



CalTravel Fact Sheet **January 31, 2019**

Who we are

CalTravel is the unified voice of travel and tourism in the state. Our members include destination marketing organizations, attractions, resorts, hotels, airports, airlines, rental cars, tech companies, ad agencies...any organization for whom travel and tourism in California is an important component. Our members also include individual associations such as California Restaurant Association, California Attractions and Parks Association, California Hotel and Lodging Association, and groups like California Chamber of Commerce.

Why tourism is important

In 2017 visitors to California spent over \$132 billion. The industry employs over 1.1 million people in jobs that cannot be exported and brings in \$10.9 billion in state and local taxes. California has seen 8 consecutive years of growth, but it has not come without significant challenges, both manmade and natural.

CalTravel vs. Visit California

We work closely with, but are distinct from, Visit California. Visit California markets California to the rest of the country and the world, while CalTravel works on a state level to protect and ensure a thriving industry. Our mission is advocacy, collaboration, and education.

Key tourism issues:

Protecting our funding models

One of our big challenges is protecting our funding models. Our industry assesses itself in a variety of ways--Visit CA, TIDs, TMDs, BIDs. For example, California has 103 TIDs that generate more than \$200 million in visitor spending. That revenue provides taxes from visitors to help fund police, teachers, road improvements, etc. Participating organizations pool their money to promote and improve their destinations. But we have seen legal and political challenges to our funding models, charging that they should be considered a tax and therefore be subject to a 2/3 vote, or should be used for purposes other than what the contributors determine, for example advocacy or security.

Ensuring a level playing field

Our industry embraces innovation, but we also want to keep a level playing field for our established businesses. We want to be sure that disruptors such as the Airbnbs, Lyfts, Tuross, are not able to skirt safety and labor issues and that they pay their fair share, such as fees to airports for access, and TOT. For example, AB 2873 that was just signed into law declared

that personal vehicle sharing programs are prohibited from allowing any vehicle on the road that is subject to a manufacturer's safety recall.

Competing for visitors

We were sorry to see that Governor Brown vetoed the 4 a.m. bill, SB 905, which we supported. It was a pilot program to allow 9 cities to extend sales of alcohol at bars, nightclubs, and restaurants to as late as 4 a.m. With local support, we would like to see cities that cater to international visitors and compete with other cities around the world be able to test it.

Providing a positive visitor experience

Probably the single biggest hurdle we face as an industry in California is the persistent homelessness crisis across the state in spite of the efforts that have been made to date. It is not safe for visitors, employees, residents or the homeless to have people living on our streets.

Promoting tourism job creation

As employers, we sometimes struggle with "job-killer" legislation that imposes hardships particularly for our smaller employers, and that discourages increased hiring and investment. We are always willing to work on a solution together that meets the needs of both sides. For example, we were neutral on bill AB 1976 on lactation accommodations that was signed into law, but we opposed SB 937 which would have required new and remodeled construction (at least 15,000 sq. feet of employee workspace if the project cost more than \$500,000) to contain a lactation room with running water, sink, and refrigerator. Governor Brown vetoed it.

Advocating for common sense regulation

We opposed legislation this year in which we felt the negatives of cost, visitor experience and increased regulation offset the proposed benefit. Two examples were AB 1335 that would have required a safety warning on all sugar-sweetened beverage containers, and AB2779 which would have prohibited a retailer from selling or offering a single use plastic beverage container that was not tethered to or contiguously affixed to the cup. Neither passed this year.

While we understand the need for some of the new regulation around protecting workers from sexual harassment, we do feel that some of the legislation introduced in response to the "#metoo" movement places onerous restrictions on our business members. For example, we supported AB 2770, which was just signed into law, that ensures victims of sexual harassment and employers are not sued for defamation by the alleged harasser when a complaint of sexual harassment is made and the employer conducts its internal investigation. It also protects employers so that they can inform potential employers about sexual harassment and findings. However, we opposed AB 3081 that would have expanded joint liability to all employment related harassment claims, not just sexual harassment. That bill was vetoed by the Governor.