

# **MACVB and MTC Issue a Joint Statement Regarding the \$10 Million Dollar Expenditure Restriction to the Missouri Division of Tourism's FY18 Budget**

For Missouri to successfully reach potential visitors to our state, effective advertising is critically important. It's all about reach and frequency; reaching the right audience with the right message at the right time and often enough to impact their decision making.

Missouri's travel industry creates jobs, tax revenue and economic development.

- In FY16, Missouri welcomed 41.7 million visitors.
- Tourism's total economic impact was a record \$16.5 billion dollars.
- Visitors spend nights in our hotels, they eat in our restaurants, they shop in our stores, they tour our attractions and they fill up their gas tanks at our convenience stores.
- Visitors to Missouri make a very real difference, not only to the state's economy, but also to the 307,937 Missourians who earn their living through employment in travel and tourism related businesses.

With the recent expenditure restrictions that were announced, the budget of the Missouri Division of Tourism suffered a \$10 million dollar cut, nearly half of its overall budget. The Division's budget went from an expected \$20.3 million in FY18 to \$10.6 million. These cuts affect not only the Division of Tourism, but also Missouri's travel and tourism industry partners including destination marketing organizations, hotels, attractions, restaurants, convenience stores and associations all across our great state. While we are fully cognizant of the fiscal crisis that needed to be addressed, we do question why tourism absorbed nearly all of the \$10 million restricted from the Department of Economic Development.

In addition to their award-winning and record-breaking direct marketing campaign in 2016, the Missouri Division of Tourism also coordinates a very successful cooperative marketing program. That program provides matching funds to Missouri communities, large and small, urban and rural, to enhance the ability of those communities to invite and entice visitors to come to Missouri to enjoy all that there is to see, do and experience. This program will be substantially cut as well and the impact to the state's overall marketing efforts cuts even deeper because of the loss of local matching funds as well.

We felt it important to convey that a 50% cut to the tourism budget is sure to have a dramatic, negative impact at both a state and local level. We believe that strong support and funding of the Missouri Division of Tourism is critically important to drive tax revenue that will help strengthen the state's overall economic health. This industry is an economic driver. Simply put, tourism matters!

**Missouri Association of Convention & Visitor Bureaus and Missouri Travel Council**