

March 17, 2025

Rep. Mike Nathe, Chair
House Appropriations – Education & Environment Division
North Dakota House - Via Electronic Mail

Rep. Nathe and Members of the Committee:

I am respectfully requesting that the Committee consider increasing funding in SB 2018 for the Tourism Division's destination marketing efforts. I believe it would be appropriate to amend the current figure of \$7,000,000 to \$10,000,000. That amount, which translates to five-million dollars (\$5,000,000) per year of the biennium, would still leave North Dakota *significantly* below the typical tourism spending of other states. Looking only at our closest neighbors, we are outspent by South Dakota, at more than \$25 Million each year, Montana, at \$40 Million per year, and Minnesota, at more than \$18 Million per year.

We cannot be complacent-- room demand and occupancy rates rebounded sharply after the pandemic but have slipped back in Fargo and across North Dakota in the last couple of months, while Sioux Falls and Rapid City have stayed steady or continued to grow. There is no question that effective marketing works, and the Tourism Division's excellent Marketing Team would be able to invite more people to this beautiful state if they had more funding with which to work. Increased spending is even more important now, as we know that all our marketing—state and local—boosts workforce attraction as well as tourism.

On a separate but equally important note, I am grateful to see the last biennium's successful Destination Development Grant program included in this bill at \$20,000,000. I realize asking you to increase it to \$40 Million or more is a stretch, but I hope you will consider restoring it to the \$25 Million allocated last session. Demand for the program was apparent, as there were more than eighty requests worth more than \$150 Million the first time around. The community enhancements that result from this program improve the state's appeal for visitors and potential residents, alike.

Thank you very much for your time and attention. If you have any questions, feel free to contact me by phone (701-365-4567 office, 701-371-9911 mobile) or via email, which is charley@fargomoorhead.org.

Sincerely,



Charley Johnson
President & CEO