

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

May 27, 2020

Honorable Gavin Newsom
Governor
State Capitol, First Floor
Sacramento, CA 95814

Dear Governor Newsom:

We are writing to you today to express our concerns about the effects restricting travel has on tourism for rural California. Given these unprecedented times, we know how hard it is to balance the safety of citizens with the health of businesses. While we understand the need for a phased approach to reopening our state, however we would like to see more detailed timelines when it comes to tourism.

As you know, rural California communities rely heavily on tourism in order to fund critical services. From an economic perspective, the tourism industry has suffered more damage than most. As tourism is a leading provider of jobs and taxes in many of these counties, a coordinated plan for the health and survival of the local lodging industry is vital to the wellbeing of the citizens of our counties and local governments. Most lodging in rural counties is comprised of small businesses, run by local residents, who do not have substantial resources to weather a prolonged economic downturn.

Tax revenue generated by tourism is desperately needed to fund their most basic services, including law enforcement, fire departments, parks and trail maintenance, community development, code enforcement, engineering, economic development and administration. All of these agencies and services rely on sales tax and the Transient Occupancy Tax (TOT) contributed by visitors when they pay for their lodging. Finally, we have to consider the sheer number of employees who are no longer working or who are working minimal hours. These men and women are tightening their belts and purchasing only what they urgently need and can afford. As time marches on, the toll is mounting on these residents, the majority of whom are not high wage earners.

If we do not reopen tourism soon, small businesses will fail, and many of the properties belonging to or rented by these businesses will go back to the banks. These properties will remain vacant in locations that are economically depressed, further reducing the tax contributions so desperately needed in our communities. Permanent job loss will decimate our communities, and the community fabric will be torn apart as people leave these communities in hopes of finding a job in more economically viable locations. Our businesses, livelihoods, and the jobs of thousands of employees—our friends and neighbors—remain in peril.

Timing is a significant key to success. The summer months represent the large majority of annual income generated in tourism. Many businesses survive all year on summer income alone. **Waiting to open until after the summer is not just a three-month delay—it is an entire year delay.** This delay will be fatal to many small businesses, and those jobs will be lost forever.

Our tourism industry feel confident they can be ready to reopen by June 1 in a safe and responsible manner. If numbers spike beyond a reasonable level, we recognize that this may need to be looked at again or adjusted as needed. The President and the CDC have set forth guidelines that we feel are adequate to ensure the safety of not only visitors to our communities, but the safety of the business owners and workers while opening back up our economy.

Tourism is a vital part of local economies and the time has come to provide a more firm date for opening so that these communities can get their lodging back open to greet their guests and allow them to start living their lives again.

Thank you for your consideration of this request. Should you have any questions, please don't hesitate to contact Senator Dahle or his Chief of Staff, Josh Cook at 916.651.4001.

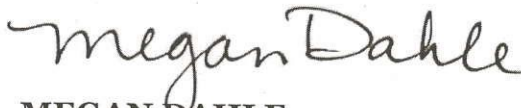
Sincerely,



BRIAN DAHLE
Senator, 1st District



SHANNON GROVE
Senate Republican Leader, 16th District



MEGAN DAHLE
Assemblywoman, 1st District