

SENATE MAJORITY LEADER HARRY REID
PREPARED TESTIMONY BEFORE THE SENATE COMMERCE SUBCOMMITTEE
ON COMPETITIVENESS, INNOVATION AND EXPORT PROMOTION
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Let me begin by thanking Senator Klobuchar for convening this hearing and inviting me to testify this morning. Tourism is an important industry for our country and especially for my state, Nevada, and I appreciate the chairwoman's interest in this topic.

I also want to recognize Rossi Ralenkotter, the President and CEO of the Las Vegas Convention and Visitors Authority, who will be testifying later this morning. Rossi has been at the LVCVA for decades and can take enormous credit for the successes of Las Vegas as a tourism and business destination. His agency is responsible, among other things, for the branding, and re-branding, of Las Vegas.

I come to this committee today with a simple message: Nevada is open for business, and we eagerly await your visit. We are ready to host your business meetings and serve all of your related needs, and we are ready to host your next vacation, whether that be on the Las Vegas Strip, the shores of Lake Tahoe or the trails and crags of the Ruby Mountains of eastern Nevada.

For business meetings, Las Vegas remains an unmatched destination. Nowhere else will you find the amenities, service, convenience and value that our hotels and convention centers offer. Las Vegas has over 10 million square feet of convention space, nearly 2,000 restaurants, 140,000 rooms, with 13,000 more scheduled to open this year. The average nightly room rate is \$98, which is far lower than most of the other major convention cities in the country.

Almost 1,000 flights come and go into and out of Las Vegas each day, and McCarran International Airport connects directly to 132 cities across America and around the world.

Outside of Nevada, much attention is paid to Las Vegas, which is deserved. But many do not realize that Nevada is also an outdoor enthusiast's dream. Nevada has 26 state and national parks covering 3.2 million acres, 10 mountain ranges that host peaks as high as 13,000 feet – 32 over 11,000 feet – and one of the highest alpine lakes in the world in Lake Tahoe. Indeed, Mark Twain described Lake Tahoe as “the fairest picture the whole earth affords,” and he was right.

Nevada's many destinations of course benefit travelers from all over the world. But tourism is also critical to those who call Nevada home.

More than 230,000 Nevada jobs depend on tourism. Just yesterday, hundreds of workers from the tourism sector participated in a rally at the Las Vegas Convention Center to celebrate their contributions to the Nevada economy as well as celebrate National Travel and Tourism Week.

Nevada has no state income tax, and in 2007, 27 percent of the state budget came from revenues generated by the travel industry. Revenues from hotel-room taxes, car rentals and sales taxes fund most of the basic services provided by local governments scattered around the state. The

recent decline in visitors to Nevada has unfortunately contributed to the worst state budget shortfall in the state's history.

Simply put, our state depends on visitors. The more who come and enjoy our state, the better off is Nevada.

We can be proud of the work we have done in Congress to get people traveling and to make it easier and more inviting for them to do so. Last Congress we authorized and funded the Model Ports of Entry program that places more Customs and Border Patrol agents at McCarran Airport. They are getting more foreign visitors through customs more quickly.

Our economic recovery plan included tax cuts for the middle class that will make it easier for them to afford travel, and we funded vital infrastructure projects that will improve roadways and transportation facilities.

I am a cosponsor of the Travel Promotion Act, a measure re-introduced this week by Senator Dorgan. In many respects, this bill uses Rossi and his team's model for Las Vegas, but applies it to the country as a whole: it creates a Corporation for Travel Promotion to market the United States around the globe as a tourist destination. This is what the LVCVA has been doing for Las Vegas for decades, and I'm confident its success can be replicated at the national level to benefit all of us. In virtually every state, tourism is the number one, two or three industry.

We know that we continue to endure a very serious recession, and it's no surprise that business and leisure travel has fallen off as a consequence.

But with our important work to date, and a continued commitment to turn our economy around and to promote tourism, the economy will improve for Nevada and the nation.

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