligently year-round to  
13 showcase New York City as a leading destination but  
14 new barriers to entering the US such as the federal  
15 travel bans increased scrutiny of visas and at the  
16 border, have the opposite effect. They damage the  
17 image and appeal of our country and city and make  
18 it easy for a potential visitor to look past New  
19 York in favor of destinations in other countries,  
20 ones that make visiting easy and less stressful and  
21 with a more welcoming environment. All of this has  
22 potential to have a significant negative effect on  
23 our city's strongest industry's and biggest  
24 employers. The travel and tourism industry in New  
25

York City is the sixth largest employer. More than 375,000 people have jobs supported by visitor spending across the five boroughs, spending which generates more than \$5.8 billion in tax revenue for the city and state each year. Collectively, visitors spend more than \$42 billion at businesses across the city in 2016 which generated an additional 21 billion in economic activity. In total, travel and tourism is responsible for an economic impact of over \$62 billion in New York City each year. Swiftly responding to changes in travel patterns is key to sustaining tourism's economic impact which is why we and the 1800 tourism and hospitality businesses that compose our private membership base were immediately outspoken about the negative economic impact travel bans could have. Last year, our city welcomed 60.7 million visitors, 12.7 million of them were from outside the United States and spent on average \$2000 each while here. The economic impact of the international traveler versus that of the domestic traveler cannot be overstated. Although international visitors make up just 20 percent of all visitation by volume, they are responsible for

more than half of all visitor spending. To put it another way, it takes four domestic visitors to equal the spending of one international visitor. That is because they stay longer, spend more and explore more of our cities boroughs and neighborhoods while they are here. As you know and heard from the Chair, New York is the number one port of entry into the United States for international travelers. We are the number one international destination welcoming nearly 30 percent of all overseas travelers entering the US each year. The US city with the next largest market share is Los Angeles with just 12 percent. We rely more on international visitation to fuel our economy than almost any other US destination. Therefore, we pay close attention to fluctuations in international sentiment and visitation. Working closely with tourism economics and Oxford economic company, we track and forecast travel to New York City on a regular basis. At the end of 2016, NYC and Company and tourism economics predicted that international travel would grow by three percent in 2017 and that was even taking into account the continuing strengthening of the US dollar and other

economic variables that are known too slow travel. At the beginning of the year, the proposed travel ban and talk of extreme vetting as well as the President's aggressive America First rhetoric, we saw a significant shift on the horizon when we revisited our forecast with our economist in February. Our revised forecast now indicates a potential drop rather than an increase. New data now points to a two percent drop in international visitation to New York City this year. If this forecast holds, less than three percent predicted for the US and overall, 2017 will mark the first drop in international visitation to the city since the economic downturn in 2008. In hard numbers, a two percent decline translates to 300,000 fewer international visitors sleeping in hotels, shopping, dining in restaurants, exploring neighborhoods and boroughs and visiting museums, galleries and theaters. Even at this modest level of decline, we estimate that at that average \$2000 per person overall spending by international visitors could drop by \$600 million resulting in the city and state collectively are \$120 million less in tax revenue. The news isn't all bad

however. We also predict that 2017 domestic visitation will increase by 1.3 million visitors compared to last year or the 2.7 percent increase. As a result, overall visitation and visitor spending in new York City should increase compared to last year but it is unlikely to reach its full potential under existing conditions. Variables affected international travel range from economic to personal perception and sentiment. It goes without saying as we have heard that new travel restrictions including bans, limited or reduced access to visas and extreme vetting will limit the number of people who are permitted to enter our country. Similarly the perception that new policies will make international inbound travel to the US more burdensome may cause visitors to choose destinations that facilitate entry instead. For example, the Toronto and Vancouver School Boards recently announced the cancellation of all student trips to the US for 2017 as did educational groups from Mexico. This was in direct response from several incidents involving busloads of school-age children on class trips to the US from Canada. When stopped at the border crossing, some of the



children on the bus were denied entry. School officials were left with no choice but to turn around with the entire class because they could not leave those denied behind. To avoid any future uncertainty, the school boards are taking the extraordinary step of cancelling all student trips to the US. Consider the lengths corporations go to in order to mitigate PR crises and avoid consumers negative brand associations. Like any other consumer product, visitor sentiment and public perception have a significant impact on market demand for travel. Federal policy and political rhetoric affect the international community's perception of our country's values, our culture and welcoming nature. When policy and rhetoric, whether it is national or local, become protectionist or discriminatory, our destination is perceived to be unwelcoming and hostile. As I stated earlier, consumers have many choices. We believe if the United States is perceived as hostile or visitors lose confidence with our entry process or are unfairly denied entry, they will choose to spend their money visiting and exploring destination in other countries that are easier to

enter, more welcoming and more inclusive and important travel destinations like New York City will suffer disproportionately. Security and a warm welcome are not mutually exclusive and striking a balance between the two is essential to our country and our city's economy. In the absence of that balance, meeting planners, conventions and leisure travelers will take their business elsewhere. Already recent data provided by tourist economics point to drop in ticket purchases and online travel planning by the international visitors indicating that their interest in visiting the US is waning. Until this point my testimony has focused only on potential decline. This is because changes in international visitor behavior takes time to materialize. On average, international visitors begin to make travel plans 90 days in advance of their travel date. As an example, if in late January visitors chose not to book flights and hotel rooms for a late April vacation, the drop off in end mark spending on hotels, restaurant, retail won't be felt until the end of this month. We may soon begin to note its lower hotel occupancy rates or fewer Broadway

1 ticket sales compared to last year at the same  
2 time. It is important to note that the challenges  
3 facing our city cannot be solved by PR or tourism  
4 marketing alone. However, NYC & Co takes its role  
5 in influencing visitor perception very seriously.  
6 Thankfully we already have media and industry  
7 footholds in 28 international markets. Our city to  
8 city partnerships provide access to valuable in-  
9 market media, aiding our ability to speak to and  
10 influence residents in each of our partner cities.  
11 Our convention development team attracts and  
12 facilitates meetings and conventions in New York  
13 City which carries significant visitor spending.  
14 Our global communications team works with media  
15 from around the world to maintain our city's  
16 competitive edge as a destination and our tourism  
17 development team works directly with tour  
18 operators, travel agents and other members of the  
19 travel trade to inform and strengthen their ability  
20 to sell New York City to their customers. In  
21 response to the potential drop in international  
22 visitation, New York City is leveraging all of its  
23 assets to mitigate any possible negative impact.  
24 First, we introduced a new \$3 million advertising  
25

campaign in four international markets that announced all are welcome in New York City. So in the UK, our largest international feeder market, in Germany, Mexico and Spain we're telling visitors that New York City is open to all and we welcome them to book a trip here. Second, we renewed our city to city partnership with Mexico City. This cross promotional program provides us with valuable in-market media access. At the time when residents of that city do not perceive the US as welcoming, we're telling them that they are always welcome here. Last year we welcomed almost a half a million Mexican high spending travelers. Third, NYC and Company is making sure the domestic visitation remains strong. This spring, in partnership with JCDecaux, we are increasing our domestic tourism efforts by increasing our neighborhood nationwide marketing aspects by 18 percent. This coming summer, we will increase our nationwide assets by 30 -- I'm sorry, that's 18 percent. Campaigns promoting the 25th anniversary of New York City restaurant week, the city's family friendly attractions and brand new travel and tourism messaging will be seen by more people than

ever before in cities and towns throughout the US.

In addition, we are expanding our convention and meeting business development to potential clients on the West Coast. Lastly, we're working to make the federal government aware of how travel bans and hostile American First rhetoric affect our city and our countries' economies. President and CEO Fred Dixon represents NYC & Company and is active on the US travel and tourism advisory board which advises the US Secretary of Commerce on matters related to our industry. He is also an executive board member of the US Travel Association which represents and advocates for our countries travel and tourism industry in Washington DC. NYC and Company's Chief Operating Officer, Brian Grimaldi, represents us on the national Advisory Committee of travel and transportation infrastructure which makes federal infrastructure recommendations to the US Secretary of Transportation. Our message to federal representatives is clear and consistent. Security and open borders can and must coexist in maintaining a positive image of the United States around the world is critical. We're encouraging the Administration in Washington to communicate

1 that the US is open for business and we welcome  
2 visitors with open arms. In closing, it is  
3 important to stress again that much of the data in  
4 this testimony are forecasts based on the current  
5 political climate, indicators of visitor perception  
6 and the policy landscape. Over the coming weeks  
7 and months, that landscapes may change. Visitor  
8 perception may change. We hope that it does and  
9 for the better. We are committed to doing all we  
10 can to affect that change for a positive impact on  
11 New York City. Thank you for your time and  
12 consideration. NYC and Company looks forward to  
13 continuing to work with the City of New York, our  
14 member businesses to preserve the 375,000 industry  
15 jobs and the hundreds of millions of dollars in tax  
16 revenue supported by tourism.

