





February 7, 2022

The Honorable Nancy Skinner
 Chair, Senate Budget
 1021 O Street, Room 8630
 Sacramento, CA 95814

The Honorable Phil Ting
 Chair, Assembly Budget
 1021 O Street, Room 8230
 Sacramento, CA 95814

The Honorable Jim Nielsen
 Vice Chair, Senate Budget
 1021 O Street, Room 7110
 Sacramento, CA 95814

The Honorable Vince Fong
 Vice Chair, Assembly Budget
 1021 O Street, Room 4630
 Sacramento, CA 95814

Re: BUDGET PROPOSAL - TOURISM MARKETING SUPPORT

Dear Budget Legislative Leaders:

The California Travel Association and other organizations listed below SUPPORT Governor Newsom's budget proposal to allocate additional funds to Visit California for tourism marketing promotion. We are glad that the Governor has proposed to invest this \$45 million to extend media campaigns to continue attracting visitors to California as this sector of the economy continues to have an uneven recovery. As you know, the pandemic has had an outsized effect on travel and tourism. More than half of California's hospitality industry workers lost their jobs and the state lost \$78.8 billion in visitor spending in 2020 — a 54.5% decline.

Prior to the coronavirus, California's travel industry was one of the largest economic drivers for the state. In 2019, more than 1.2 million California workers earned their livelihoods in hospitality. Visitors spent \$145 billion annually at California businesses, generating \$12.3 billion in state and local tax revenues. (Source: Dean Runyan Associates) International travelers spent \$28.1 billion in California, making travel the state's largest export. California's success as a world class tourism attraction is due in large part to Visit California— their programs delivered \$14.8 billion of revenue to the state's economy in 2019. However, they are funded by private businesses through a self-imposed assessment, which means the closure of the state's tourism industry in March 2020 immediately and dramatically reduced Visit California's revenue.

The \$95 million allocated for tourism marketing in the 2021-22 state budget allowed California's share of the domestic travel market to begin its recovery and rebuild our advantage over our closest rival, Florida. Despite this critical investment from the Governor and Legislature, California's market share remains below 2019 levels and continues to be a concern as we are seeing tourism investments made in other states. For example, New York's Governor Kathy Hochul committed \$450 million in state funds, including \$50 million for tourism marketing, to help the tourism industry and its workforce recover.

The pandemic's unpredictable path has contributed to an uneven recovery of California's tourism economy, with urban centers in particular lagging due to continued challenges with international and business travel. This lopsided recovery continues to impact Visit California's industry-funded revenue, impacting their ability to continue effectively marketing the state in a crowded media market.

For these reasons we support the budget proposal regarding tourism marketing promotion to help bridge the gap in Visit California's marketing budget attributed to tourism's uneven economic recovery. Please reach out to Emellia Zamani at ezamani@caltravel.org if you have any questions.

Best,

Anaheim Transportation Network
aRes Travel
Avenue of the Arts, Costa Mesa
Bar 1030
Bella's Splash Pool Bar
Bishop Area Chamber of Commerce & Visitors Bureau
Blossom Café & Market
Blue & Gold Fleet

California Airports Council
California Association of Boutique + Breakfast Inns
California Association of Zoos & Aquariums
California Attractions & Parks Association
California Chamber of Commerce
California Downtown Association
California Hotel & Lodging Association
California Lodging Industry Association
California Teamsters Public Affairs Council
California Travel Association
Cannabis Travel Association
Catalina Express
Certified Folder Display Service, Inc.
City of La Quinta
City of Santa Clarita
Civitas
Claremont Club & Spa
Connect Worldwide Tourism Marketing
Costa Mesa Chamber of Commerce
Destination Irvine
Discover Inland Empire
DogTrekker
Explore Butte County
Fairmont Grand Del Mar
Fairmont, San Francisco
Fairmont, Sonoma Mission Inn & Spa
Fisherman's Wharf, San Francisco
Fresno Chaffee Zoo
GO City
Greater Folsom Partnership
Greater Los Angeles Zoo Association
Greater Ontario Convention & Visitors Bureau
Hollywood Chamber of Commerce
Hospitality Santa Barbara
Hotel Association of Los Angeles
Hotel Council of San Francisco
Humboldt County Visitors Bureau
Jim Walton Voice Talent
JW Marriott Los Angeles L.A. LIVE
Lauren Schlau Consulting
Lifestyle Buzz Today
Local Tastes of the City Tours

Long Beach Convention & Visitors Bureau
Los Angeles Athletic Club
Los Angeles Times
Los Angeles Tourism & Convention Board
Love Catalina - Catalina Island Tourism Authority
Madden Media
Mammoth Lakes Tourism
Marriott, San Francisco Union Square
Miles Partnership
Miller's Landing Resort, Bass Lake
Monterey Bay Aquarium
Pasadena Convention & Visitors Bureau
PIER 39
Pleasanton Museum on Main
Pure Luxury Transportation
Red & White Fleet Cruises, San Francisco
Rise Rooftop Lounge
San Diego County Lodging Association
San Diego International Airport
San Diego Meetings & Events
San Diego Tourism Authority
San Diego Union Tribune
San Diego Zoo Wildlife Alliance
San Francisco Travel Association
Santa Barbara Vintners
Santa Monica Pier
Santa Monica Travel & Tourism
Shasta-Cascade Wonderland Association
Silver Trumpet Restaurant & Bar
Ski California
Sofitel Hotels & Resorts
Starline Tours
StoneWear Studio
Tahoe South - Lake Tahoe Visitors Authority
Taj Campton Place, San Francisco
Tandem Partnerships
The Anaheim Hotel
The Tangerine Room
The Westin Anaheim Resort
Travel Costa Mesa
USS Midway Museum
Ventura Visitors & Convention Bureau

Visit Amador
Visit Anaheim
Visit Berkeley
Visit Concord
Visit El Dorado
Visit Gilroy
Visit Greater Palm Springs
Visit Huntington Beach
Visit Laguna Beach
Visit Mendocino County
Visit Napa Valley
Visit Newport Beach
Visit Oakdale
Visit Oceanside
Visit Oxnard
Visit Petaluma
Visit Placer
Visit Rancho Cordova
Visit Sacramento
Visit San Jose
Visit Santa Barbara
Visit Santa Rosa
Visit SLO CAL
Visit Stockton
Visit Temecula Valley
Visit Tri-Valley
Visit Truckee-Tahoe
Visit Vacaville
Visit West Hollywood
Visit Yolo County
Visit Yosemite | Madera County
WeatherTech Raceway - Laguna Seca
Wincome Hospitality
Wine Institute