

House proposal would establish tourism council

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WASHINGTON -- A House chairman on Wednesday announced legislation creating a presidential advisory council on tourism, a move that would boost the industry's visibility in hopes of luring back high-paying international travelers to the United States.

Rep. Cliff Stearns, R-Fla., said travel and tourism should always have the ear of the president because they account for one in seven U.S. jobs.

Stearns said he wanted to build on a Commerce Department board created last year to spend \$50 million to promote America overseas.

"The international tourist provides a much bigger bang for the buck," Stearns said.

Stearns is chairman of the House commerce, trade and consumer protection subcommittee. He announced his bill at a hearing he led on the health of the tourism industry, and it was endorsed by a variety of officials who testified on the industry's continuing recession.

"This is what we're all pushing for so the CEOs of the industry can advise the government where to go," said William Edwards, vice president of Hilton Hotels Corp.

Foreigners are visiting America less and airline, restaurant, hotel, theme parks, and casinos are generating lower revenues, forcing many to lay off workers and fight bankruptcy, industry officials testified.

Michael Sternberg, a Washington, D.C., restaurant owner, said the industry never has recovered from the Sept. 11, 2001, terrorist attacks.

"Today, this very same industry faces yet another wave of challenges. The uncertainty of the nation's economy, the war in Iraq, heightened concerns about possible terrorist threats on U.S. soil and international health threats, all have slowed or reversed any recovery that was occurring in the travel and tourism industry," Sternberg said.

Last year, international arrivals were down 7 percent and foreign visitors are expected to stay away because of added fears from the severe acute respiratory syndrome virus. Nevada's casinos for the first year since 1981 reported a revenue decrease last year, according to Rep. Jon Porter, R-Nev. Las Vegas tourism officials have cited lower room occupancy rates, and fewer bookings at restaurants and shows.

Porter who submitted testimony supporting the council, said Nevada's foreign advertising would be boosted by a national pitch overseas.

"Most every state in the union is impacted by tourism," Porter said. "September 11th really put into perspective that we don't have a unified effort. It literally put Nevada out of business for several months."

The Nevada Commission on Tourism is targeting Japanese and Chinese visitors but would like help from the federal government.

"There's no doubt the U.S. needs to have a stronger and ongoing marketing presence overseas," said Chris Chrystal, spokeswoman for the Nevada Commission on Tourism. "There are huge markets out there that are undeveloped and underutilized."

At the hearing, Democrats chastised Republicans for not addressing the economy, saying tourism would pick up if Americans had jobs and more money in their pocket.

"Travel and tourism is just one aspect of the downturned economy," said Jan Schakowsky, D-Ill. "The negative impact the presidential tax policy has had on the economy includes the industry we're focusing on today."

Schakowsky also criticized Republicans for tarnishing America's reputation overseas.

"We can spend \$50 million but when we do things like rename french fries and engage in name calling we'll have to spend that money just to make up for the ground lost and for things we inflicted on ourselves," Schakowsky said.

Other lawmakers said they were concerned an American SARS epidemic could cripple tourism nationwide.

In Toronto, SARS has lowered hotel occupancy rates from 70 percent to 30 percent, according to the Hotel Employees & Restaurant Employees International Union.

"If the same crisis, heaven forbid, were to befall any number of major U.S. cities where tourism is the top or second ranking source of employment, the consequences would be equally horrific," said Matthew Walker, vice president of the union.

Industry heads also asked Congress to consider reinstating a full meal and entertainment tax credit, which Congress reduced to 50 percent in 1993.