18 CHAIRPERSON GARODNICK: Thank you very  
19 much to both of you for your testimony and we  
20 appreciate your being here today and sharing some  
21 of that backstory and data to support what we  
22 understand to be the case here. Let me start with  
23 you, Ms. Karen, on the subject of the projection  
24 themselves because it obviously is very much a part  
25 of what NYC and Company does on a regular basis to

1 think into the future, project where people are  
2 likely -- what they are likely going to be doing,  
3 what bookings they are likely going to be making.  
4 You had initially assumed that there was going to  
5 be a three percent growth in international visitors  
6 this year and the revised it to be a two percent  
7 decrease. What factors do you look at when you  
8 make that determination? Obviously it is a  
9 projection. It's your best thinking but what goes  
10 into that process to come to that conclusion.

12 DONNA KAREN: As I mentioned at the  
13 beginning, the primary drivers of travel are an  
14 individual's ability financially to travel and to  
15 have access to travel, whether that is passports,  
16 visas, to flights from their country. What changed  
17 between October of 2016 when we did our year-end  
18 projections and February when we re-examined were  
19 the perceptions and sentiment changes and one of  
20 the easiest and most immediate ways to measure that  
21 in our digital era is through whether or not people  
22 are searching online for ideas about travel to New  
23 York or the United States and whether they are  
24 beginning to look at or even make reservations for  
25 air tickets and hotels and the econometric model

1 that we work with tourism economics, we have been  
2 doing it since 2003, has an ability to factor in  
3 these actual changes in sentiment and suggest that  
4 when you see a drop in what should be seasonal  
5 searching for travel that is likely to have an  
6 impact. At the same time, it is a projection and  
7 as I mentioned, we're actively engaged in trying to  
8 change the message and the perception particularly  
9 about New York City being welcome and open to  
10 visitors from around the world.

12 CHAIRPERSON GARODNICK: In this case,  
13 we would be delighted if you're wrong and that in  
14 fact the international visitors continue to be as  
15 strong as there were last year or even as strong as  
16 initially projected by NYC and Company. When you  
17 have made these predictions in the past based on  
18 perceptions, sentiment, searches, ability to  
19 travel, access to travel, you have been pretty  
20 accurate over time.

21 DONNA KAREN: Yes, we have. I would  
22 agree with you. This will be the forecast I will  
23 happily abandon towards the positive side and admit  
24 we were too severe but it is early days. This  
25 forecast was completed the end of February. There



1 have been a number as we just heard from my  
2 colleague additional policy statements and  
3 direction for customs and border, for immigration  
4 and so on so we are watching this very closely and  
5 addressing it the way we can on the ground in our  
6 major international markets with a message that  
7 travel to the US is safe and they are welcome in  
8 New York City.  
9

10 CHAIRPERSON GARODNICK: So the decrease  
11 off of last year amounts to about 300,000  
12 international visitors and your initial projections  
13 had an increase of about 400,000. Now recognizing  
14 that was a projection and maybe you were going to  
15 right or wrong based on facts and circumstances  
16 that are outside your control, that is a swing of  
17 700,000 visits. So if you measure it at the  
18 300,000 which is what you project will happen  
19 versus what happened last year, it would result in  
20 what you said is about \$600 million in lost  
21 spending in New York City.

22 DONNA KAREN: Correct.

23 CHAIRPERSON GARODNICK: But if we were  
24 to look at it compared to what was projected, it  
25

would be \$1.4 billion in lost spending in New York City; is that accurate?

DONNA KAREN: That is accurate. A visitor spends about \$2000 a person on a trip in New York.

CHAIRPERSON GARODNICK: So the \$600 million number for a moment, let's just focus on that for a second, when you had cited in your -- in the beginning of your testimony that visitors spend \$42 billion at businesses around the city and that generates an additional \$21 billion in economic activity. When we say that the loss spending from last year to this year will result in \$600 million in lost spending is there a corresponding additional number of lost other economic activity?

DONNA KAREN: Yes. Indirect and induced impact that additional spending of services and the wages that employees in the industry spend would also obviously be effected.

CHAIRPERSON GARODNICK: Do you have a number for that?

DONNA KAREN: I can get you a number.

CHAIRPERSON GARODNICK: Okay. When you are looking at the carious components of what is

1                    impacting somebody, and this could be a question  
2                    for either of you, what is prompting somebody to  
3                    make the decisions that they are making. I mean,  
4                    it is very hard for any of us to get directly into  
5                    the minds of somebody who may be doing a search for  
6                    whether or not to come to New York, how are you  
7                    able to peg it to any one event whether it was the  
8                    proposed travel ban number one or proposed travel  
9                    ban number two or general campaign rhetoric,  
10                    economy or other -- the million other factors that  
11                    might exist to impact somebody's decisions to come  
12                    to New York or the United States more generally,  
13                    how are you able to focus it on these particular  
14                    issues?

16                    DONNA KAREN: It is extremely difficult  
17                    to do that. The benefit right now of so much of  
18                    this happening in an online and digital states is  
19                    that you can actually look at the timing of these  
20                    changes against specific releases of stories or  
21                    policy statements and so you're looking at what  
22                    happens when an announcement, for example, of the  
23                    computer ban on certain flights was issued. What  
24                    happens in that arena immediately afterwards as  
25                    well as comparing it to the same time period a year

earlier. So it is not a direct interview with a potential traveler so much as understanding how travel behavior can be measured using certain online and digital activities. Ticket buying is convincing.

CHAIRPERSON GARODNICK: You noted that when a tourist is making a plan they may do it several months in advance. Can you give us any more insights on the impacts of the electronics rule changes on airlines, particularly from those 10 airports, for business travel? Is that something that you measure? It seems like those sorts of trips would happen in shorter order than a --

DONNA KAREN: Shorter order, yes, but I don't have direct access to the booking data. I am reading the same news reports you were about Emirates decision and their rationale. We won't see port to port, airport arrival data for about two months after the fact. Any of those business measures often take two months to four months before they get reported. Often on a business it means they have to do their own before they share how many fights they book or what's happening with

their ticketing. So Emirates own public statement is the first indication we have of bookings declining.

CHAIRPERSON GARODNICK: Your All Are Welcome Campaign, which I think is the right message for New York City and certainly as a place which is the gateway to such an extraordinary percentage of all foreign visitors to the United States and certainly from the countries that were identified in the travel ban which is a really important number. I think you said it is 50 percent of all foreign travelers who are coming to the United States at all come to New York City first.

DONNA KAREN: The port of entry accounts for about a third of all overseas arrivals to the US in the theory of if you can't drive here from where you live and overseas arrivals come through the port of New York, the number I believe my colleague referred to is half of the visitors from the seven countries in the travel ban actually visit New York City.

CHAIRPERSON GARODNICK: Right, so I had -- I see. That actually visit New York City?

DONNA KAREN: Actually visit New York City from those original seven countries in the original travel ban.

BITTA MOSTOFI: Yes, that nearly 50 percent of all of the visitors of those countries nationwide come to New York City.

CHAIRPERSON GARODNICK: And 30 percent of all international use New York City as their port of entry so that is obviously a very big number and we are facing the revised estimates that you have and the reality of what that will mean for us from a budgetary perspective, tourism spending, economic activity. Your campaign for All Are Welcome. Is it possible to overcome the messaging that is being delivered at the federal level either through proposed bans on travel from certain countries or, you know, other rhetoric that is being employed for New York City to overcome that? Do you think that's possible? I think we stand on very good ground to begin with in terms of how New York is perceived by our international markets but it is not simply a poster or an out of home ad on a bus shelter. There are all of the other business to business activities that NYC and Company is

involved in creating media stories, doing interviews, getting coverage in magazines and travel sections and working with tour operators, travel agents, working with meeting planners to make sure that people understand that you can safely hold a meeting in New York and the New York would welcome anyone in your business that wanted to come here. That -- it is a multifaceted approach so there's a great slogan and a fantastic five borough visual. We thought about bringing it but the smallest poster we have is bigger than either one of us so we couldn't quite carry it downtown but the idea is you catch people's eyes particularly with our of home media and then you back it up through all of these other channels and we are standing on very solid ground. New York is the most popular international destination in the country for a reason. People know us and appreciate us for what they can --

CHAIRPERSON GARODNICK: Is there anything else we can be doing locally? Is there anything else we can be doing in the Council to support either agency in your effort to communicate that very important sentiment?

BITTA MOSTOFI: I would just add something that we have found essential in this moment for a number of reasons, this being one of them, is people having that trusted information and really understanding what the impact of the policy changes may or may not be. Something that we have found part of what we do as MOIA and we do this in partnership with others including some of your offices is being in community locations, talking to community members, connecting people to legal service providers, doing days of action. In the immediate aftermath of the first Executive Order, we did a day of action in which we canvassing small businesses and community locations and communities throughout New York City that predominantly have these populations that were done for the these populations and inevitably most of these conversations circled around oh I have a family member who is interested in coming, what does this mean for them or oh I have been wanting to do paperwork for my parents or what have you, people have questions. They don't really know what this means so our job really is to get good and trusted information out to communities to connect people to



lawyers to ask some of those questions and to reaffirm what our position as a city is in this moment.

