



COMMENTS FOR THE NYS DIVISION OF BUDGET
PUBLIC HEARING IN SYRACUSE, NY
NOVEMBER 27, 2007

Budget Director Paul Francis, Elected Officials, dignitaries, ladies and gentlemen, welcome and thank you for coming to hear from the residents of the Finger Lakes Region. We appreciate the opportunity to share with you our budget priorities and praise the changes that have been made in the State Budget process. We are particularly impressed with your new requirement that a review of the financial impact on local government be done on State budget decisions.

As a representative for tourism in the Finger Lakes region, the Finger Lakes Tourism Alliance is the official regional Tourism Promotion Agency. As stewards of tourism in the region we would like to thank you for the 45% increase in I Love NY, matching funds campaigns in the prior budget year. Tourism is a vital economic driver in our region, so your continued investment in tourism is greatly appreciated. A study prepared by Oxford Economics in 2005 indicated that yearly tourism expenditures in the Finger Lakes Region by visitors were estimated at \$2.2 billion. These expenditures resulted in tax relief of \$387.63 per Finger Lakes household. Investing in tourism drives the local economies and provides tax relief to the residents of New York State.

Rates of return on investment vary from study to study, but all indicate that tourism yields a high rate of return. In a recent communication from the State entitled "SPITZER IS TOURISM INDUSTRY'S VALENTINE", ROI was quoted as follows "Overall the entire \$15 million I Love New York marketing program in 2005 resulted in a healthy return on investment of \$7 dollars for every \$1 dollar of investment". With this rate of return, the State should once again consider an increase in tourism funding.

Tourism is a highly competitive industry, with the Finger Lakes region attempting to garner market share. Although last year's budget increase of \$5M for tourism went a long way in closing the competitive gap, we still lag behind some of our adjoining states in total dollars spent on tourism. To continue to grow market share and maintain our competitive edge, we need to ensure that we are investing in tourism at a rate comparable to the competition.

Mr. Francis, as you put your recommended budget before our Governor, remember that tourism is a major economic driver for the region as well as the State. Please ensure that additional dollars are allocated to the efforts of tourism. It is an investment opportunity that we as a State cannot afford to overlook.

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Finger Lakes Tourism Alliance

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