April 10, 2019

The Honorable Thomas J. Umberg  
California State Senate  
Sacramento, CA 95814

Re: SB 736 (Umberg) The California Creative Economy Incentive Program - SUPPORT

Dear Senator Umberg:

On behalf of the California Travel Association, CalTravel, I am writing to express support for Senate Bill 736, the California Creative Economy Incentive Program.

CalTravel is the umbrella trade association representing the travel, tourism, and hospitality industry. In 2017, this industry generated $132.4 billion in spending, over 1.1 million jobs, and $10.9 billion in state and local taxes to support vital public services. Our membership is made up of cities, destinations, resorts, attractions, sports venues, airports, rental cars, hotels, restaurants, retail companies, ad agencies, and other organizations for whom travel and tourism is important.

SB 736 would establish the California Creative Economy Incentive Program (CEIP), to be managed by the Governor’s Office of Business and Economic Development (GO-Biz) for the purpose of administering financial support to cities, counties and joint powers agencies to aid in financing a creative economy event. This bill would also spur jobs and economic growth by providing local jurisdictions with a tool to successfully compete with local entities in other states for the purpose of attracting creative economy events.

Creative industries make significant contributions to employment and economic growth in California. Each year, dozens of cultural, sporting, agricultural, and entertainment events attract international attention. Cities and counties compete vigorously to attract these events, which provide an important source of revenue for hotels, restaurants, shopping and transportation, as well as an expansive showcase for the host cities and counties. They foster innovation and encourage spillover effects that create opportunities for other industries by attracting investment, tourism, consumer spending and by generating tax revenue.

The time is now for California to create a process that fosters growth and encourages creative economy output. For these reasons and more CalTravel supports SB 736.

Sincerely,

Barbara Newton  
President & CEO  
California Travel Association