

2015

support

**THE I♥NY MATCHING GRANT
PROGRAM**

TOURISM INDUSTRY COALITION

Tourism is the *heart* of the Economy

continue to

**PUMP UP THE STATE'S
ECONOMY**

TOURISM INDUSTRY COALITION

Tourism is the *heart* of the Economy

Authored by **New York State Tourism Industry Coalition**

Executive Summary

Tourism Economic Growth:

Travel & tourism remains a vital and growing component of the New York State economy. In 2014, New York's tourism industry has grown in revenue, job creation, the number of visitors, and hotel occupancy.

Tourism Visitors:

The number of visitors to New York in 2014 is projected to be 227.5 million, growing by 8.7 million, a 4.0% increase over 2013.

Tourism Revenue:

In 2013, the tourism industry generated \$7.7 billion in state and local taxes with direct spending reaching \$61.3 billion, an increase of 7% since 2012.

In 2014, New York's hotels sold over 56 million rooms with associated \$8.7 billion in hotel room revenue. As of December 2014, New York's hotel occupancy rate is 65.8% which is over 13% higher than the national rate.

Tourism Jobs:

One of New York's biggest employers across the state. Tourism is now the fourth largest employer in New York, moving ahead of both finance and insurance in 2013.

In 2014, the Leisure & Hospitality Industry average annual employment was 853,100. An increase of 21,000, or 2.54% over 2013.

Keep Investing:

The Tourism Industry of New York State recommends that the State budget increase to **\$4.815 million for the 2015-2016 I♥NY Matching Grant Program.**

I♥NY Matching Grant Program



- The State’s Matching Grant Program is a local assistance program which is used by county and regional tourism entities to work cooperatively for advertising, research, promotion and tourism marketing programs. The Program develops and implements marketing strategies; coordinates domestic and international outreach; works with a variety of public and private sector marketing interests; and reviews the following tourism and economic development marketing and advertising programs.
- Given the Matching Grant Program’s track record as a revenue source for State and local governments, as well as a job generator, tourism is not only a wise investment, but a critical one that yields unmatched and well sustained returns for New York’s economy.
- The industry agrees with the Governor and the Legislature that familiarity of the I♥NY brand is second to none in promotion and marketing. The State’s commitment to tourism in recent years has led New York on the road to economic recovery and served as the nucleus for partnerships and stability for our industry.

What happens if the Program Goes Away (The Concern)?



Absent these funds, county and regional government advertising and digital marketing programs would be difficult to sustain. Smaller destinations would definitely feel the affect without the matching grant program. In many cases, the program supplies the majority of their marketing budget. If matching funds are not appropriated many of the regional programs will not exist and many of the county programs would be reduced.

A diversion of matching fund dollars would create financial pressure, in an industry that is a proven economic and job generator across all of New York

Local Success & Investment



The Tourism Matching Grant program has led to unparalleled local investment and partnerships across New York. The program has created more opportunities for cooperative marketing thus allowing local governments much needed flexibility in their overall budgets.

The State I♥NY program is an important partner as well—setting the tone and overall marketing strategies that helps guide investments at the local and regional level.



To that end, we request that the State’s **Tourism Matching Grant Program** be increased to a new level of

***\$4.815 million for the
2015-2016 I♥NY Matching Grant Program***

so that the industry, along with its State and local partners continue to flourish.



Highlighted here are specific examples of Matching Grant Program successes

By the Number\$...

- The number of visitors to New York in 2014 is projected to be **227.5 Million**, growing by 8.7 million, a 4.0% increase over 2013.
- Direct spending for 2013 is at **\$61.3 Billion**, up 7% over 2012

Tourism Tax Generation State vs. Local

Travel-Generated Taxes				
(US\$ Million)				
Tax Type	2010	2011	2012	2013
State Tax Subtotal	2,784.3	2,974.8	3,142.3	3,247.5
Corporate	535.2	574.3	609.0	630.1
Personal Income	857.38	908.6	950.7	980.2
Sales	1,143.09	1,226.5	1,300.6	1,345.7
Property	0.0	0.0	0.0	0.0
Excise and Fees	150.83	161.8	173.6	179.7
State Unemployment	97.8	103.6	108.4	111.8
Local Tax Subtotal	3,710.9	3,905.1	4,095.6	4,222.4
Corporate	711.6	763.5	809.6	837.7
Personal Income	191.0	202.4	211.8	218.4
Sales	762.1	817.6	867.0	897.1
Property	1,949.2	2,017.5	2,095.5	2,153.6
Excise and Fees	97.0	104.1	111.7	115.6
State Unemployment	0.0	0.0	0.0	0.0

- Tourism generated \$3.2 billion in state taxes in 2013.
- Tourism generated \$4.2 billion in local taxes in 2013.

I♥NY DIRECT SUPPORT OF LOCAL TOURISM ACROSS NY STATE:

New York State goes beyond engaging in tourism activities itself; state government also works to support local and regional partners across New York in their tourism efforts. For example, the Division of Tourism purchases tourism research on an annual basis, not only to stay informed about the latest trends in travel and measure the impact of its marketing and promotional programs, but also to provide a powerful tool to local tourism partners like **Tourism Promotion Agents (TPAs)** for use in their planning and reporting.

