

Testimony of  
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UNITED STATES HOUSE OF REPRESENTATIVES  
COMMITTEE ON ENERGY AND COMMERCE  
COMMERCE, MANUFACTURING, AND TRADE SUBCOMMITTEE

HEARING entitled “Vacation Nation: How Tourism Benefits Our  
Economy.”

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**SUMMARY:**

- State-wide, 50-Million visitors come to Nevada each year.
- Tourism provides \$56-Billion to the state of Nevada, comprises 30% of the state’s employment and generates \$2.7-Billion in State and Local Tax Revenue (26% of all tax revenues in Nevada).
- The 4.5 Million visitors to the Reno-Sparks-North Lake Tahoe Metropolitan Area self-reported spending of more than \$450 per person, per day.
- Tourism accounts for a total economic impact of \$7-Billion each year for the greater Reno-Tahoe community.
- Leisure & Hospitality is the leading sector for job growth in the Reno Metropolitan Statistical Area; adding 1,500 jobs from March 2012 to March 2013.
- Recommendations: Reauthorize Brand USA, end discriminatory practices that prohibit agencies from holding conventions in places deemed “resorts,” and become involved in the conversation by talking with Nevada’s Representatives or by joining the Travel and Tourism Caucus.

Good Morning. I am Sharon Zadra and I'm before you as a representative of the Reno-Sparks Convention and Visitors Authority, and I'll be discussing the importance and economic impact of tourism throughout Washoe County and Northwestern Nevada. Thank you for allowing me to be here today.

Nevada is one of the 15 smallest states in the Union, by population, and thrives on the beneficial economic impacts of tourism. The Nevada Commission on Tourism estimates that more than 50-Million visitors come through Nevada each year, and there is no question that Tourism is Nevada's largest export industry.

Tourism infuses more than \$56-Billion into the state of Nevada: providing 30% of the state's employment and generates \$2.7-Billion in State and Local Tax Revenue, representing roughly 26% of all tax revenues in Nevada.

This impact is similar in Washoe County as it is throughout the rest of the state. According to the latest Census data, there are more than 425,000 residents in the greater Reno-Sparks-North Lake Tahoe Metropolitan Area, which welcomes 4.5 Million visitors each year. In a recent Visitor Profile Study of Washoe County, conducted by EMC Research, Incorporated, visitors to the area self-reported spending of more than \$450 per person, per day. Which, at an average length of stay of 3 ½ days, translates into a total economic impact of \$7-Billion of tourism related spending each year for the greater Reno Tahoe community.

Though business leaders in the northern Nevada community are working to diversify our economy, with recent acquisitions such as a \$1-Billion Apple Data Processing Center along with a number of major distribution centers such as Wal-Mart and Amazon, there is no question that tourism will continue to be the fuel of our economic engine for years to come.

Washoe County has known the importance of Tourism for decades, and has made significant investments in promoting, improving and expanding on the wide variety of events and activities for visitors to enjoy. Recent capital improvements of just two hotels, Peppermill Resort Spa Casino and Atlantis Casino Resort Spa, total more than \$500-Million in improvements and expansions of restaurants, spas, hotel accommodations and meeting facilities. Additionally, the City of Reno has ventured with private entities to construct and improve more than 600-Thousand square feet of convention and entertainment venues in the National Bowling Stadium, the Reno Events Center, the downtown Reno Ballroom and, most recently, the \$58-Million Triple-A Reno Aces Stadium, which will play host to the Triple-A All-Star Game this July. All of these properties are located within three blocks of one another in downtown Reno, the major hub for tourist traffic throughout the year.

The draw of Lake Tahoe, which is “America’s Greatest Lake,” according to the readers of USA Today, cannot be underestimated. But one of the attributes that truly sets northern Nevada apart, and helps drive Tourism to the area, is our special events season. Hundreds of thousands of people fill downtown Sparks during the Best in the West Nugget Rib Cook-off, when barbecue companies come from all over the nation for a chance to call their ribs “The Best in

