

## Allen pushes tourism bill

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By Bill O'Brien

TRaverse CITY — A proposal in Lansing would pry up to \$30 million a year from Michigan's cash-strapped budget to pay for more tourism promotion outside of Michigan.

Backers of Senate Bill 690, introduced last week by a group that includes Sen. Jason Allen of Traverse City, said the plan would more than pay for itself by generating heightened sales and gas tax revenues through increased travel to the state.

They hope that pitch will work on state lawmakers faced with a \$1.6 billion budget shortfall for the 2007-08 fiscal year that begins Oct. 1.

"It is a difficult argument to make," said Steve Yencich, head of the Michigan Hotel, Motel and Resort Association. "But at the end of the day the budget situation will be resolved. At that point we believe those expenditures will be shown to be more than worthwhile ... it's an investment in the state's future."

Revenue estimates are based on research done by a marketing firm for the state's Travel Michigan agency that estimates \$1 spent on tourism promotion generates \$2 to \$3 in sales-tax revenue for the state, most of it within the same year.

The bill would increase funding for the state's Pure Michigan tourism promotion up to \$30 million a year, more than five times the current level of \$5.7 million a year. That figure ranks in the bottom 20 percent of tourism spending among the 50 states.

Lawmakers added a \$15 million appropriation spread over two years to help launch the Pure Michigan campaign. That money runs out this year.

Under the proposal, the state would divert sales-tax revenue to a restricted fund administered by the Travel Michigan agency for tourism marketing and promotion in other states. Money would go to the tourism fund after distribution to other restricted sales tax accounts, including the school aid fund and the Michigan health initiative fund.

The bill is backed by various travel groups that convinced state lawmakers two years ago to push back the starting date for Michigan's schools past Labor Day to help the tourism sector.

The industry is excited by the Pure Michigan campaign, which this month was named best state tourism television commercials in the country by the Travel Industry Association of America.

"The consumer feedback on this advertising campaign is just amazing," said Kirsten Borgstrom, a spokeswoman for Travel Michigan. Allen, a Republican, expects the bill to get support from both sides of the aisle.

"Tourism is a bipartisan issue," he said. "I am confident that our leadership on both sides is comfortable with this."