The Economic Impact of Tourism in New York State report provides detailed information down to the county level, including data on direct spending, wages, employment and local, state and federal taxes generated as a result of visitor spending in the tourism industry.

In addition, a Visitor Profile Report provides detail about the demographic profiles, state of origin, activity participation, length of stay and spending of visitors. New York State's greatest support of local and regional tourism efforts, however, probably comes in the form of tens of millions of dollars of funding that is provided to TPAs, municipalities, non-profit organizations, public benefit corporations and others to promote tourism destinations, support tourism related special events and improve tourist attractions.

The Division of Tourism administers a **Tourism Matching Funds Program** to provide funds to local TPAs for the planning and promotion of marketing programs. The aim of the funding is to allow local regions to reach new market areas and expand programs that will create new or sustain current numbers of overnight visitation. TPAs are encouraged to consider the most effective and efficient marketing program and media mix to stimulate tourism in the local and regional economy.

County-by-County
Economic Impact of Tourism:
Jobs and Tax Revenue

Data is from 2013 Tourism Economics Study of
NYS for Division of Tourism and US Census Bureau

Includes Tourism Tax Benefit / Household

Region 1: Chautauqua-Allegheny

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Allegheny	\$3,890,044	\$3,158,994	7,049,038	10.9%	\$372
Cattaraugus	\$14,076,721	\$11,438,534	25,515,255	39.3%	\$787
Chautauqua	\$18,485,509	\$13,901,450	32,386,958	49.9%	\$584
TOTAL	\$36,452,274	\$28,498,978	64,951,251	100.0%	\$608

Region 2: Greater Niagara

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Erie	\$108,185,278	\$88,022,720	196,207,998	70.1%	\$517
Genesee	\$6,377,427	\$5,067,078	11,444,505	4.1%	\$478
Niagara	\$36,339,683	\$28,781,899	65,121,582	23.3%	\$735
Orleans	\$1,465,339	\$1,261,620	2,726,959	1.0%	\$172
Wyoming	\$2,337,778	\$2,016,397	4,354,175	1.6%	\$280
TOTAL	\$154,705,505	\$125,149,715	279,855,220	100.0%	\$535

Region 3: Finger Lakes

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Cayuga	\$6,527,666	\$5,206,089	11,733,755	3.3%	\$369
Chemung	\$6,222,290	\$5,269,207	11,491,497	3.2%	\$323
Cortland	\$4,383,898	\$3,830,923	8,214,822	2.3%	\$459
Livingston	\$2,862,535	\$2,532,925	5,395,460	1.5%	\$223
Monroe	\$73,218,463	\$54,331,640	127,550,103	35.6%	\$435
Onondaga	\$61,706,681	\$44,306,308	106,012,989	29.5%	\$578
Ontario	\$13,483,364	\$10,646,739	24,130,103	6.7%	\$555
Schuyler	\$2,558,104	\$1,890,479	4,448,583	1.2%	\$585
Seneca	\$3,137,171	\$2,632,756	5,769,927	1.6%	\$435
Steuben	\$8,560,542	\$6,606,249	15,166,790	4.2%	\$369
Tioga	\$2,137,755	\$1,753,406	3,891,161	1.1%	\$190
Tompkins	\$13,407,200	\$9,725,846	23,133,047	6.4%	\$600
Wayne	\$2,158,650	\$1,959,096	4,117,746	1.1%	\$113
Yates	\$4,379,200	\$3,353,354	7,732,554	2.2%	\$810
TOTAL	\$204,743,520	\$154,045,017	358,788,536	100.0%	\$450

Region 4: Thousand Islands

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Jefferson	\$16,090,383	\$12,726,009	28,816,392	50.8%	\$644
Oswego	\$7,512,148	\$6,727,561	14,239,710	25.1%	\$312
Saint Lawrence	\$7,526,159	\$6,131,594	13,657,753	24.1%	\$327
TOTAL	\$31,128,690	\$25,585,164	56,713,854	100.0%	\$429

Region 5: Adirondacks

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Clinton	\$8,357,431	\$6,806,643	15,164,074	9.7%	\$481
Essex	\$26,703,434	\$20,415,030	47,118,464	30.2%	\$2,933
Franklin	\$6,944,947	\$6,309,332	13,254,279	8.5%	\$700
Hamilton	\$4,481,084	\$3,819,019	8,300,103	5.3%	\$3,604
Lewis	\$3,016,758	\$2,207,006	5,223,764	3.4%	\$493
Warren	\$37,383,707	\$29,402,826	66,786,532	42.9%	\$2,352
TOTAL	\$86,887,360	\$68,959,856	155,847,216	100.0%	\$1,445