DONNA KAREN: I would add I think that the more we can reinforce the message from our elected officials at every level and from the businesses in the city who stand to benefit from a growing business travel community and leisure travel community that it is simply reinforcing a message that as your statement at the beginning made very clear, we share as a city. It is who we are as a city.

CHAIRPERSON GARODNICK: Thank you very much. I am going to turn to my colleagues now and start with Council Member Borelli. Council Member?

COUNCIL MEMBER BORELLI: Good afternoon and thank you for coming. Nationally, how are hotel occupancy rates doing nationwide?

DONNA KAREN: In the city in the first quarter?

COUNCIL MEMBER BORELLI: Nationwide.

DONNA KAREN: I don't actually track the country. I think it's running slightly below last year but it is data that I don't have

COUNCIL MEMBER BORELLI: I have it. In quarter one, hotel occupancy was up one percent nationwide. In March, after all the rhetoric we're talking about happened, hotel occupancy was up 2.6 percent off of last year. So is there an issue with people coming to the US or is there may be an issue with people coming to New York?

DONNA KAREN: That hotel occupancies is going to reflect domestic and international visitors and as I mentioned for the international visitor, the first quarter travel had been booked months and months before. There is a -- that 90 days is a medium. Half of the visitors are actually booking even further out. There are some that are booking only a few weeks ahead of time but for a significant portion of international travel, they are planning and booking as much as a year out so they were not about to cancel trips. But as I also mentioned, New York has one of the largest dependencies on international travel of any city in the country. Almost half of the room nights sold in New York City are --

[cross talk]

COUNCIL MEMBER BORELLI: -- actually see in San Francisco, another city that relies a lot on international travel from Asia, you see that rate drop down five percent last year. I guess I am really asking why with the rate going up nationally does there seem to be this problem with New York. It's not just with -- what about air travel? Do you know whether the total air travel to the United States has grown or shrunk?

DONNA KAREN: It grew in 2016. In -- the other point to your question about hotel occupancy is that demand for hotel rooms is actually up. We have added almost four percent to the number of hotel rooms that are in inventory in the first quarter of this year as compared to the first quarter of last year.

COUNCIL MEMBER BORELLI: I'm glad you said that. I'm going to come back to that. So air travel is up in February 4.8 percent off of last year and from the Middle East it is up 9.5 percent and in fact capacity rose and Emirates Airline just opened up a new Dubai, Athens, New York City route

so how does that fly in the face with the narrative that you are trying to present?

DONNA KAREN: Again, when this forecast was done in February, we were projecting out for nine remaining months of the year. It was not about what had happened between January 1 or November 8 and the date of the revised forecast. We were looking at a potential based on forward booking, not past activity. We are also not talking about our international travel completely collapsing. We are looking at not doing as well as we had projected and perhaps doing worse than we had done last year but there are so many variables in this and as we heard Emirates itself is now pulling back on a number of those fights to other destinations.

COUNCIL MEMBER BORELLI: But not New York?

DONNA KAREN: No, not yet.

COUNCIL MEMBER BORELLI: They are expanding. We just said that. What about -- you mentioned hotels and having to build more hotels to keep capacity. As you know, New York City is moving towards removing the ability of hotels to

1                                    COMMITTEE ON ECONOMIC DEVELOPMENT                                    45  
2    build in industrial business zones. Did you do an  
3    analysis on that and have you published the  
4    economic impacts on that?

5                                    DONNA KAREN: No, sir, I have not.

6                                    COUNCIL MEMBER BORELLI: So something  
7    that the city has 100 percent jurisdiction over  
8    which could impact the price of the hotels which  
9    could impact the amount of people willing to come  
10   because as you admitted the cost of the trip is  
11   often the determining factor whether somebody  
12   choses New or Paris or whatever, so you've done  
13   this based on something we can only even as you  
14   pointed out engage in dialogue and all that stuff  
15   but something that the City Council has complete  
16   jurisdiction you have not studied?

17                                   DONNA KAREN: At this point, no. I am  
18   concerned primarily with the visitors who come to  
19   New York and the total array of resources that we  
20   can offer them. There is certainly been an  
21   increase in hotel numbers and inventory around the  
22   city. It has had a positive impact on travel and  
23   tourism because people have more choice at more  
24   price points. I have not been asked to nor have I  
25   done a study on the rezoning proposal.

COUNCIL MEMBER BORELLI: Look, keep in mind, I think the hotel industry is great and for the first time as long as I've been alive the tourism industry has reached Staten Island and I often joke around that for the first time i can practice French on the Staten Island Railroad as Airbnb on Staten Island because of the cost have been packed every week but did you study anything else that the Trump Administration has opposed with respect to the economic impact on new York?

DONNA KAREN: I'm not sure I or understand your question.

COUNCIL MEMBER BORELLI: They Administration proposed lowering of the corporate tax rate.

DONNA KAREN: Sir, I --

COUNCIL MEMBER BORELLI: I was directing my question to Bitta. I'm sorry.

BITTA MOSTOFI: Sorry, have we studied anything as it relates to what the Trump Administration has proposed?

COUNCIL MEMBER BORELLI: Yes.

BITTA MOSTOFI: In relation to travel to --

COUNCIL MEMBER BORELII: No, no, no, because they have also proposed a lowering of the corporate tax rate and since we are trying to attract businesses to New York from other countries as well as New York State, have you done an impact on that, impact study on that?

BITTA MOSTOFI: I can't speak to whether or not the Administration as a whole has done an impact on that.

COUNCIL MEMBER BORELLI: Okay. Did you do a study -- let me ask your opinion. What is probably the biggest industry that drives the economy of New York City?

BITTA MOSTOFI: To be fair, I am a representative of the Mayor's Office of Immigrant Affairs so this sort of expertise that you are asking about in terms of the budget is better directed at the Office of Management and Budget, OMB.

COUNCIL MEMBER BORELLI: Okay. Yeah, I guess my question for NYC Economic Development Corporation is whether they studied similar presidential and federal policy changes on Dodd Frank and stuff like that but since we are not

dealing with them right now we will come back so  
thank you.

CHAIRPERSON GARODNICK: Thank you very  
much, Council Member. We are on to Council Member  
Richards.

COUNCIL MEMBER RICHARDS: Thank you so  
much Mr. Chairman for holding this hearing. Thank  
you to the city for being here. Just some quick  
questions. I want to know how do you measure the  
travel ban impacts on local communities so  
communities like Southeast Queens, I know my  
colleague and I share JFK Airport and I know we  
have colleagues here that represent La Guardia as  
well Council Member Wills, Council Member Miller  
and others, yes, he just made me say his name, so I  
am interested in knowing do you measure the impact  
on local communities surrounding the airport as  
well?

BITTA MOSTOFI: Yeah, so our office has  
actually begun, we do this regularly but certainly  
in the aftermath of the Executive Order's  
engagements across the city in particular with our  
sister agencies understanding sort of what impact



there has been that is measurable at this juncture.  
I think as was well articulated by NYC and Co.

COUNCIL MEMBER RICHARDS: Could you  
speak a little clearer into the mic?

BITTA MOSTOFI: Sure. Sorry.

COUNCIL MEMBER RICHARDS: I'm hard of  
hearing.

BITTA MOSTOFI: My apologies. I will  
speak louder. I think was well articulated, the  
actual duration of the implementation of the  
Executive Order was so minimal that we -- there are  
not specific sort of numbers, if you will that we  
can speak to on what the impact has been. What we  
do know is that a number of employees for instance  
at H&H present are foreign-born and many difficulty  
traveling back in the aftermath of that first EO  
but we continue to monitor and try to better  
understand what impact has been for New Yorkers in  
particular in utilization of benefits. What we in  
our office have particularly seen, and this relates  
certainly to some of the community engagement and  
the fear that we spoke to, is a tremendous increase  
in the months of January and February to our  
immigrant services line to Action NYC. We say 141

percent increase in 311 calls for appointments and 61 percent increase in calls to our hotline so that gives you sort of a sense in terms of where people were seeking information but in terms of other utilization it is premature to say.

COUNCIL MEMBER RICHARDS: So what I am getting is because we often throw out very broad numbers so we know, you know, quote/unquote losing 1.4 billion, 600 million, whatever that number, but what I'm interested in knowing is how you are measuring the impact on the more direct way on local communities, on local jobs. For instance, JFK, you know, where I represent is a bevy of hotels. Have you measured hotel utilization rates around the airport? I don't know if you can speak to that but I think we need to get to a more concrete piece of information on how this ban is impacting middle class and low income communities surrounding the airports so looking at it from an economic justice standpoint as well because we know that neighborhoods surrounding the airport are often impacted as well and have you looked at it from, also because I have a lot on the trade organizations in my district so we have the

1 industrial area, you know, what has the impact on  
2 trade been? I'm not sure if there is one but is  
3 there an impact on trade between the US and other  
4 countries based on this ban as well? I'm just  
5 asking as we move forward to really look at it from  
6 it an economic justice standpoint as well because  
7 we have a lot of local businesses and hotels and  
8 things around the local airports that sort of  
9 connect with local communities around the airport  
10 as well. I don't know if you want to respond to  
11 that but -- or is there any will to actually look  
12 at concrete numbers from an economic justice  
13 standpoint?

