To: House Committee on International Affairs

Rep. Rida T.R. Cabanilla, Chair

Rep. Karen Leinani Awana, Vice-Chair

Date: March 24, 2008

Conference Room 329

9:30 am

Re: <u>HCR104/ HR86 Urging the President, The Secretary of State, and The Secretary of Homeland Security To Include The Republic of Korea in the Visa Waiver Program</u>

Chair Cabanilla and Members of the Committee:

My name is Austin Kang, Co-Chair of the Korean Visa Waiver Committee (KVWC). We support HCR 104 / HR 86.

Under the Visa Waiver Program, a traveler to the United States, either for business or pleasure, can enter the country for up to ninety days without obtaining a visa. Currently, twenty-seven countries are on the visa waiver list. The Republic of Korea also extends these privileges to United States citizens traveling to and from South Korea.

KVWC believes the inclusion of South Korea into the Visa Waiver Program (VWP) would have an immediate and positive impact on tourism in Hawai'i. South Korea, a trusted US ally and a major player in the world economy, would offer a substantial boost to our state at a time when the number of tourists from other Asian nations has decreased significantly. In 2002 alone, South Korean travelers spent \$21 billion in the US.

In the last few years, the Republic of Korea has been one of our strongest partners in the global war on terrorism. In line with the U.S. and Great Britain, South Korea committed the 3rd largest number of troops to support the efforts of our Armed Forces in Iraq. Korea also adopted economic policies that have helped them become the world's eleventh largest economy and the United States' seventh largest trading partner and the fifth largest market for U.S. agricultural products.

Economically, militarily, and politically, the U.S. and South Korea share a vision of freedom and democracy that has made our nations solid friends and allies. In recognition of this friendship and the fact that the South Korean government has taken aggressive steps to comply with post 9/11 security requirements to combat visa fraud, the time has come to welcome the Republic of Korea into our Visa Waiver Program.

Thank you for the opportunity to testify before your committee.





U.S.-Korea Business Council and the American Chamber of Commerce in Korea

Testimony on House Concurrent Resolution 104, Urging the President, the Secretary of State, and the Secretary of Homeland Security to Include the Republic of Korea in the Visa Waiver Program

to the

Committee on International Affairs Hawaii State House of Representatives

March 24, 2008, 9:30 a.m.

Thank you for this opportunity to share the views of the U.S.-Korea Business Council ("Council") and the American Chamber of Commerce in Korea ("AMCHAM Korea") on House Concurrent Resolution 104, urging the President, the Secretary of State, and the Secretary of Homeland Security to include the Republic of Korea ("Korea") in the U.S. Visa Waiver Program.

The Council, which operates under the administrative aegis of the U.S. Chamber of Commerce, and AMCHAM Korea are the two premier American business organizations promoting the U.S.-Korea economic and political relationship. The inclusion of Korea in the U.S. Visa Waiver Program is a longstanding priority of these organizations, which therefore strongly support this resolution.

Korea is a close American ally whose government has cooperated closely with the United States on security, counterterrorism, and defense matters for over fifty years. The United States' economic relationship with Korea is dynamic and robust, and Korea is an important source of visitors to Hawaii and to the United States for business, tourism, and academic study. Korea is one of the top five countries of origin for foreign visitors to the United States, and the U.S. Embassy in Seoul is the largest nonimmigrant U.S. visa issuance post in the world, handling more than 2,500 applications a day. Over 758,000 Korean business visitors, students, tourists and travelers came to the United States in 2006, spending a total of nearly \$2.8 billion during their stay here. In fact, Korean students comprised the largest number of all foreign students studying in the United States last year with over 100,000 Koreans enrolled in U.S. schools.

However, Korea is not yet included in the Visa Waiver Program, which allows foreign nationals to travel to the United States for up to 90 days without a requisite visa. The primary reason for this is because, prior to amendments to the program made by Congress last year, countries were required to have a worldwide visa rejection rate of no more than three percent to be eligible for the program. Korea's worldwide visa rejection rate has for several years been just slightly above this three percent threshold, even though Korea met virtually all other requirements for program eligibility.

In 2007, Congress passed new security requirements for countries participating in the Visa Waiver Program and expanded the program's eligibility by allowing close U.S. allies with visa refusal rates of under 10 percent to be considered for inclusion, provided they meet these new security requirements. Under these new rules, Korea will become eligible to participate in the program once it is in compliance with these new measures. This year, Korea plans to introduce a secure passport, thus meeting all of the requirements specified by Congress. AMCHAM Korea is a very active member of the U.S.-Korea Visa Waiver Program Coalition, a group of over 150 U.S. companies and business organizations—including 16 Hawaiian organizations—that worked actively to support the reforms made by Congress and the Bush Administration to the program's requirements.

The Council and AMCHAM Korea strongly support Korea's entry into the Visa Waiver Program as soon as it meets these qualifications. This is an issue with significant economic implications for the bilateral U.S.-Korea economic relationship and particularly for Hawaii, which welcomes tens of thousands of Korean visitors every year, but has seen these numbers decline. In addition, Koreans see Korea's inclusion in the program as an affirmation of the strong bilateral bonds between the United States and Korea. Korea's participation in the program will help ensure that U.S. companies doing business in Korea do not lose out on commercial opportunities because of the time it takes for their customers and others to get a U.S. visa. The U.S.-Korea Free Trade Agreement, which was signed last year and is pending approval by Congress and Korea's National Assembly, would

substantially expand U.S.-Korea economic ties with great benefit to both countries, and Korea's inclusion in the Visa Waiver Program would complement this trade agreement.

The Council and AMCHAM Korea applaud the leadership of the Hawaii State House of Representatives and the members of this Committee for urging the President, Secretary of State, and Secretary of Homeland Security to include Korea in the Visa Waiver Program as soon as possible. The Council and AMCHAM Korea appreciate the important and valuable efforts of the many business and community leaders and elected officials in Hawaii who have worked hard over the years to obtain Korea's inclusion in the program.

Thank you once again for the opportunity to share the views of the Council and AMCHAM Korea and encourage this committee to support this resolution. It will improve the United States' ties with one of the nation's most important global partners, and will contribute to the growth of Hawaii's economy and the national economy.



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Written statement of

MARSHA WIENERT

Tourism Liaison

Department of Business, Economic Development & Tourism before the

HOUSE COMMITTEE ON INTERNATIONAL AFFAIRS

Monday, March 24, 2008 9:30 a.m. State Capitol, Conference Room 329

in consideration of

HCR 104 / HR 86

URGING THE PRESIDENT, THE SECRETARY OF STATE, AND THE SECRETARY OF HOMELAND SECURITY TO INCLUDE THE REPUBLIC OF KOREA IN THE VISA WAIVER PROGRAM.

Chair Cabanilla and Members of the House Committee on International Affairs.

The Department of Business, Economic Development and Tourism (DBEDT) supports HCR 104 / HR 86, which urges the President, the Secretary of State and the Secretary of Homeland Security to include the Republic of Korea in the U.S. Visa Waiver Program.

We agree that South Korea has been an important visitor market for Hawai'i, and our unique cultural ties and business relationships with the country supports the need for South Korea's admittance into the program. I have been working with the Federal government on the modernization of the Visa Waiver Program and have offered our state's support and any necessary assistance in implementing the provisions of the federal law passed last year.

Thank you for giving me the opportunity to testify on HCR 104 / HR 86.