



Increase Funding for Explore Minnesota Tourism

Position: Hospitality Minnesota supports an increase to the budget of Explore Minnesota Tourism. Additional funding will allow the state to better compete with neighboring states in efforts to bring visitors and their dollars to Minnesota communities and attractions, especially when specifically directed to marketing and promotions activities. We also support HF232, which appropriates \$10 million in tourism industry recovery grant funds in FY2024 to support the restoration of meetings, conventions, events and general tourism through marketing and other programs.

Background: The current budget for Explore Minnesota lags well behind the budget of neighboring states, further limiting our ability to compete for tourism dollars and travelers. Increased spending on marketing and promotions supports a wide variety of Main Street businesses and supports jobs across numerous sectors.

Supporting Facts:

- Minnesota tourism is currently a \$16 billion industry (\$44 million per day) and supports one-in-ten Minnesota jobs paying \$6.1 billion in wages in communities across the state. Minnesota Tourism generates 18% of all state sales tax collections (over \$1 billion per year). Tourism spending creates jobs, drives spending and has a positive return-on-investment.
- Explore Minnesota Tourism indicates that in 2019 for every \$1 invested in tourism marketing, \$180 in visitor spending was generated along with \$18 in tax revenue benefit to Minnesota residents.
- The average Minnesota household would pay an additional \$625 per year without the tax revenue generated by travel and tourism.

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