Region 6: Central

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Broome	\$18,369,498	\$14,995,899	33,365,398	14.6%	\$416
Chenango	\$1,861,327	\$1,519,473	3,380,800	1.5%	\$169
Herkimer	\$6,284,595	\$5,914,605	12,199,200	5.3%	\$461
Madison	\$5,500,874	\$4,429,626	9,930,500	4.3%	\$369
Montgomery	\$2,420,877	\$1,846,335	4,267,212	1.9%	\$213
Oneida	\$72,874,599	\$64,746,914	137,621,513	60.2%	\$1,503
Otsego	\$12,232,551	\$9,181,174	21,413,724	9.4%	\$866
Schoharie	\$3,506,049	\$2,893,461	6,399,510	2.8%	\$500
TOTAL	\$123,050,370	\$105,527,487	228,577,857	100.0%	\$755

Region 7: Capital-Saratoga

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Albany	\$65,602,885	\$48,953,308	114,556,193	53.8%	\$927
Fulton	\$3,347,440	\$2,770,521	6,117,961	2.9%	\$267
Rensselaer	\$7,274,691	\$5,952,667	13,227,358	6.2%	\$208
Saratoga	\$28,109,591	\$23,905,747	52,015,338	24.4%	\$593
Schenectady	\$12,132,449	\$11,162,227	23,294,676	10.9%	\$400
Washington	\$2,050,562	\$1,652,144	3,702,706	1.7%	\$150
TOTAL	\$118,517,618	\$94,396,613	212,914,232	100.0%	\$559

Region 8: Catskills

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Delaware	\$5,413,288	\$4,566,000	9,979,288	7.5%	\$495
Greene	\$9,888,693	\$8,147,601	18,036,294	13.5%	\$953
Sullivan	\$23,897,596	\$19,901,396	43,798,992	32.9%	\$1,488
Ulster	\$33,673,583	\$27,711,050	61,384,632	46.1%	\$876
TOTAL	\$72,873,160	\$60,326,047	133,199,206	100.0%	\$961

Region 9: Hudson Valley

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Columbia	\$7,384,080	\$6,472,632	13,856,712	3.6%	\$540
Dutchess	\$34,371,429	\$26,395,616	60,767,045	15.8%	\$567
Orange	\$28,938,788	\$23,859,055	52,797,844	13.7%	\$423
Putnam	\$3,932,957	\$3,041,636	6,974,593	1.8%	\$199
Rockland	\$27,065,090	\$22,869,006	49,934,096	13.0%	\$509
Westchester	\$108,957,605	\$92,265,092	201,222,698	52.2%	\$582
TOTAL	\$210,649,949	\$174,903,038	385,552,987	100.0%	\$523

Region 10: Long Island

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Nassau	\$160,868,687	\$137,266,158	298,134,845	46.7%	\$673
Suffolk	\$188,496,783	\$152,193,944	340,690,727	53.3%	\$686
TOTAL	\$349,365,471	\$289,460,101	638,825,572	100.0%	\$680

Region 11: New York City

Tourism-Generated Taxes 2013	Local Taxes	State Taxes	Total	Region Share	Tax Savings per Household
Bronx	\$60,711,721	\$41,396,769	102,108,490	2.1%	\$216
Kings	\$124,654,671	\$98,504,006	223,158,677	4.5%	\$246
New York	\$2,098,389,497	\$1,555,605,081	3,653,994,578	73.7%	\$4,982
Queens	\$527,424,956	\$410,180,067	937,605,023	18.9%	\$1,213
Richmond	\$22,830,312	\$14,945,553	37,775,865	0.8%	\$231
TOTAL	\$2,834,011,157	\$2,120,631,476	4,954,642,633	100.0%	\$1,624

Data Sources

Hotel Occupancy:

Smith Travel Research

Visitor Spending and Taxes (projected):

2013 Tourism Economics Report
US Travel Association
Longwoods International

Tourism Visitors (projected):

2013 Longwoods International – domestic visitation
U.S. Dept. of Commerce and Statistics Canada - international visitation
U.S. Travel Association – domestic and international

Employment Data:

NYS Department of Labor 2014 Leisure & Hospitality sector monthly report
2013 Tourism Economics: monthly industry employment reports

Tourism Economics, headquartered in Philadelphia, is a distinct unit of Oxford Economics USA dedicated to providing robust and relevant analyses of the tourism sector that reflects the dynamics of local and global economies.

Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice

NYS Dept. of Economic Development - Division of Business Advocacy and Research Empire State Development

Longwoods International is a respected leader in marketing, advertising, and public opinion research

STR provides a single source of hotel data covering daily and monthly performance data, forecasts, annual profitability, pipeline and census information.

US Travel Association provide widely-respected, industry-leading economic data, information, analysis and travel trends to benefit our members and support industry efforts involving advocacy and promotion.

Statistics Canada expenditures, employment, prices, and other socio-economic characteristics associated with tourism in and from Canada.

US Department of Commerce (DOC). ESA provides timely economic analysis, disseminates national economic indicators.

New York State Department of Labor's—the premier source of labor market information in the state. From wages to projections to the latest job figures, the Department of Labor has the most current and accurate labor market information available.