the West.” Thousands of people come from all around the globe to watch the only closed-course pylon air race in the world, every September when the National Championship Air Races come to town. The entire country can see the beauty of the region while walking the immaculate greens and fairways of Montreux Golf & Country Club during the PGA Tour event called the Reno-Tahoe Open. The Reno-Sparks area is the hub for more than 50,000 “Burners” who come from all over the world to venture out to the Black Rock Desert for the counterculture and art festival known as Burning Man. More than 11,000 of them fly in and out of Reno-Tahoe International Airport, tens-of-thousands of them stock-up on supplies in the metro area, and thousands also stay in hotels for a few days before and after the event. Just the air travel associated with Burning Man has an impact of more than \$10-Million in the community. When more than 6,000 classic cars invade the area for Hot August Nights, our hotels and restaurants are full. And we’re investing even more into one of our most successful events by bringing the world-renown car auction company, Barrett-Jackson, to Reno for one of their four events nationwide. Three of the more popular special events; Hot August Nights, Street Vibrations Fall Rally, and the National Championship Air Races, claim to infuse \$350-Million into the local economy in just the month of September each year. This is made possible by the investment of time and money, which the entire northern Nevada community has dedicated to create a successful special events season that spans 290-days every calendar year.

But, why? The answer is that all these efforts were created because of Tourism. And they all contribute to growing northern Nevada’s economy and sense of community, because we continue to invest in them, and they continue to grow.

This all lends itself to the most important, the most crucial piece of what the impact of Tourism truly means to northern Nevada. And it's the topic that's been on everybody's mind for years now: Jobs.

Leisure & Hospitality employment, ranging from restaurant and hotel employees to tour operators, ski resorts, golf courses and even taxi services, is by far the largest employer in northern Nevada. And according to a study by the University of Nevada, Reno's Center for Regional Studies, Leisure & Hospitality is the leading sector for job growth in the Reno Metropolitan Statistical Area; adding 1,500 jobs from March 2012 to March 2013. These are jobs within the arts, entertainment and recreation industries, which are all directly associated with Tourism.

And though our largest industry continues to grow from a jobs standpoint, it's of the utmost importance to this community that we continue to support it, and to help it keep growing. It is this growth in the Tourism industry that will address the needs of not only our community, but the needs found in every community in this great nation. Tourism paves our roads and builds new ones to support our growing population. Tourism builds schools and educates our children who will continue to make the right decisions at all levels of our local government, and in the executive leadership roles that will determine how best to serve our visitors so that they continue to see the Reno Tahoe area as a vacation and convention destination. It is Tourism that brings prospective business leaders to the area where they can learn how successful

businesses can be within the state, increasing regional development and diversifying the economy of northern Nevada.

Tourism's impact on the northern Nevada community cannot be overestimated. Tourism is the reason why Reno Tahoe USA is an exciting destination, and has a huge impact on the quality of life for our residents. I know that Nevada is not alone in its reliance on the Tourism Industry, and for that reason I plead for representatives from every state to support Tourism-related initiatives at every opportunity.

Moving forward, there are a number of things that this body can do to ensure the tourism industry sees sustained growth in the future. First, I would encourage the reauthorization of Brand USA when it expires in 2015. Promoting the United States as the premier tourist destination in the world and making it easier for tourists to obtain entry visas can only help our nation's economy. To be sure, there may be reforms that you might feel must be made, but it is my opinion that Brand USA will continue to play an integral role in growing the travel and tourism industry in the US.

Second, consider legislation that will end the recently-adopted practice of prohibiting official travel to specific locations perceived to be a resort or vacation destination. As far back as 2009, the American Hotel and Lodging Association reported that the some agencies had implemented limits or bans on federal government travel to "resort" locations, which would include places like Washoe County. Unfortunately, these prohibitions have been decided without concern for

whether or not holding a federal government event in the banned locale presents a savings or better value for the American taxpayer. Value to the taxpayer should always be the greatest consideration in this decision-making process.

Lastly, if any Members of Congress wish to become more involved in promoting travel and tourism throughout the country, do not hesitate to reach out to my Representative, Cong. Mark Amodei, or anyone else in the Nevada Delegation. All of my state's Senators and Representatives work tirelessly to support this important industry and are always looking for partners in this effort. Joining the bipartisan Travel and Tourism Caucus, chaired by Congressmen Jo Bonner and Sam Farr, is also a great way to join the conversation.

I hope this presentation has given you some insight to the economic and employment impacts that Tourism has on northern Nevada.

Thank you, Mr. Chairman, for allowing me to share my thoughts with the Subcommittee today and I look forward to answering any questions you may have.