

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 5689

# STATE OF NEW JERSEY

DATED: JUNE 16, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5689.

This bill makes a supplemental appropriation of \$25 million from the General Fund to the Department of State to fund the advertising and promotion of New Jersey's travel and tourism industry.

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.

#### FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.