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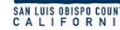
**CALIFORNIA
TRAVEL
ASSOCIATION**
Tourism's United Voice



**CALIFORNIA
ASSOCIATION
of WINEGRAPE
GROWERS**



**CALIFORNIA
ASSOCIATION of
BOUTIQUE &
BREAKFAST INNS**





August 17, 2020

The Honorable Robert Hertzberg
Senate Majority Leader
State Capitol, Room 313
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget
State Capitol, Room 6026
Sacramento, CA 95814

Re: Joint Economic Stimulus Plan - Tourism Industry Allocation

Dear Senator Hertzberg and Assemblymember Ting:

Thank you for your bold leadership in the face of COVID-19 and working to create an economic stimulus package that will enact programs to revive California's economy through small business support, protecting working families, and investing in a green economy. As you and your colleagues continue to make critical decisions, we urge you to not lose sight of the economic hardships in the travel and tourism industry. Governor Newsom and the state legislature have been responsive and collaborative, and for that we are grateful, but more needs to be done to ensure we can recover from this catastrophe.

This is why we respectfully request the inclusion of a \$45 million allocation for Visit California's marketing efforts in your stimulus plan. This funding would enable Visit California to execute a campaign that will get Californians traveling responsibly, get people back to work, and ultimately jump start a quick recovery of our economy.

Tourism Provided More Than 1.2 million Jobs in California Prior to COVID-19

It is anticipated that we have lost over 613,000 tourism jobs, many that will not come back once the pandemic is under control. Not only that, for every tourism job lost, a ripple effect occurs in the ecosystem that supports the travel industry. Every three travel industry jobs support another two California jobs. Prior to COVID-19, more than 1.2 million California workers earned their livelihoods at travel businesses, and visitor spending injected \$145 billion directly into the state, generating \$12.3 billion in state and local tax revenues.

State and Local Governments stand to lose \$6.1 billion in tourism-generated tax revenues

Independent research firm Oxford Economics estimates California will lose \$72.8 billion in visitor spending this year alone, drying up one of the state's most vital tax sources. Every dollar spent by a traveler powers our local communities many times over. State and local governments will lose \$6.1 billion in tax revenues that fund vital local services like police, fire, public health, and education. The taxes paid by hotel and vacation rental guests directly power local communities across California—46 cities rely on Transient Occupancy Tax (TOT) revenue to cover at least 30% of their overall general fund expenditures.

California is a World Class Travel Destination Thanks in Part to Visit California

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 has effectively reduced Visit California's revenue to zero. This has forced the organization to cancel all existing marketing programs and dramatically reduce staff. A decade of progress is being erased—without help, California's tourism economy will return to 2009 levels of tax revenue and jobs. This lost decade ensures the economic fallout from the coronavirus pandemic is already at least nine times worse than the 9/11 attacks.

Tourism Helped California Rebound after 9/11 and Can Do It Again Post-COVID

A \$45 million, one-time allocation to enhance funding for Visit California will go toward marketing programs to drive visitor spending. The campaign would ensure travelers that California destinations have their health and safety in mind and promote best practices for responsible travel. Getting Californians traveling again will enable our small businesses to reopen and get workers back to their jobs.

Tourism has proven itself to be one of the fastest industries to recover in the aftermath of a crisis. This was the case post-9/11, when Governor Gray Davis made a one-time allocation to Visit California that fueled a multi-tiered, in-state/drive market campaign designed to get Californians to rediscover our great state. The campaign was successful, and in-state travel jumped 10% in 2001-2002.

With this allocation, Visit California can generate tourism revenues and the associated state and local tax revenues after the expiration of the State of Emergency. This level of campaign, paired with compelling creative, would deliver \$10.3 billion in revenue to California businesses and \$865 million in additional state and local tax revenue. We believe this allocation will be an impactful down payment to help California recover from the dire economic impact of COVID-19 once it is safe to travel again.

Thank you for the consideration of this request.