15 DONNA KAREN: Again, from my testimony  
16 and what we have available to us at this point,  
17 we're looking forward towards a what the impact  
18 could be in terms of travel if other protection in  
19 this legislation is passed by the Administration  
20 that could clearly have a significant impact on  
21 trade and cargo through the airport but at this  
22 point it is in discussion. There are no actual  
23 written legislation or Executive Orders that have  
24 gone into play. These are all things that all of  
25 us in the city are just being very aware and

watchful and waiting to see what it is and how we can measure it. In my case, we were looking at the early indicators of a change in behavior of travelers who might be much less willing to visit New York than they were a year ago.

COUNCIL MEMBER RICHARDS: Thank you so much. And just on that as well, taxi and there are so many different things we can look at and measure and I'm just hoping that the Administration is gonna seriously look into these things as well. Thank you.

BITTA MOSTOFI: I think what I will add to that is that we are monitoring and we are working across the Administration to do that in this moment.

COUNCIL MEMBER RICHARDS: Thank you.

CHAIRPERSON GARODNICK: Thank you very much, Councilman. Now on to Council Member Miller and we have also been joined by Council Member Barron.

COUNCIL MEMBER MILLER: Thank you, Chair Garodnick. Assuming that your projections are correct, what impact could we forecast for 2018 in terms of tourism and I would like to hear

1 follow-up from Council Member Richards, are you  
2 doing it, evaluating, this by borough and so forth?  
3 Obviously being nestled between the two airports  
4 and the air train is very important. We do have a  
5 booming hotel economy, a growing hotel economy that  
6 we want to ensure is that we are able to take full  
7 advantage of that.  
8

9 DONNA KAREN: Again, I am working with  
10 a number of different data sources. Not all of  
11 them come in in real-time but we are looking at  
12 airport passengers, traffic through the airports,  
13 the number passengers on the air train, the number  
14 of taxis dispatched from the airport data that is  
15 provided by the Port Authority. We're also looking  
16 at hotel performance in the boroughs and citywide  
17 and as I mentioned at the beginning of my  
18 testimony, Q1 was a very good quarter but it takes  
19 time for people to process the difference in  
20 perception, their sensitivity and make a new  
21 decision about travel. So this is something that  
22 we are concerned about and watching and working  
23 very hard to mitigate as much of the negative  
24 protection as we can through our marketing channels  
25 and efforts.

COUNCIL MEMBER MILLER: So I know the Chairman asked and perhaps I will ask it a little differently but is there something that we can do to mitigate or to just enhance our city's position, our city's historical position around immigrant, around travel, tourism and being a sanctuary, that this is a safe city for all that come in. Is there something we can do to highlight that that would mitigate the falloff that we have seen?

BITTA MOSTOFI: I would just add that, you know, the choice by the city to leverage a national coalition, right, to partner with 33 other cities and counties to file amicus that show the potential economic harm to cities and to kind of consistently come out indicating our willingness to fight to protect all New Yorkers regardless of their national background and status. This is something we are committed to doing and to continue to do and, you know, by and large I think the sentiment that are shared by the council member's here and making sure that we're doing that as loudly as we can and in the best ways that we can are something that will be an ongoing place of importance for all of us and that we need to work

1 together to continue to do. I think we're  
2 certainly committed to that and as my colleague  
3 said everybody at sort of every level of government  
4 as well as within every community needs to be able  
5 share that message and share it out loudly.  
6

7 COUNCIL MEMBER MILLER: So I was going  
8 to say that because Queens being the most diverse  
9 county in the borough and in the country by far and  
10 so that is a good Segway and I will put on my labor  
11 hat and you about the workforce of these people  
12 that are serving in these industries that are  
13 serving whether it is the airport or hospitality  
14 industry that we see are predominantly immigrant  
15 workforce often from the Middle East and we have  
16 seen some not so good situations that have occurred  
17 in the airport in the aftermath, as a matter of  
18 fact, as of travel ban one. What has been the  
19 impact on those folks who are delivering those  
20 services and obviously how services get delivered  
21 to the potential clients it is very important in  
22 the overall outcome. So have we seen a negative  
23 impact or is the workforce has it been impacted  
24 negatively or the same, have we seen more instances  
25 such as the instances we have seen in the immediate

BITTA MOSTOFI: So what I can speak to is what I shared in my testimony is that we have seen an increase in hate crimes and discrimination against individuals and that is something that we are deeply concerned about, our Human Rights Commission as well as NYPD has taken very seriously in both tracking and understanding and trying to ensure that we are getting the right information out to communities about this and investigating it. That is probably the most concrete sort of immediate response that we've seen.

COUNCIL MEMBER MILLER: So having been one that has represented workers, I have been trained and expect folks to show up and do their job even in the most adverse situation but I also do expect that municipalities that companies would do all that they can to protect those workers, right, that we want a safe work environment and certainly unintended consequences of such or not having that would be how those services get delivered, the diminishment of services in those industries. So have we taken all that into account as we draw down



and try to build up on this how we continue to deliver the services that have attracted people wanting to make this continue to be the number one tourist site in the country in the world in fact but if don't have protected workers, safe workers and so forth that is certainly going to have an impact.

BITTA MOSTIFO: I think you're absolutely -- one of the things that we do when we do these Know Your Rights forums is we make sure that we are sharing information about the city's local human rights law. This is the largest human rights law in the country and in fact if you have either been discriminated against via your employee or your landlord or simply somebody in the street because of either your citizenship status or perceived status or your religion you can file a claim with the city and they will investigate that. We're making sure that everybody is aware that that's something the city not only takes seriously but can investigate legally and help people realize damages if in fact they've been discriminated against for those reasons. I will also add that in partnership with the Department of Consumer Affairs

and the Human Rights Commission, the Mayor's Office of Immigrant Affairs next week is hosting at public hearing on workers' rights, immigrant workers rights, and just better understanding what the experience has been in this moment and how the city can best respond.

COUNCIL MEMBER MILLER: Finally, just as a point of clarity you may know, that so Emirates, along with other Middle Eastern travel and airlines, that Dubai has become the hub coming into the United States, particularly New York, as opposed to what was once London, they are now going through Dubai which I think answers that question that was answered earlier, it is not that because of [inaudible] it's what they do now. It is the new hub for all the airlines coming in coming directly and has not been a response to not in addition to there was a loss of service coming from London, the previous hub, and now transferred over as a point of clarity. Thank you, Mr. Chair.

CHAIRPERSON GARODNICK: Thank you, Council Member. I want to just to follow back up with you on a few points and then we'll see if there other questions from our panel again and they

1 we will move to the other folks who are here to  
2 testify. That very troubling story about the  
3 school group from Canada that was stopped at the  
4 border crossing where some of the children were  
5 denied entry and forced the school group to turn  
6 around and go home, they were coming from Toronto  
7 and coming to visit New York City; is that right?

9 DONNA KAREN: Crossing into the United  
10 States, not sure which destination it was but it  
11 was one actual incident that then triggered a  
12 school board broad decision, a simple embargo  
13 against travel across the border.

14 CHAIRPERSON GARODNICK: So all the --  
15 the entire Toronto School District is now cutoff  
16 travel for their students to the United States.  
17 How much of an issue is that for New York City? Is  
18 that --

19 DONNA KAREN: Canadian travel is our  
20 historically our second largest inbound  
21 international market. We share a very long border  
22 with Canada. We are the largest recipient of  
23 Canadian travel as a state. Not surprisingly, the  
24 concentration of population in Eastern Canada but  
25 Canada, like the US, is a very diverse

1 multicultural country and any of their students do  
2 not carry Canadian passports, are legal residents  
3 but would be from any variety of countries around  
4 the world and school groups are historically the  
5 first sort of line of defense, the first, what I  
6 would use the clichéd, the Canarian Coal Mine. You  
7 have adults traveling with tremendous liability for  
8 20 kids or 60 kids, all of whom are extremely  
9 vulnerable physically and emotionally and so the  
10 first line of defense, the first place you protect  
11 your citizens is with the children but I think that  
12 is the message. If children don't feel welcome in  
13 the United States and they are children, then what  
14 message are we sending to the rest of the world.  
15 Canada is our biggest trading partner. There is a  
16 lot that ties us to Canada. That's a very strong  
17 message. We will work with the Canadian travel  
18 trade to make sure adults feel comfortable and stay  
19 as one of our most important top markets but it is  
20 a concern to all of us what is that message and how  
21 is it perceived.

23 CHAIRPERSON GARODNICK: It's a terrible  
24 message. I think you're absolutely right and a  
25 real concern. A question for MOIA. The Action NYC

Program, can you tell us a little bit more about how that works and how you are operating?

BITTA MOSTOFI: Yes, of course, happily. Action NYC is really the largest investment, a municipality run immigrant legal services. The idea has always been with this to maximize the sort of utility of lawyers and making sure that people have faith, legal advice in the communities that they live and in the languages that they speak in part again to push back or make sure that we are doing everything we can to protect against the unlawful practice of immigration law. So this is our premier year for the program. We fund this program through the city and we have a number of community-based organization and legal service providers that the city funds to do immigrant legal service work and we also work in partnership with HRA's Office of Civil Justice to refer cases that might be complex or detain cases and obviously with the council around legal services for the detained [inaudible] as well.

