

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 859

S. P. 292

In Senate, March 1, 1979

Referred to the Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Senator Lovell of York.

Cosponsors: Senators Redmond of Somerset, Danton of York and Conley of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

**AN ACT to Increase the State Tourism Promotion Effort Under the Tourism
Promotion and Information Services Act.**

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 5 MRSa § 7003, is enacted to read:

§ 7003. Tourism promotion and information services

1. **Statement of purpose.** Tourism is a major component of the State's economy. Tourism is a unique industry in Maine in terms of its direct contribution to sales tax revenues and the requests for information which are directed to State government. A partnership effort in tourism promotion and information between the State and a private organization representing all major segments of the tourism industry is the most effective way to support tourism development in Maine.

This partnership can be enhanced by providing funds to the State Development Office to contract with a private organization for tourism promotion and information services, provided that the contractor shall match state funds utilized in the contract or contracts with an equal dollar amount of matching funds.

2. Authority and Responsibility of the State Development Office. The State Development Office may contract with one private organization which represents all segments of the tourism industry in Maine to conduct a promotion and advertising campaign to attract tourists to Maine and make prompt, effective responses to requests for information from actual and potential tourists. The State Development Office shall submit to the Legislature a brief assessment of the accomplishments of the program annually by September 1st.

All contracts may be awarded only if the contractor provides a dollar amount of matching funds. The State shall appropriate from the General Fund \$2 for every \$1 raised by the contractor.

3. Terms of contract. The contractor shall be an organization which demonstrates a capability for efficient operation and rapid response to opportunities and the need to make operating decisions.

It is intended that the state's funds be used to match funds raised above and beyond the current level of tourism development effort. For the purposes of this section, this level shall be deemed to be \$100,000 raised by the contractor and to be spent by the contractor during each year of the biennium for the direct cost of activities which would be allowable under section 2. The combined state funds and funds to be raised by the contractor shall be used to cover the direct costs of further promotion, advertising and information service efforts of the contractor. Up to 5% of these combined funds may be used for administrative and other overhead costs of the contractor. The contractor shall be allowed to subcontract for particular services.

The terms of the contract shall be designed to encourage a private organization to use its imagination and initiative in a tourism development effort. The contractor shall be judged primarily on its performance with the State Development Office exercising sufficient control to protect the state's interest, which includes, but is not limited to, encouragement of tourism in now underutilized areas of Maine and the encouragement of tourism during all 4 seasons of the year.

Sec. 2. Appropriation. The following funds shall be appropriated from the General Fund to carry out the purposes of this Act.

	1979-80	1980-81
STATE DEVELOPMENT OFFICE		
All Other	\$400,000	\$400,000

STATEMENT OF FACT

The 108th Legislature recognized the value of Maine's vacation-travel industry by creating Tourism Promotion and Information Services.

The 108th Legislature also involved the private sector of the industry as a partner in promoting Maine out-of-state and entered into a contract with the

Maine Publicity Bureau which represents the statewide tourist industry. Basic promotional programs were initiated during the summer, fall and winter seasons of 1978.

New competition has developed from New York (\$10.2 million), Nova Scotia (\$3.4 million), Virginia (\$1.1 million), New Brunswick (\$1.3 million) during 1978 with increased expenditures predicted for 1979.

There will be a need for additional promotion during the 1979-80, 1980-81 years, especially to attract tourists not only on a 4-season basis, but during periods beginning in the spring and extending beyond Labor Day.

The Maine Publicity Bureau's future planning includes specific attention to cultural attractions (museums, galleries, historical sites, etc.), assistance in bringing increased convention business, redesigned promotional material and new color brochures with attention on fishing, hunting, fall foliage, white-water rafting and canoeing. Planned, priced tours on a statewide basis, long overloaded in Maine, also will receive a high priority.

Until the fall of 1978, statistics and records of Maine tourism were on the decline. Even if the year-end results show a gain overall, Maine will not have kept pace with her competition.

The increased investment of state dollars and continuation of private sector financial support can result in increased tourist tax yield, increased employment with resulting higher economic benefits for both business and the citizens of Maine.