

IOWA TOURISM

TOURISM PRIORITIES

TOURISM FUNDING

Iowa's tourism industry grows the economy and generates jobs. In 2016, visitors to Iowa spent billions of dollars and generated millions in state tax revenue. Traveler spending reduces the tax burden on Iowans and subsidizes important public programs on which Iowans rely.



THE IOWA TOURISM
INDUSTRY IMPACT
IN 2016 WAS

\$8.23
BILLION

AN INCREASE OF
2% FROM 2015

THE INDUSTRY GENERATED:

\$502.3
MILLION IN

STATE &
LOCAL
TAXES

Travel Federation of Iowa supports funding to the Iowa Economic Development Authority, specifically for the Iowa Tourism Office and Tourism Marketing.

In FY 2015-2016, Iowa spent \$2.78 million on promotional and marketing efforts. Continuing to invest in tourism marketing will allow the state to remain competitive, increase market share and generate additional traveler spending, and increase tax revenue for the state of Iowa.

SCHOOL START DATE

In 2015, the School Start Law was passed setting the earliest school start date at August 23. In 2018, two new bills were introduced to alter the school start date:

SF 2063 by Senator Randy Feenstra (District 2) would allow schools to start on the Wednesday before the 23rd if the 23rd falls on a Thursday or Friday.

SF 2064 by Senator Mark Lofgren (District 46) would change the law to allow school to start on whichever is earlier, August 23rd or the Monday after the State Fair.

Travel Federation of Iowa is registered in opposition to both of these bills. Iowa tourism is affected by early school start dates as it reduces the number of domestic travelers to Iowa attractions during the month of August. This, in turn, leads to a decrease in consumer spending and less state tax revenues.

TFI EXECUTIVE COMMITTEE

Andy Milam, Shrine of the Grotto of the Redemption, West Bend (WITR)
Libbey Hohn, Clear Lake Area Chamber of Commerce (CITR)
Aaron McCreight, Go Cedar Rapids (EITA)
Greg Edwards, Catch Des Moines (CITR)
Shirley Phillips, Ex. Dir. Western Iowa Tourism Region (WITR)
Keith Rahe, Travel Dubuque, (EITA)

THE MATH IS SIMPLE!

For example, tourism in Okoboji is a huge revenue generator:

\$1 MILLION per day

is how much Okoboji loses in revenue for every day school starts before September 1st.

WHERE'S THE REVENUE?

7% sales tax collected = **\$70,000**

HOW DOES THAT BREAK DOWN?

5% goes to the general fund = **\$50,000**

(over 40% of the state general fund goes directly to education)

1% to the local tax option = **\$10,000**

1% tax to the state's general education fund = **\$10,000**

If the school start date is August 22, that is 9 days before September 1. So $9 \times \$10,000 =$

\$90,000

that Okoboji alone could've contributed to the state education budget.

IOWA TOURISM

SUPPORTED INITIATIVES

DRAM REFORM

Travel Federation of Iowa supports the Iowa Restaurant Association's efforts to pass legislation to update Iowa's DRAM Shop laws in order to bring them more in line with surrounding states and decrease the burden on Iowa Restauranters.



DRAM: innocent victim insurance, an exclusive requirement for restaurants and bars who sell and serve alcohol. Those who sell, but do not open the package, are not held responsible when consumers overdrink and cause injury or damage to others.

The Iowa Restaurant Association has collaborated with several insurance groups to create an aggressive DRAM reform bill. SSB 1179, if passed, will:

- Cap liability on operators.
- Place more responsibility on those who over consume.
- Change the standard of liability for servers and owners from "known or should have known" someone who became intoxicated to "served a visibly intoxicated person".
- Should help drive down the cost of liquor liability insurance for restaurant and bar owners.

IWILL (IOWA WATER AND LAND LEGACY) OR WATER QUALITY

Travel Federation of Iowa supports water quality initiatives that include funding for tourism and quality of life components that showcase Iowa's beauty and improve Iowa's workforce efforts.

- In 2010, 63% of Iowans voted for the Natural Resource and Outdoor Recreation Trust Fund, with a sales tax increase of 3/8 of a cent for funding. Years later, the Trust Fund sits empty.
- In a November 2017 poll, 83% of Iowans now support the Trust Fund and 69% support increasing the sales tax by 3/8 of a cent for funding.

Economic Benefits

- Provides funding necessary to providing quality of life components like trails and outdoor recreation.
- These quality of life initiatives ensure that Iowa can attract and retain a qualified workforce while also guaranteeing that Iowa and its communities reap the economic benefits and vibrancy that is generated by ecotourism.
- Iowa outdoor recreation generates \$8.7 billion in consumer spending, \$2.7 billion in wages and salaries, 83,000 direct Iowa jobs and \$649 million in state and local tax revenue.

Now is the time to fund the Natural Resource and Outdoor Recreation Trust Fund.



ENHANCE IOWA

Travel Federation of Iowa supports efforts to invest in programs that enhance Iowans' quality of life such as trails funding and the Community Attraction and Tourism program.