DEPARTMENT: Tourism

BY: Susan T. Crain
PHONE: 966-3685

RECOMMENDED ACTION AND JUSTIFICATION: Request and recommend the Board of Supervisors authorize the Chairman to sign the letter(s) in support of State funding for the California Travel and Tourism Commission (CTTC). California is in 31st ranking in the nation for tourism. This is due to the lack of funding in CA and an increase of funding in other states.

BACKGROUND AND HISTORY OF BOARD ACTIONS: The CTTC was established by the Legislature in 1995. Through the CTTC, the travel industry is able to assess itself, raising $6.8 million annually. The State is required to allocate $7.3 million to this effort, per the agreement of the California Tourism Marketing Act. From 1998 through 2002 that is exactly what happened. The tourism market budget was fully funded at approximately $14 million annually ($6.8 million plus $7.3 million) and California's domestic tourism market share increased from 9.7 percent to 11.5 percent, reversing a decade-long decline. However, for the past two years the State has not funded its portion of the partnership. Consequently, right now California stands at 31st in the nation in overall state spending to promote tourism and attract visitors. Two positive goals have been achieved thus far with the approval of $5 million dollars for tourism marketing by the Assembly Budget Sub-4 committee, and the recent letter of recommendation from the Governor through the Department of Finance to the Legislature to restore the funding at $7.3 million. Historically the board of Supervisors has supported the tourism industry and it is necessary to do so again.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION: If not approved the State of California's tourism market will continue to decline as potential visitors will think first of destination states that stay top of mind through consistent advertising. This will affect Mariposa County. You are very aware of the counties dependency on the tourism industry. Not only will businesses suffer but the services to county residents will also with the possible decline in TOT.

<table>
<thead>
<tr>
<th>Financial Impact? ( ) Yes (X) No</th>
<th>Current FY Cost: $</th>
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<tbody>
<tr>
<td>Budgeted In Current FY? ( ) Yes ( ) No ( ) Partially Funded</td>
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<td>Amount in Budget: $</td>
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<td>Additional Funding Needed: $</td>
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<td>Source:</td>
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<td>Internal Transfer</td>
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<td>Unanticipated Revenue</td>
<td>4/5's vote</td>
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<tr>
<td>Transfer Between Funds</td>
<td>4/5's vote</td>
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<tr>
<td>Contingency</td>
<td>4/5's vote</td>
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<tr>
<td>( ) General ( ) Other</td>
<td></td>
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</tbody>
</table>

Financial Impact? ( ) Yes (X) No Current FY Cost: $ Annual Recurring Cost: $

List Attachments, number pages consecutively

Draft letter to Wesley Cheshire
Draft letter to John Laird

CLERK'S USE ONLY:
Res. No.: 2003-04
Ord. No. ______
Vote – Ayes: ______
Noes: ______
Absent: ______

( ) Minute Order Attached ( ) No Action Necessary

Approved

Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: ____________________________

COUNTY ADMINISTRATIVE OFFICER:
Requested Action Recommended
_____ No Opinion

Comments:

CAO: ____________________

Revised Dec. 2002
May 17, 2005

The Honorable Wesley Chesbro  
Chair Senate Budget Committee  
State Capital Room 5035  
Sacramento, California 95814

Dear Senator Chesbro:

Mariposa County supports full funding of the California Travel and Tourism Commission (CTTC), which is vital to the economy of our county and California. Tourism is the largest private sector employer in the county. Last year transient occupancy tax provided $7.5 million dollars to the general fund. This does not include the gas purchased, meals bought, and items purchased from our stores.

Funding the CTTC is critical as this investment gives the unique opportunity to stimulate California's economy, generating new spending, employment opportunities and tax revenues, by aggressively promoting the state to prospective travelers. We understand that the State is facing difficult budget decisions, however this funding should be considered an investment from the State and the Industry, guaranteed to infuse much needed revenues, jobs, and tax dollars for California.

Mariposa County respectfully requests that you do whatever you can to ensure the state fully funds the CTTC in the upcoming budget. Please contact me if I can provide you with additional information related to Mariposa County Tourism. Thank you for your consideration.

Sincerely,

[Signature]

BOB PICKARD  
CHAIRMAN

cc:  Honorable Governor Arnold Schwarzenegger  
Honorable Assemblyman David Cogdill  
Honorable Senator Charles Poochigian  
California Travel Industry Association  
Mariposa County Board of Supervisors  
Regional County of Rural Counties  
California State Association of Counties
May 17, 2005

The Honorable John Laird
Chair Assembly Budget Committee
State Capital Room 6026
Sacramento, California 95814

Dear Assembly Member:

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Sincerely,

Bob Pickard
Chairman

cc: Honorable Governor Arnold Schwarzenegger
Honorable Assemblyman David Cogdill
Honorable Senator Charles Poochigian
California Travel Industry Association
Mariposa County Board of Supervisors
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