CHAIRPERSON GARODNICK: Thank you. The last question from is it is for NYC and Company about the partnership with 28 other markets. Give

us a little bit more of a sense to one how that works in an ordinary course and how we can use that at this particular moment and if any of those other markets are facing any similar sorts of challenges in any direction so if you can give us a little insight.

DONNA KAREN: We have representative offices that work to two areas what is called the travel trade that is business to business. It is directly talking with tour operators, travel agents, airlines who in their respective countries are selling New York as a destination. We also have a communications team that works hand in hand with our communications team here in New York to tell the story of New York so the press releases and interviews and articles in magazines and newspapers and appearing on television. We've been on the Australian equivalent of Good Morning America only it is Good Morning Sydney and they have highlighted New York and they have talked to elected and they have talked to business leaders so they understand and make new York real and tangible for potential visitors. We have been fortunate in our working with the cities that we can tell that

story and know that neighborhoods and borough leadership and the Council and the Mayor are part of that story because we can say what we have heard from you and from your colleagues and from the Mayor's office that New York means what we say. This is not PR spin. This is our history and that is how we tell it only we have 28 sort of extra pairs of hands and eyes and very vocal mouths in all of these different languages so when there is an opportunity to tell a good story about New York that is exactly what we do. So when there's a new tourist attraction or a new ferry service or how to get around without crowding other people's sidewalks, we actually do tell that story and then it goes out in 25 different languages and to have eyes and ears on the ground in another country means that we are getting very quick feedback. So that is how it works. They are not employees. They are representative offices. And then in market with some cities we do the sister to sister city partnerships where we exchange media assets primarily. It is an in-kind relationship that lifts up our presence in another city.

CHAIRPERSON GARODNICK: Okay. Thank you. Thanks to both of you for your willingness to be here today and we look forward to partnering with you however we can to help address these challenges. Thank you. Our next panel is Julie Samuels of Tech NYC, Tim Tompkins of Time Squared Alliance, Greeley Koch from the Association of Corporate Travel Executives and forgive me, Anthony Gigliola of Hostel World. Figliola (SP), sorry. Welcome. Go ahead, Julie.

JULIE SAMUELS: Thanks. Good afternoon, Chair Garodnick, members of the Economic Development Committee and staff. My name is Julie Samuels and I am the Executive Director at Tech NYC, a coalition of more than 451 technology and startup companies in New York. One of our primary objectives is to increase engagement in dialogue between our industry and New York City government which is why I'm so glad to be here today. As part of this process, we hope to work with our members to help policymakers learn more about the technology industry and how we can harness its ingenuity to address the day to day issues that impact our city. At the same time, we believe our



member companies can learn from the people and policymakers in of New York City especially about how new and innovative ideas can adapt to the challenges presented by a large, diverse and complicated city. Our ultimate goal in engaging in this dialogue is to demonstrate that New York City is the best place for technology companies to grow and develop. We believe that New York's unique business ecosystem as a global center for so many industries such fashion, finance, media, art and real estate will serve to strengthen the technology businesses that call New York home and that in turn technology will further strengthen those incumbent industries and the city at large. A crucial ingredient to this is diversity which is why our community came out so quickly and emphatically against the President's immigrant travel ban. I'd like to start by taking a quick look at the numbers which are quite notable. Roughly one in ten American workers with jobs at private firms were employed at immigrant founded companies. In New York alone, nearly half a million people are employed at firms owned by immigrants. More than half of the Fortune 500 companies based in New York

are founded by immigrants or their children. There are more than 375,000 immigrant entrepreneurs in the New York City metro area. In fact, immigrant residents are 19.1 percent more likely to be entrepreneurs than native born residents. In 2014, students on temporary visas made up about one out of every three students earning a master's degree at New York universities in STEM fields and 40.7 percent of students earning a PhD level degree in STEM fields. Every time the state gains 100 foreign-born STEM workers with graduate level STEM training from a US school, 262 more jobs are created. In other words, our economy both locally and nationally depends on a robust immigration system that not only attracts but welcomes with open arms the kinds of people who create jobs and grow the economy. The federal travel ban unfortunately sends precisely the opposite message to entrepreneurs and other highly skilled workers namely that they are not welcome here. On top of this, the ban will likely have a negative impact on tourism which greatly contributes to the local and national economy. For example, the international firm, Tourism Economics, forecasted that the number

of foreign travelers to the US could fall by 6.3 million annually between 2016 and 2018 due to this administration's rhetoric and policy. Locally, New York's tourism industry is vital to our economy and accounted for \$62.5 billion of the state's GDP in 2014. We have also begun to see the affects that the current political climate has had on immigration with the recent H1B visa lottery. As you know, the H1B visa program, which allows high skilled foreign workers to come to this country, has been under attack from this Administration and others. While we agree that the program is right for reform, it remains an important tool for companies to attracting much-needed technical talent. Of note, just this week, the federal government announced that the number of applicants for such visas fell below 200,000 for the first time since 2014. In fact, in 2016, they released 36,000 more applicants that this year. Think about that for a second. More than 36,000 fewer high skilled wanted to come to the United States this year. It is not just H1B visas. Take the story of one of our member companies based here in New York, Andula (SP). Andula is a local startup that

connects talented African engineers with employers in the United States. In addition to doing important work, Andula is also a New York success story. It has raised \$41 million in venture funding and employees nearly 100 New Yorkers. In late February, one of Andula's engineers, a 28 year old from Nigeria, was making his way to the United States for the first time. After securing a short-term visa and all appropriate travel -- legal travel documents and traveling for nearly 24 hours, he arrived at JFK where he was detained by custom's and told he "didn't look like an engineer." he was forced to take a technically difficult computer coding exam and was detained for three hours before being allowed to leave the airport. That engineer made it out of the airport and was able to get to his job at First Access, a New York fin tech startup but what happened to this engineer creates instability not just for him but for two growing New York tech companies. It threatens the abilities of these companies to grow and thrive here in our city. Andula's story illustrates why so many New York technology companies and investors have come out so strongly in opposition to the

travel ban. In fact my organization, Tech NYC, sent a letter detailing that opposition to the White House just days after the first ban was implemented and it was signed by more than 2000 New Yorkers who work in our industry. I would like to tell you bit about that letter and how it came to be. President Trump signed the first version of the immigration travel ban in January 27, a Friday night. As you might remember, there was initially a good deal of confusion about how the ban would work, what it meant and how it would be implemented. Within 24 hours, it became clear to us that the ban was something our members and community strongly opposed. On Sunday morning, we sent a draft letter saying as much to approximately 100 CEOs and investors asking if they would leek to publically join our opposition. In less than nine hours, again on a Sunday, we had amassed signatures from more than 400 senior executives, mostly CEOs and investors. Indeed, after adding their names, many shared personal stories of immigrant founders, their families, friends and employees. We released that letter on Monday and within 72 hours, we were up to more than 2000 signatures when we finally

1 sent it off to the White House. The swift and  
2 unequivocal response from our community shows  
3 negative impact that we fear a travel ban, if fully  
4 implemented, can and will have, no just to  
5 engineers like Andula's but to the diversity and  
6 inclusivity that we most treasure about New York  
7 City and our nation. I'd like to read the letter,  
8 in full the letter we proudly sent to the White  
9 House and congressional leaders on February 3. We  
10 also submitted copies of that letter with the full  
11 2000 plus signatures to everyone. Sorry for the  
12 paper. The letter said, "President Trump, we are  
13 business leaders and investors from New York City's  
14 robust and growing technology sector. Among the  
15 reasons we proudly build and grow companies here in  
16 New York City is the rich diversity the city and  
17 its residents provide. We write out of concern  
18 that your recent executive orders will undermine  
19 that and send a dangerous message to all immigrants  
20 that they are not welcome here. America's has long  
21 provided homes and futures to millions who dare to  
22 share in our collective dream. There is nowhere  
23 this is more true than New York City, home to Ellis  
24 Island, the Statue of Liberty and more foreign-born  
25

immigrants than any other city in the world. Your Executive Order suspending entry for citizens of certain countries, even those who currently have legal status along with limiting the refugee program, threaten those immigrants who are current and future neighbors, friends, colleagues, customers and even bosses. Their presence is a crucial ingredient that sets New York City apart and a fundamental reason why we have all choose to build our careers and companies here. In addition to all the humanitarian reasons to welcome refugees, it is dangerous to discourage immigration when the facts show that immigrant entrepreneurs play a role significant in the American economy. Immigrants are more than twice as likely to start a business as a native born population. Immigrant entrepreneurs started in whole or in part some of the most important technology companies of our time including Tesla Motors, LinkedIn, Zip Car, Google Intel, Yahoo, eBay and ??. More than half of the companies on the current list of US technology companies valued at \$1 billion or more were started by immigrants. We should be doing everything in our power to attract these entrepreneurs to the

United States. When we close the door to immigrants from certain countries, not to mention refugees, we are telling all immigrants they are not welcome here. We are confident that we can achieve security without threatening the inclusivity and diversity at the heart of New York City and the United States. We encourage you to resent your recent Executive Orders. In conclusion, we are greatly concerned about the inevitable, negative economic impact that a fully implemented travel ban will have on our industry, our city and our nation. We have already seen the early stages of this trend and the ban is not even currently enforced. We commend the Committee for hosting this hearing and we look forward to working with you to ensure that New York remains home to the diverse and entrepreneurial population that makes our city the home we all love so much.

