RE: OPPOSE H.B. No. 7148 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNium ENDING JUNE THIRTIETH, 2021, AND MAKING APPROPRIATIONS THEREFOR.

Dear Sen. Osten, Rep. Walker, and members of Appropriations Committee,

The Connecticut Lodging Association (CLA) strongly supports continued funding of statewide marketing. CLA is concerned with Governor Lamont’s midterm budget proposal and the lack of appropriate funding to Statewide Tourism Marketing. Tourism is an essential economic driver and revenue stream, for the well-being of Connecticut.

- **H.B. 7148 TOURISM FUND**: Only 33% of the tourism fund is allocated to statewide marketing.
  - Total Revenues Deposited = $12,894,988
  - Statewide Marketing = $4,380,912
  - All other “line items” combined = $8,514,076

The key to marketing success is repetition of the message. With insufficient marketing funds, Connecticut cannot compete effectively in the tourism industry. Consumers are being inundated with tourism advertisements from across the country and the world. Without significant investment in tourism marketing, Connecticut will, once again, fall off the map.

With a 15% occupancy tax, the lodging industry financially supports many of the State’s programs beyond tourism marketing. In fiscal year 2018, the occupancy tax generated over $130 million for the state’s coffers. Continued marketing would significantly increase that contribution year over year.

**CLA SUPPORTS A DEDICATED TOURISM FUND FOR STATEWIDE TOURISM MARKETING**

- CLA SUPPORTS 20% of the occupancy tax to be allocated to the tourism fund.
- CLA SUPPORTS the Tourism Fund, allocating 60% of the fund to statewide tourism marketing and 40% for other items.
- CLA SUPPORTS changing the title of Statewide Marketing to Statewide Tourism Marketing.
- CLA OPPOSES occupancy tax increases. CT’s 15% hotel is already the highest statewide hotel tax in the nation, to increase would only push visitors to neighboring states and result in loss of revenue.

We ask you today to oppose Governor Lamont’s budget as proposed, recognize the value of statewide tourism marketing, and support increase of funds to bring in visitors and revenue to Connecticut. Connecticut is in a challenging position with the current budget situation but tourism is an essential economic driver for the well-being and future of Connecticut. Support tourism investment, oppose tax hikes.

Thank you for your time, effort and your support for a better Connecticut.

Sincerely,

Ginny Kozlowski, Executive Director
Connecticut Lodging Association