



Testimony
Joint Committee on Tourism, Arts and Cultural Development
COVID-19 Industry Impact

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Madame Chairwoman, Mister Chairman, and members of the Committee, I am submitting the following in lieu of public testimony before the Joint Committee on Tourism, Arts and Cultural Development.

I am writing to respectfully let you know just how devastating the pandemic's impact on the visitor industry has been on the North Central Massachusetts region, and to ask that you support investments into marketing and promotional resources now to help support recovery. Prior to the pandemic, North Central Massachusetts was a dynamic and growing tourism destination, with tremendous potential for future growth. Attractions like Great Wolf Lodge in Fitchburg, Wachusett Mountain in Princeton, plus numerous farms and breweries served as major draws for visitors from near and far. The Johnny Appleseed Visitor Center, run by the Johnny Appleseed Trail Association, would routinely see more than 165,000 visitors stop in annually.

Research shows that in Calendar Year 2019, North Central Massachusetts visitors accounted for \$159 million dollars in direct spending and \$249 million in total spending across numerous industries in the local economy, translating to \$8.46 million in state tax revenue and \$3.75 million in local tax revenue. The forced closures and capacity restrictions brought on by the pandemic have unfortunately drastically changed that picture. For CY2020, we are projecting a decline of between \$32.7 million to \$65.5 million in direct visitor spending in the region as a result of the COVID-19 pandemic. Throughout much of the pandemic, Great Wolf Lodge who had been one of the largest employers in Fitchburg, had been forced to remain shuttered. When looking at pre-pandemic levels, Fitchburg routinely saw local rooms tax revenue of over \$1 million each year. That number dropped more than 99% down to \$2,095 for the first half of Fiscal Year 2021. A tremendous loss of jobs and local tax revenue that exemplifies the impact the pandemic has had on the local visitor industry.

The pandemic has particularly taken a major toll on our small and mid-size businesses that comprise the majority of employers in the region. On Monday, Roll-On America, a family

owned business in Lancaster since 1979, made the tough decision to close their doors after facing two extended closures in 2020. Small business closures like this have unfortunately become all too common across North Central Massachusetts, and unemployment in the region's three cities, Fitchburg, Gardner and Leominster, have remained consistently higher than state levels during the pandemic.

Over 19,000 of region's jobs are in retail, food & drink, accommodations, arts, culture and entertainment. Combined, this represents the region's largest private employment sector. As many as 16,000 of these jobs are in businesses that benefit from out-of-town visitors, and those are the same jobs that have been hardest hit by this pandemic. With American Rescue Act dollars coming to Massachusetts, you have an opportunity to help this industry recover by investing in marketing and promotion as these businesses adapt to open back up and bring back jobs in the new normal.

Now that vaccine eligibility is expanding, and people are feeling more comfortable, we need to bring back visitors to North Central Massachusetts so we can avoid having to tell more stories of closures. We ask you to urge the Baker Administration to release the \$4 million in marketing and promotion investments included in line item 7002-8029 of the Economic Development Law. That money is vital for organizations like the Johnny Appleseed Trail Association that serve an important economic development role in marketing and promoting the region to visitors. With more folks travelling across the country and planning their summer trips, businesses are facing nationwide competition for consumer dollars from a population that has been cooped up for the past year looking for an escape. It is vital that we capitalize on that economic opportunity to help these devastated industries. The best way to do that is to equip Regional Tourism Councils with the funds to do the work by ensuring grant monies for marketing and promotion get out to regions as soon as possible, so that businesses can focus on reopening safely and finetuning their experiences.

I thank you for your consideration, as well as your tireless work navigating these challenging times.