CHAIRPERSON GARODNICK: Thank you.

TIM TOMPKINS: I'm Tim Tompkins, President Time Square Alliance and I want to start off by thanking you for holding this hearing and drawing attention to the importance of the role of tourism and the city's economy. I also want to



1 make a point of saying praising all the members of  
2 the Council and the Speaker as well and the Mayor  
3 for their unequivocal counterpoint message to the -  
4 - message to the President which was that, you  
5 know, -- which was a message of not welcoming  
6 immigrants and I think that kind of leadership is  
7 very important in terms of the kind of thing that  
8 Donna talked about sending a message that New York  
9 is different than the rest of the country. I  
10 submitted testimony with a lot of details and facts  
11 and I just want to highlight a few things. It is  
12 probably no surprise, of course, that a huge  
13 portion of Time Square's economic output which is  
14 close to one in every ten jobs in New York City  
15 according to a 2012 study is driven by tourism  
16 itself. Just as an example, we have 16 percent of  
17 the city's hotel rooms and Broadway itself  
18 generates about -- tourist makeups about two-thirds  
19 of the attendees to Broadway shows. That industry  
20 alone, Broadway, contributes 12 billion to the  
21 economy of New York City, 89,000 local jobs. The  
22 number of international visitors is really a  
23 critical part of that economic activity. If you go  
24 back to 2006, it has increased by 74 percent. If  
25

you go back to just after 2002 after the 9/11 attacks, the growth in international tourist is 149 percent so more than double. Think about any other economic engine in New York City, any job entity or industry that grew by 150 percent over the last 15 years. There's nothing like it and of course that is the number of tourist visitors but the point of tourism is that it's free money. it's people who come here and just spend money and that drives jobs so that is an incredibly important thing and of course that money doesn't go to Time Square. It goes in part to Time Square but those jobs are held by people from all over the city. We did a study that showed about 60 percent of the people who work in Time Square live north of 96 Street or in the other four boroughs so it is really the entire city that is employed and empowered by tourism. It is also important to note that especially in this category, whether it is the people that work as tour guides on tour buses, whether they work in the restaurant where tourists go to visit or in the hotels, it is often very important part of the immigrant -- New York City's immigrant economy that those jobs are -- it is tourism related jobs where

1 people are put on a good ladder to good jobs. So  
2 we share NYC and Company's concern about the effect  
3 of this rhetoric and we also praise them for their  
4 proactive efforts to fight this trend. We think it  
5 is incredibly important that the city continue to  
6 invest in tourism and promotion advocacy and  
7 research to really understand how you move the  
8 needle and we also would be remise if we didn't say  
9 how important it is when people come to New York  
10 City that they have a positive experience. I want  
11 to thank you, Council Member Garodnick and all the  
12 people on the Council for your roles in improving  
13 some of the regulations in Time Square so that  
14 tourist aren't getting hustled and hassled.  
15 Really, big picture takeaways, 149 percent growth,  
16 the biggest growth engine for New York City's  
17 economy over the last 15 years so this is a  
18 reminder that engine it may be sputtering a little  
19 bit now, it is generally incredibly healthy, but it  
20 is a reminder how important tourism to New York  
21 City jobs. It is a reminder how important NYC and  
22 Company is because it has promoting and countering  
23 that negative rhetoric that Trump puts out and it  
24 is a reminder how important it is for all of us to  
25

understand what are the strengths, what are the threats, the opportunities in tourism which I think all of us need to do to understand how to move the needle when something like this happens.

CHAIRPERSON GARODNICK: Thank you very much.

ANTHONY FIGLIOLA (SP): Good afternoon, Chair Garodnick. Thank you for this opportunity. My name is Anthony Figliola (SP) and I am Vice President of Empire Government Strategies and I am here representing the online travel company Hostel World. Hostelworld.com is the largest booking website for hostels in the world listing over 35,000 properties internationally in over 180 countries located in Dublin, Ireland. They do not own any property and serve primarily as a place of youth hostel travelers in various venues in which they do business. Hostel is a \$320 billion global industry which has begun to expand into the US. Hostel travelers are mostly budget conscious social college-age people who are seeking to visit new places and want to stay in dormitory style accommodations. Their goal is to experience a local flavor of new cities with people of different

1 cultures and backgrounds as multicultural travelers  
2 they would rather spend less on accommodations and  
3 more on restaurants, events and places of interest  
4 especially here in New York City which is the  
5 number one destination for hostel travelers that  
6 are coming into the US. In fact, hostile travelers  
7 are seen to spend less on their beds and more in  
8 the city in places like Time Square than your  
9 average traveler. The relationship between the  
10 hostel and hotel industry is great as hostels  
11 services a different level of customer which is the  
12 young, solo, budget conscious, social traveler.  
13 Many hotel chains are actually seeking to develop a  
14 hostel brand across the world. Tourism, as we  
15 know, is a main pillar in which New York City's  
16 economic development strategy sits generating over  
17 \$42 billion according to NYC and Company's into the  
18 city's economy through direct spending. The hostel  
19 industry understands the importance of welcoming,  
20 having a welcoming atmosphere for all of our  
21 international travelers as well as those  
22 domestically. We believe that our industry and its  
23 youth travelers are a critical component in  
24 advancing the city's overall economic development  
25

goals. Further, many of our youth travelers do not share the same concerns about proposed US travel policies as some of their international counterparts. NYC and Co. has reported that a possible loss of over 300 international tourist may not visit New York out of fear caused by the recent US elections and subsequent immigration policies. The estimate that the city stands to lose over \$600 million in tourism. I am here on behalf of the hostel industry to offer our assistance to the Council on a pathway to recoup those lost international travelers. Council Member Chin has a bill that would legalize hostels in New York City in commercial districts only. The bill which has received the support of the Hospitality Alliance, the Partnerships for New York City, the Citizen Housing and Planning Council as well as in the past from NYC and Co. would create a licensing mechanism that would ensure safe, affordable accommodations for budget conscious youth travelers. We estimate that our industry could generate of 600,000 bed nights with an economic impact of over \$234 million to the city. These are conservative estimates given that New York is destination on part with

London which has almost 1 million bed nights. New York City and Co. several years ago had issued some numbers that I believe about 175,000 international solo youth travelers would come to the city. In 2010, the state legislature amended the city's multiple dwelling law to crack down on illegal hostels and the unintended consequence was that hostels, this important youth travel cohort, were not identified in the city code and they were told they could operate. Understanding the importance of youth travel and the impact of hostels in New York, Mayor Michael Bloomberg and his Office of Special Enforcement lead an interagency working group to develop said legislation to legalize this industry. Since 2010, youth travelers who originally sought hostel accommodations in New York City instead chose to visit other US cities that have hostel laws such as Boston, San Francisco, Miami, Chicago and Washington DC. The New York Times has reported that the city has lost almost 300 million in international youth tourism dollars due to a lack of hostile accommodations. Our industry is desirous to work with the City Council, economic development officials and the Mayor's

office and NYC and Co to help promote the city to international youth travelers to bring back this important group of tourist.

CHAIRPERSON GARODNICK: Thank you.

GREELEY KOCH: Good afternoon. I would like to thank the Honorable Chair, the distinguished members of Committee and the City of New York for the opportunity to address this issue, economic impact of travel bans. My name is Greeley Koch, the Executive Director of the Association of Corporate Travel Executives, a global travel trade association representing business travelers with members in more than 75 countries. We also represent billions of dollars of annual business travel expenditures and a lot of those travelers and a lot of that revenue flows through this city. We had heard some startling numbers today and I would also like to add to those numbers because those numbers really parallel with the hard reality of both the first and second travel ban timelines. There is much harder reality and that is traveler perception which ultimately drives the number six to 12 months down the road. So in other words, the worst may be yet to come. Here's what we know.



