



Testimony of Steve Hill
CEO / President, Las Vegas Convention and Visitors Authority
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Subcommittee on Tourism, Trade, and Export Promotion
Hearing on The State of Travel & Tourism During COVID: Industry Perspective
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Thank you, Chairwoman Rosen and Ranking Member Scott for inviting me before the subcommittee today to speak on the impact of the COVID-19 pandemic on travel and tourism. I also want to thank Chairwoman Cantwell and Ranking Member Wicker of the full committee. Congratulations on the formation of this subcommittee. The additional spotlight on the tourism industry is acutely needed right now; we appreciate your efforts to bring our issues to the forefront.

Our industry is central to the US economy; in 2019, domestic and international travelers spent \$1.1 Trillion which equates to 3% of the US GDP and supported approximately 15.8 Million jobs¹. While every economic sector was affected to some degree by the COVID-19 pandemic, the health and safety measures required to battle the spread of the virus, brought our industry to a virtual standstill with a 42% decline in US economic output and a 34% reduction in jobs².

This industry is a significant economic driver of Las Vegas, its surrounding communities and the State of Nevada. The Las Vegas Convention and Visitors Authority acts as an economic engine for the region; our mission is to promote Las Vegas as a premier destination for both business and leisure travelers; delivering both visitors and economic prosperity for the region. We create iconic global campaigns that deliver on our brand promise, growing and sustaining tourism.

As the only Destination Marketing Organization in the nation that owns a convention center, we have a unique perspective as both promoter, and stakeholder of the travel and tourism economy. We are the proud owner of the largest column-free convention space in the world, as the LVCVA has 4.6 Million square feet of convention space that is the home to the Consumer Electronics Show, World of Concrete, Mecum Auto Auctions and more. In a non-

¹ US Travel Association

² US Travel Association

pandemic year, we average roughly 60 conventions and 20 special events with a combined total of over 6.5 Million convention attendees.

In order to both serve the region and position the destination as a global leader, we have focused on innovation to help us develop more efficient and sustainable travel infrastructure for both visitors and the workforce who call Las Vegas home.

We recently acquired the region's only monorail system which serves as a quick and safe public transportation option for visitors and area residents to travel between key Las Vegas destinations. Additionally, we partnered with The Boring Company to create the Las Vegas Convention Center Loop which will allow our conventiongoers to navigate our large convention center campus through a revolutionary underground transportation system when it opens in less than a month.

While we have worked hard not to slow down our innovation agenda, the COVID-19 pandemic hit tourism the hardest and Las Vegas, harder still. Our identity as a world-renowned tourism destination, and the thousands of regional jobs that support it, were jeopardized as Las Vegas dimmed its lights to keep not only our residents safe, but contribute to the global effort to combat COVID-19. In 2020, visitor volume plummeted by 45% or to 19 Million, compared to over 42 Million visitors in 2019³. Revenue for our organization, which is driven by visitors is down 70%, and tourism revenue for the region is down by over 50%, and for the state of Nevada, 25%⁴.

The resulting economic downturn, as inevitable as it was necessary, placed Nevada once again at the forefront of an unemployment crisis for the second time in a generation. As I speak, it remains one of the highest unemployment figures in the nation, at around 8% down from a peak of 13% in the depths of the pandemic⁵. The effects were felt even more acutely in Las Vegas, which peaked at almost 15% and hovers now at 10%⁶. The LVCVA itself has had to furlough 49% and layoff 20% of our workforce in order to survive the pandemic related downturn. Although we were financially challenged, we maintained our commitment to our workforce and community, providing health insurance for our furloughed staff and serving as a COVID-19 testing site, administering over 85,000 tests in 10 months.

In order to recover, Las Vegas needs to fully reopen. In order to reopen, several factors must take place.

First – vaccine penetration must become widespread. Our Convention Center is a vaccine distribution location, administering over 150,000 vaccines to date. Clark County has administered over one million vaccines and the state of Nevada is coming along with 34%

³ LVCVA Research Center

⁴ LVCVA Research Center

⁵ US Bureau of Labor Statistics

⁶ US Bureau of Labor Statistics

vaccine penetration for our population. We are optimistic those numbers will quickly improve as Nevada moved early to offer doses to all adults 16 and older.

In addition to vaccines, the US needs to open international travel. Las Vegas relies on international visitors to deliver a significant percentage of our tourism revenue. Initiatives like replacing quarantine rules with streamlined and uniform testing rules would ensure visitors are healthy and remove the onerous and often unenforceable burden of isolation that many now experience.

Finally, implementing new safety protocols will allow our businesses to stay open in the event of future health concerns. Chairwoman Rosen is leading the effort in the Senate to help small businesses meet the challenge of updating safety infrastructure through the FRESH Air Act, which incents the installation of new air filtration systems which can help reduce the spread of viruses such as COVID-19. We thank you, Madam Chairwoman for your leadership on this issue.

The LVCVA has taken several steps to improve air filtration and ventilation throughout the convention center campus such as increasing total airflow supply and the percentage of circulated outdoor air, per CDC recommendations. We were recently awarded the Global Biorisk Advisory Council, GBAC- STAR facility accreditation from the Worldwide Cleaning Industry Association. This is the gold standard for safe facilities and ensures we have gone above and beyond to address visitor and employee safety aligned with not only state and local directives, but with emerging global standards.

As we reopen Las Vegas and our nation to leisure and business travel, the LVCVA intends to continue on its path to innovate the travel experience in Las Vegas for the benefit of our visitors, our environment and our workforce.

As the pandemic and its lingering effects change the way Americans travel, we expect more vehicular traffic coming in and out of the Las Vegas area. I-15, stretching from Los Angeles to Las Vegas and north to Salt Lake City, is already one of the most heavily trafficked stretches of highway in the nation and was identified by the US Department of Transportation as one of the nation's "Corridors of the Future." The congestion issues along I-15 not only create delays and safety challenges for travelers and freight, but also degrades air quality throughout the region.

To focus regional attention on this vital economic corridor, we are working with Members of Congress to form a Congressional I-15 Caucus and we thank you Chairwoman, for working to make this Caucus a reality in the Senate. We look forward to partnering to find modern solutions to support the vitality of the corridor.

Additionally, as we look ahead, we are partnering with our regional transportation authorities, the Nevada Department of Transportation, the Southern Nevada Regional Transportation Commission and the Nevada Governor's Office of Economic Development to

develop a regional infrastructure plan that connects tourism and visitor traffic to the overall picture of travel in the area.

We are proud of the role Las Vegas played in keeping Americans and Nevadans safe over the past year, but it was not without significant sacrifice on the part of the tourism workforce - the lifeblood of our community.

As we have in the past, we will recover. Again, I thank you for inviting me today, and I am happy to take any questions you may have.