Warmest Regards,

ADARA
Agate Bay Realty - Lake Tahoe
Airbnb
Alcatraz Cruises
Anaheim Transportation Network
Aquarium of the Bay
aRes Travel - Advanced Reservation Systems
Basecamp Hospitality
Beck's Motor Lodge
Beverly Hills Convention & Visitors Bureau
Bishop Area Chamber of Commerce & Visitors Bureau
Blue & Gold Fleet
Bluewater Grill
California Association of Boutique & Breakfast Inns
California Association of Winegrape Growers

California Attractions & Parks Association
California Black Media
California Broadcast Association
California Cannabis Tourism Association
California Fairs Alliance
California Hotel & Lodging Association
California Lodging Industry Association
California News Publishers Association
California Restaurant Association
California Ski Industry Association
California State Railroad Museum Foundation
California Teamsters Public Affairs Council
California Travel Association
CampCalNOW - RV Park & Campground Alliance
Cannery Row Company
Catalina Island Chamber of Commerce & Visitors Bureau
Catalyst Marketing
Certified Folder Display Service, Inc.
Channel Q 103.1
City of La Quinta
Civitas Advisors
Claremont Chamber of Commerce
Concord Chamber of Commerce
Connect Meetings
Content Media Design
Conversant
Corniche Travel
DayTripper Tours
Destination Irvine
Discover Coronado
DoubleTree by Hilton - Sonoma Wine County
Downtown Ventura
Dragon Trail Interactive U.S.
El Galleon Restaurant
Entercom
Enterprise Rent-A-Car
Ethnic Media Services
Expedia Group
Explore Butte County
Explore Murrieta
Explore Trinidad
Grapeline Wine Tours
Greater Ontario Convention & Visitors Bureau
Greater Palm Springs Convention & Visitors Bureau
Greenhaus
Hornblower Cruises & Events

Hospitality Santa Barbara
Hotel Association of Los Angeles
Hotel Council of San Francisco
ImpreMedia
JNS Next
Lake County Marketing & Economic Development
Lauren Schlau Consulting
LeBridge
Long Beach Convention & Visitors Bureau
Long Beach Hospitality Alliance
Los Angeles Magazine
Los Angeles Tourism & Convention Board
Luxurist Travel
Madame Tussauds Hollywood
Madden Media
Mammoth Lakes Tourism
Mammoth Lakes Trails & Public Access Foundation
Maritime Museum of San Diego
Mbuy
Mering
Miles Partnership
MMGY Global
Monterey Bay Aquarium
Monterey County Convention & Visitors Bureau
National Parks Trips
North Lake Tahoe - Chamber | CVB | Resort Association
Pacific Park on the Santa Monica Pier
Palm Springs Aerial Tramway
PIER 39
Pure Luxury Transportation
Radio.com
Ramada by Wyndam
Recreational Embassy
San Diego Tourism Authority
San Diego Zoo Global
San Francisco Travel Association
San Mateo County / Silicon Valley Convention & Visitors Bureau
Santa Maria Valley Chamber of Commerce
Santa Monica Travel & Tourism
SeaWorld San Diego
Sensorio Paso Robles
Shadowbrook Restaurant
Simpleview
Six Flags Magic Mountain
Sonesta Irvine
Sonoma County Hospitality Association

Sonoma Valley Visitors Bureau
South Coast Plaza
Southern Humboldt Business & Visitors Bureau
Southern Humboldt Chamber of Commerce
Sports Destination Management
Starline Tours
Staybridge Suites
Strackground Transportation
Toyon Grill
Travel Costa Mesa
Trinidad Retreats
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U.S. Cultural & Heritage Marketing Council
Universal Studios Hollywood
Ventura Chamber of Commerce
Ventura County Lodging Association
Ventura Port District
Via - AAA Magazine
Visit Anaheim
Visit Berkeley
Visit Big Bear
Visit Buena Park
Visit Camarillo
Visit Concord
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Visit Humboldt
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Visit San Jose
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Visit Santa Maria Valley
Visit Santa Rosa
Visit SLO CAL
Visit Temecula Valley
Visit Tri-Valley
Visit Tuolumne County

Visit Vacaville
Visit Vallejo
Visit Ventura
Visit Yolo County
Visit Yosemite | Madera County
West Hollywood Travel & Tourism Board
Western Fairs Association
Western Slope Chamber of Commerce
Winchester Mystery House
Wine Institute
Yosemite Mariposa County Tourism Bureau