International bookings to the US are down 6.5 percent over the same period last year from countries not affected by the bans. Excluding the Middle East, the highest region drops in bookings was from Western Europe down 13.6 percent from last year. Bookings worldwide to the US have dropped a full 1.1 percent from 3.4 to 2.3 percent as of January 27 through February 24 of this year. So these figures were provided to us by company called Orakez (SP) which analyzes 14 million travel transaction per day. We have already heard from NYC and Company about their perceptions about a drop in travel so I won't repeat those but at our association those travel numbers really go beyond. Every statistic has a face and those faces matter so here is the backstory on some of those numbers. We recently surveyed 250 global business travel managers and we learned that uncertainty regarding travel to the US was suddenly affecting their travel agendas. Twenty percent claimed that the travel ban posed difficulties for those respective companies and this 20 percent was barely reflected by the seven countries named in the original ban. Twenty-five percent define these difficulties as

fear of traveler harassment, fear of harassment or reprisals of US travelers in the Middle East and uncertainly regarding green card and approved visa credibility and limited access to the employee pool. That 25 percent soared to 37 percent when respondents emphasized individual fears. In response to the question will this travel bad reduce your company's travel, 3 percent responded significantly and 36 percent responded somewhat which is in a way saying yes. Business and business travelers abhor uncertainty. When travelers are uncertain about the viability of a trip, it gets postponed. That means postponing the hotel stay, the dining, the service transpiration charges, the shopping and the ancillary revenue that floats the city. Sometimes trips and travelers are rerouted to other places, places with less regulation, equal security, newer meeting facilities and an equal number of options. New York City is more than just a landmark gateway to the U, it is a portal to business, art, music and culture and why would anyone introduce an aura of uncertainty in traveling to New York. Business travel brings people together. Barely two months

after this ban was announced and on the heels of the electronic restriction, our association is convening a global travel conference and we are actually doing it here in New York City. It starts this Sunday the 23rd. We brought together a thousand representatives from 25 countries to discuss this issue and similar ones that our industry is facing and we invite anybody from the committee to join us at the conference. So the uncertainty about travel about to New York needs to end here. We appreciate the opportunity to make these comments and I am happy to answer any questions about the bans, the electronics ban and the impact to business travelers. Thank you.

CHAIRPERSON GARODNICK: Thank you very much. Mr. Koch, I am going to start with you. Tell us about the most recent changes on electronics and how that is factored in to decisions that are being made and how businesses are addressing it, going around it, what are they doing?

GREELEY KOCH: Sure. The first thing in discussions with our members and outreach, the electronics ban did several things. It first

created skepticism of the US government's motives and by that the US government said we're banning electronics in flights originated from certain countries. When the UK did not follow those same countries, particularly UAE and Qatar, skepticism was bred because why are not both country banning from the same cities. So that was the first point about skepticism about the motives behind the ban so once companies got beyond that then they said okay we have to react to it. Most companies have policies that say you cannot put your laptop into checked bags. We are protecting trade secrets, we are protecting our intellectual property and just the physical asset of a laptop, we cannot afford that going into the belly of a plane. So we have heard then that companies are reacting different ways. Some have put computers at their local offices you have to pick up, some of them are giving them laptops that have been cleaned of pretty much proprietary information. More importantly I guess what this did is business travelers still need to travel and you mentioned it earlier in your opening remarks, Mr. Chairman, and that is a lot of these business travelers are

1 billable whether they are consultants, investment  
2 bankers, whatever, with all the firms that are  
3 based here. They still need to bill their time.  
4 They still need to be productive. So in essence  
5 what that electronics ban has done, it has somewhat  
6 squeezed the balloon. Instead of people getting on  
7 a nonstop from the Middle East they maybe now have  
8 to travel over Europe and connect in Frankfurt or  
9 Paris or Amsterdam. So the travel will probably  
10 still continue but now it means more hardship on  
11 the traveler because they might be having to take  
12 an extra flight and have an extra connection time so  
13 we don't have actual statistics yet. It's still  
14 too early to see the impact of traveler but the  
15 antidotes that I have are that travelers are now  
16 looking at different ways to travel to get around  
17 that ban and that was part of the skepticisms  
18 because even though the countries between the US  
19 and UK differed, it so easily circumvented but just  
20 flying elsewhere so again it comes back to the  
21 motives but business travelers will find a way  
22 around this.

24 CHAIRPERSON GARODNICK: Mr. Tompkins,  
25 we heard from NYC and Company before and they cited

1 the expected 300,000 person decrease among foreign  
2 travelers to New York which is 700,000 fewer than  
3 they had initially projected and 300,000 less than  
4 last year. How concerned are you as somebody  
5 representing a very important tourist area in New  
6 York City about what that means for the businesses  
7 in Time Square, the opportunities in Times Square,  
8 how concerned are you about those numbers?  
9

10 TIM TOMPKINS: I think it's a huge  
11 concern and again if we keep on having that kind of  
12 public relations disaster when you think about it  
13 from a marketing point of view that this President  
14 did for this country that drives sentiment and that  
15 makes people not want to come here so even that 3  
16 percent number results very directly in less  
17 business for the restaurants, for the hotels, for  
18 the retailers and as I said when we did a study a  
19 few years ago, 60 percent of the people who work in  
20 Times Square live north of 96 Street in Manhattan  
21 or one of the four boroughs so that very, not  
22 immediately, but over time results in threats to  
23 New York City jobs because like I say it's free  
24 money. People are coming here, they are spending  
25

money and that goes right into new Yorkers pockets and also in the city's tax coffers.

CHAIRPERSON GARODNICK: My last question is for Ms. Samuels on the subject of the H1B visa program. You had noted in your testimony the rather impressive numbers as they relate to immigrant entrepreneurs in New York City, the percentage of masters and PhD candidates doing stem fields in New York institutions. What -- you said that H1B should maybe have some reform but perhaps not the reform that is being proposed. Could you just say a little bit more about what that means and also what does any reform that is being proposed here would have on tech companies or other entrepreneurs in New York.

JULIE SAMUELS: To take step a quick step back. When we talked about why, we think the program needs to be reformed. Number one, we actually think the cap should be higher. We should have more H1B visas. We should be welcoming more high skilled workers to the United States but also the way the program is currently set there have been abuses, real abuses. A lot of them have been widely reported in the press. You've got a lot of

1 companies who have, you know, full-time American  
2 workers to bring over H1B visas. Now, I will say  
3 those are actually not tech companies usually for  
4 starters number one and number two, what happens  
5 when those abuses happen is that tech companies who  
6 really do need the high skilled workers are  
7 actually then left with fewer opportunities to  
8 bring them over themselves. So that is what we  
9 talk about when we say the program needs reform.  
10 It is actually not quite clear what this  
11 administration proposes substantively regarding  
12 reforms because they just put out an executive  
13 order saying they want to review the program.  
14 Quite frankly, what I am concerned about is that  
15 opening up and reviewing the program in this  
16 current political environment feels a little bit  
17 brought. It is not exactly an immigrant friendly  
18 immigration friendly political environment we are  
19 in right now and the debate could be unfortunate to  
20 put it mildly. What we see from technology  
21 companies in particular and this is something we  
22 have talked about, I've been sitting here with you,  
23 and other circumstances is that we have a need in  
24 this country for more engineers, more workers with  
25



1 technical talent. We are doing a lot of work  
2 locally at the city level. We are doing work at  
3 the state level and at the national level to  
4 increase that pool of talent from people who live  
5 here already to teach New Yorkers computer science,  
6 give them access to that education. That is  
7 unfortunately not a fast process. I wish it were.  
8 In the meantime we've got real jobs that need  
9 filling. We've got companies to be founded here  
10 and we want to attract the best and brightest to  
11 our city and quite frankly to our wheel nation to  
12 ensure that that happens here and one last quick  
13 thing I will say about this which is related but  
14 slightly different is we are really big supporters  
15 of the City's Into NYC Program which created 85 new  
16 visas that don't count against the national H1B cap  
17 to attract immigrant entrepreneurs in partnership  
18 with CUNY. As I understand, there's a part of  
19 immigration law called premium processing which  
20 allows for faster processing and that is a very  
21 important element of getting these visas approved  
22 because it has to do with the academic cycle and  
23 otherwise it could take a long time. That premium  
24 processing has been put on hold by the  
25

Administration and that is another thing that is not directly related to H1Bs but it is very closely related and that is something else we are watching closely for the same reason. Thank you and thanks to all of you for your testimony. We really appreciate. It's good to see you. The next and last panel of the day is, and again forgive me if I do damage to anybody's name here, but Barun Sanyal of the Brooklyn Chamber of Commerce, Johnathon Hollander of Battery Dance and Matt Chapin from the Center for Urban Future.

BARUN SANYAL (SP): Good afternoon, Chairman Garodnick and the Economic Development Committee. I am Barun Sanyal, Director of Economic Development Policy at the Brooklyn Chamber of Commerce and I am testifying today on behalf of our President and CEO Andrew Hoan. The Brooklyn Chamber of Commerce is a membership based business assistance organization that represents the interest of over 2100 businesses in the Borough of Brooklyn. The Brooklyn Alliance is not for profit economic development organization of the chamber. Its interest needs of businesses who direct service assistance. I'd like to commend the Committee for

exploring the effects of enacting a potential federal travel ban to the United States and its potential impacts on New York City's economy. This proposed action causes great concern for me in terms of the likelihood of Brooklyn residents and workers. We should also be concerned about the cumulative impacts on several industries such as tourism, higher educations or business.

