

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 5689

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2021

The Senate State Government, Wagering, Tourism, and Historic Preservation Committee reports favorably Assembly Bill No. 5689 (1R).

This bill makes \$25 million in federal funds available to the Department of State to support the advertising and promotion of New Jersey's travel and tourism industry.

Under the bill, these federal funds would be made available for the following purposes: (1) \$5 million for Destination Marketing Organizations recognized by the State to market all regions of the State and work cooperatively with the State's overall marketing campaign; and (2) \$20 million to help the economic recovery of the travel and tourism industry from the damage caused by the COVID-19 pandemic. This includes promoting industries and destinations in New Jersey that have been most impacted by the COVID-19 pandemic, such as food and liquor establishments across the State. The Division of Travel and Tourism will identify other such areas that have been impacted by the pandemic and allocate the resources provided by this bill appropriately.

Travel and tourism is one of the largest employment sectors and highest revenue-generating industries in the State. A vibrant travel and tourism industry is vital to the overall economic well-being of New Jersey's citizens. As a result of the Covid-19 pandemic, there exists a heightened sense of fear and hesitancy in people to travel and experience tourism destinations. This has caused tremendous disruption throughout New Jersey's travel and tourism industry. A significant increase in resources must be allocated to advertise and promote New Jersey's travel and tourism industry to effectively communicate that the State's tourism destinations are open, operational, and safe. This includes allocating resources to Destination Marketing Organizations recognized by the State to market all regions of the State and work cooperatively with the State's overall marketing campaign. This also includes promoting industries and destinations in New Jersey that have been most impacted by the COVID-19 pandemic, such as food and liquor establishments across the State. The division will identify other

such areas that have been impacted by the pandemic and allocate the resources provided by this bill accordingly.

New Jersey is not the only state to experience this level of disruption in these industries. The “American Rescue Plan Act of 2021” recently enacted specifically cites the damage to the hospitality industry. The federal legislation requires that 25 percent of the monies appropriated to state, local, and tribal governments be directed to the hospitality industry. Tourism, as part of the hospitality industry, has been severely impacted and the appropriation to this industry is paramount for its survival.

Assembly Bill No. 5689 (1R) is identical to Senate Bill No. 3830 of the 2020-2021 session.