[Inaudible] increased 74 percent between 2011 and 2014. Discriminatory travel bans will curtail travel and immigration not only from the countries targeted but could have a global impact due to the disdain and fear perpetuated by the act. Although 40 percent of Brooklyn residents are foreign-born, close to 50 percent of businesses in Brooklyn are owned by immigrants. These businesses form the bedrock of our everyday lives such as grocery stores, dry cleaning and taxi services. Forty percent of [inaudible] code professions such as information and technology, architecture, engineering are comprised of immigrant workers which can be attributed to the large amount of foreign students studying at our colleges and universities in the borough. Healthcare is a large

1 employer sector in Brooklyn which also contains a  
2 high level of foreign-born professionals. The  
3 impact of a potential travel ban would have  
4 consequential effects on Brooklyn and the entire  
5 city as a whole. The Brooklyn Chamber of Commerce  
6 will stand strong against any proposed ordinances  
7 affecting certain groups of individuals based on  
8 countries of origin. We will continue to support  
9 immigrant owned businesses and residents in the  
10 borough through are various programs and services.  
11 Thank you for providing us the opportunity to  
12 testify today on this subject matter.

14 JOHNATHON HOLLANDER: Thank you for  
15 having me. I think Committee Chairman Garodnick,  
16 you know me as a provider of arts education  
17 services at the Washington Irving Campus and around  
18 the city of all five boroughs, Battery Dance is  
19 also known as the presenter of New York's longest  
20 running dance festival at which we present an  
21 average of 20 to 25 different dance companies from  
22 the city and around the world. I have with me  
23 today a guest, Hussein Simco (SP), from Iraq who is  
24 the first recipient of the Adele Euro Campaign for  
25 dancers seeking refuge which Battery Dance

initiated last July after the bombing in Baghdad when our protégé dancer we had been training on Skype and had met in Iman, Jordan on a US State Department program was killed along with 300 other people through a tragic bombing. I have heard of all the testimonies today and it is really striking the economic impact that the travel ban may have already had and could have in the future. I really want to sort of bring the attention to the human aspect of this travel ban and the fact that a dance company like battery dance and the arts organizations that make up the \$8 billion industry of the arts and culture in New York City would be dramatically impacted by this ban and by any actions that prevent immigrants from the free flow of ideas, creativity and their presence here in New York. To just give one example, we are performing at Pace University Schimel Center for the Arts on May 10th and 11th. We have a key member of the cast is an artists from Syria who is living here with his family. He has become a world-famous celebrity touring around with Yoyo Maz Silk Road Project and he is part of the fabric of New York City right now. He would not be able to be here if

there were travel bans. We are also working with the music of a Syrian composer, Kenan Asmay (SP), who is also living part-time in the United States, a Tunisian composer who is in and out of the United States and the world. Just pointing to the fact that this nexus of creativity which our city is proud to be would be threatened by this, any bad and, you know it is wonderful to hear the testimony of the -- the earlier testimony that show that in so many ways the city is against this action. My colleague at Battery Dance Company, and by the way we are in our 41st year, are supported very graciously by the City Council, Margaret Chin and also by the New York City Department of Cultural Affairs every year for our programs and the New York State Council and Arts International Endowment for the Arts which, by the way, is in jeopardy and that hasn't been mentioned either and that is an economic impact issue because they National Endowment for the Arts I think the largest recipients are in new York City and also that the New York State Council for the Arts receives money from the National Endowment for the Arts so it is not to do with the travel ban but just sort of get

that into your minds how that could impact Battery Dance and all the sort of infrastructure and landscape of the arts in our city. So my colleague at Battery Dance, my most important colleague, is an Egyptian born graduate of the CIBA Program at Columbia University in Mount Salem and I am speaking on behalf of him as well as myself to say that inclusivity in the arts is critical and that our city is known worldwide as the dance capital of the world and this title and sort of wonderful vibrant robust city culturally which is not only responsible for the activity itself and the tourism that it brings but also that the fact that people want to live here. When companies move to New York City, their employees are happy to be here in part because they know that they will have access to some of the greatest art in the world so thank you very much for listening to me and giving me the opportunity to speak as one small dance company in this great city of ours.

CHAIRPERSON GARODNICK: We appreciate you being here. Thank you.

MATT CHAPIN (SP): Fun to be on this side of the room now. Good afternoon, Chair

Gardonick and members of the Committee and thank you for inviting the center to share its work on this important issue. My name is Matt Chapin (SP) and I am the policy director for Center for Urban Future. We are an independent non-partisan think tank based in Manhattan whose mission is to advance smart and sustainable policies to reduce inequality, increase economic mobility and grow the economy for all New Yorkers. For over 20 years, we have produced exhaustive research on these issues including the one that we are here to discuss today, immigration [inaudible] and particularly its economy. Thank you for the opportunity to testify. So here we are at the Economics Development Committed talking about the immigration ban. The two could not be more opposite and nowhere is that truer than in New York. For four centuries, the city has been one of immigrants and commerce where each invigorates the other. This will not change no matter the actions of Washington though the Administration can still hurt New York when it has rarely been stronger. The White House's actions are risking business. While only one out of three New Yorkers are foreign-born, according to the



Center's research nearly half of the workforce hails from another country. In a surge in foreign-born New Yorkers since the 1980s is tracked closely with the city's recovery. The ranks have nearly doubled to more than 3 million while the native born population declined by a few percent. Indeed, this is among the great ironies of the immigration ban. For a President who claims to understand business and the economy better than anyone, this Administration seems to be ignoring a simple fact both in New York City and across the country, immigrants create massive economic dividends not only for themselves but for their entire communities. In 2013 alone, immigrants in New York accounted for \$257 billion in economic activity. That amount has nearly double since 2000 and is growing faster than the city's overall economy. These contributions come from all corners of the immigrant community even though it's thought to live in the shadows. In an analysis by the Institute on Taxation and Economic Policy found that undocumented immigrants in New York State contribute \$1.11 billion in local and state taxes last year. That would rise to \$1.36 billion if

those immigrants were legalized. Those contributions of the city's culture and coffers would not be possible without immigrants' contributions to many of New York's most important industries. That includes many that people might not expect. We are familiar with the cabbies and garment workers from Africa or Central America. Those jobs are 88 and 96 percent immigrant held. But what paying high schools jobs keep us healthy and housed also rely in foreign0born New Yorkers. Some 70 percent of life-scientist, 59 percent pharmacist and 60 percent of civil engineers in this city hail from outside the country and in the creative industries, as we just heard, are growing by rock of the city's economy at roughly 7 percent of all employment, immigrants also play a notable role. Nearly 50,000 foreign-born New Yorkers are employed in a creative occupation and that accounts for an astounding 14 percent of all foreign-born creative professionals in the United States. The most promising part of the city's economic explosion has been in a newfound entrepreneurial spirit and here too immigrants are having an outside impact. There are roughly 41,000 foreign-

born business owners in the city compared to only 32,000 native born ones and again this is despite the fact that there are twice as many native born New Yorkers and these enterprising immigrants employ not only their countrymen but New Yorkers from near and far. As we have already heard, the White House's actions are also impacting those temporary immigrants who have become such a vital part of our economy, tourist. New York has always been one of the top destinations on the planet but the booming tourism remains staggering. The Center's at work on a major new report documenting the growing economic importance of tourism to New York's economy which we look forward to sharing in the coming months. Already our reserach is showing that in 2014, more than 360,000 jobs were sustained by visitors to New York City with total wages of \$22.5 billion in just two years those jobs have continued to search growing five percent to 375,000 jobs. These are not jobs for tour guides and hotel concierges either. In 2014, there were approximately 275,000 directors of job while 87,000 jobs created through indirect or induced spending. That means the [inaudible] underground grocery in

Bushwick or the copy editors at Time Out New York have just as much to lose should tourism fall. Whatever comes to pass with the White House's immigration policy, now is the moment for New Yorkers to come together and unleash a full potential of the city's immigrant communities. Both the Council and the Administration have supported these goals before and it is now more important to do so than ever. The opportunities for strengthening these critical and vulnerable communities are everywhere. They could mean easing the burden on immigrant entrepreneurs, improving our libraries which are critical hubs for both immigrants and jobseekers and helping highly skilled underemployed New Yorkers leave behind their brooms and taxis and return to the hospitals and offices where they can make the greatest impact on the city. Thank you again for this important opportunity to share our work on this critical issue. I have included links at the bottom of our testimony if you would like to find more information about our research as well as recommendations on how to improve the situation of immigrant workers and entrepreneurs.

CHAIRPERSON GARODNICK: Thank you very much. I want to thank all of you for being here today and for your testimony and I am going to let that be the last word of the day. To everyone who testified previously and to those who are watching online, I just want to summarize by saying that it was clear from everything that we heard today that New York is in a vulnerable position when it comes to these executive actions and that we need to do everything power to try to address and pushback on the impression that is being left that the walls are going and doors are being closed here. It is not just the message we want to be sending in New York City. It is actually a very harmful message for New York City. So I want to thank Alex Pawnoff (SP) of the Council and Nadia Johnson and Davis Winslow, analyst for the committee, as well as Leah Reese and Corey Epstein from my office and we look forward to continuing this conversation. With that, this committee stands adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify there is no relation to any of the parties to this action by blood or marriage, and that there is no interest in the outcome of this matter.



Date June 24, 2017